

**COUNCIL**  
**21 November 2016**

**DRAFT UNCONFIRMED MINUTES**

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**Present:**

Sir Nicholas Montagu (Chairman)	Professor Paul Anderson	Miranda Black
Dr Veronique Bouchet	Monica Chadha	Sarah Cowsls
Professor Simon Gaskell	Celia Gough	Stella Hall
Simon Linnett	Bushra Nasir	Luke Savage
Professor Bill Spence	Professor Steve Thornton	Professor Jane Wills
David Willis		

**In attendance:**

Will Atkins	Eleanor Crossan	Laura Gibbs
Joanne Jones	Jonathan Morgan	Rachel Soper

**Apologies:**

Kath Barrow	Dr Annette Doherty	John Yard (Vice-Chair)
Professor Geraint Wiggins	Professor Richard Ashcroft	

## Part 1: Preliminary Items

**Minutes: 26 October 2016 (Paper QM2016/13)**

2016.025 Council **received** the confidential and non-confidential minutes of the meeting held on 26 October 2016 and requested the following amendments:

[a] The attendance list would be updated to show that Professor Jane Wills was present at the meeting.

[b] The final sentence of minute 2016.008[c] should read:

‘For example, POLAR data, to be used in the TEF2 exercise, were widely regarded as producing results that do not reflect London institutions’ successes in widening access.’

[c] *Minute 2016.025[c] is confidential.*

[d] *Minute 2016.025[d] is confidential.*

## **Matters Arising (Paper QM2016/14)**

2016.026 Council **noted** the matters arising from the meeting held on 26 October 2016 and action taken since then by the Chairman to appoint Ted Webster as the Council nominee for Interim Vice-Chair of the Engineering Project Board.

## **Chairman's Opening Remarks (Oral Report)**

2016.027 The Chairman said:

[a] The longlisting meeting for the next President and Principal was due to take place on 05 December 2016; shortlisting would follow at the end of January, with interviews in March. At the request of the Equality and Diversity Manager, he had undertaken to ensure that there would be at least one female candidate on the shortlist: this followed the current practice for readerships and Professorships which had been adopted as part of the university's programme for seeking Athena SWAN accreditation.

[b] Tania Rhodes Taylor, Director of Marketing and Communications, would be leaving QMUL in February 2017 to take up the role of Vice-Principal External Relations at the University of Sydney.

## **President and Principal's Report (QM2016/15)**

2016.028 Council **received** the President and Principal's Report.

2016.029 The President and Principal said:

[a] On the issue of potential increases to home undergraduate tuition fees, a note had been sent to the members of the QMSU executive explaining the quandary faced by QMUL between placing an increased financial burden on students and having sufficient money available for investment in services. QMSU was continuing to argue against fee increases and the QMSU President would be attending a forthcoming QMSE meeting to participate in discussions.

[b] The Higher Education and Research Bill would have its first reading in the House of Lords on 06 December 2016 and would be progressing to the committee stage in the New Year. The President and Principal would be attending a briefing session before the committee stage. Several amendments had been tabled which, although helpful, had not addressed all of the concerns held by the sector, in particular the threat to institutional autonomy and the reputational risk of a less rigorous prior screening of new providers.

[c] The Prime Minister had given a speech to the CBI that morning in which she had made reference to international student recruitment in the context of immigration controls. She had announced additional funding for research and development, amounting to £2bn *per annum* by 2020, and launched a new Industrial Strategy Challenge Fund, overseen by UK Research and Innovation, that would direct funding to priorities in science and technology. There was concern that the issues in commercialising research were not properly understood by Government; these concerned the scaling-up of commercialisation opportunities, rather than the initial stage of commercialisation.

- [d] During a recent institutional visit to India, more than 2,000 students had attended lectures presented by members of QMUL staff, 19 student recruitment agents had received training, and many partner organisations had been visited. This was an indication of the level of engagement and effort that is required to achieve the desired level of student recruitment from India. QMUL had recruited its highest ever number of Indian students this year, against a backdrop of a steep decline across the UK higher education sector.

2016.030 In discussion, Council noted that QMUL should make efforts to nominate members of staff for board appointments on the newly-emerging sector bodies, recognising the difficult political landscape in which the sector is currently operating.

### **QMSU President's Report (Paper QM2016/16)**

2016.031 Council **received** the QMSU President's Report.

2016.032 The QMSU President said:

- [a] The annual fundraising total had now exceeded £66k.
- [b] The recent 'Scream Mary' campaign had given students an opportunity to express concerns about overcrowding, residences and tuition fees. The student experience and value for money were recurrent topics in conversations with students. QMSU was planning to highlight the issues of study space and spending on bursaries and scholarships in the context of increasing student numbers.
- [c] A motion to boycott the National Student Survey (NSS) in protest against the Teaching Excellence Framework (TEF) and connected increases in student fees had not been passed by the Student Council, but could be debated again in December. The QMSU President was in regular dialogue on the issue with other students' unions and members of the QMUL senior leadership team.
- [d] She had attended a 'long table' event in the School of English and Drama concerning mental health and diversity in the curriculum. She had recommended the format to QMUL's Engagement, Retention and Success team as a good way of encouraging students to talk about their experiences.

2016.033 The following points were noted in discussion:

- [a] The outcome of TEF2 would be determined in part by the NSS, despite it being widely acknowledged that this was at best a proxy for measuring teaching quality. Satisfactory performance in the TEF would be required in order for institutions to apply inflationary increases to home undergraduate tuition fees. It was noted that the introduction of the TEF was not dependent upon the Higher Education and Research Bill being passed.
- [b] If a student boycott of the NSS resulted in response rates below 50%, the data would not be published. It was unclear what this would mean for the TEF, but the potential risks to QMUL's reputation and international recruitment were noted. The connection that had been established between the NSS and the scope to increase tuition fees in order to invest in projects which would improve

student satisfaction made this a complex debate.

- [c] Students in the School of Medicine and Dentistry were supportive of the development of the MBBS Malta programme.
- [d] Council congratulated the QMSU President on the amount of fundraising achieved.

## Part 2: Performance review

### Annual Stocktake [QM2016/17]

2016.034 *Minute 2016.034 is confidential.*

2016.035 *Minute 2016.035 is confidential.*

## Part 3: Strategic planning

### Appointment of the next Chairman of Council [QM2016/18]

2016.036 Council **received** the formal nomination for the next Chairman of Council. The Academic Registrar and Council Secretary said:

- [a] Issues of equality and diversity had been considered at every stage in the recruitment process. Perrett Laver had been appointed to assist with the search partly for its track record in supporting diversity on boards, and had responded satisfactorily to QMUL's request that it compile a longlist that was at least as diverse as the current membership of Council in terms of both gender and ethnicity. The position had been advertised nationally, and the shortlist of three candidates had included one female candidate.
- [b] The nominated candidate, Lord Clement-Jones, had the benefit of experience in government, the private sector and higher education. He possessed excellent networks and had demonstrated a strong commitment to QMUL and its values.
- [c] It was proposed that Lord Clement-Jones would join the QMUL Council from 01 May 2017. The current Chairman had indicated that he would step down on 31 July 2017. The expectation was that Council would elect Lord Clement-Jones as its next Chairman with effect from 01 August 2017. UCL had agreed that he should step down from his current commitments as Chair of its Audit Committee on 30 April 2017, and as a member of the UCL Council on 31 July 2017, so that he could take up his new appointment at QMUL. Council noted that this would result in a three-month period when he was an external member at both QMUL and UCL and confirmed that it was content with the approach to managing any potential conflict of interests.
- [d] Council **approved** the appointment of Lord Clement-Jones as a member of Council from 01 May 2017 for an initial term of four years, extendable for a further four years on the recommendation of the Vice-Chair. Provision would be made for Lord Clement-Jones to be formally elected as Chairman, as specified in the QMUL Charter, at the meeting in May 2017.

- [e] The formal announcement of the appointment would be made in the following days and further information would be made available about opportunities for members of Council to meet Lord Clement-Jones.
- [f] Council expressed its satisfaction with the outcome of the recruitment process and thanked everyone who had been involved in it.

Action [d] Council Secretariat

### Life Sciences (oral report)

2016.037 Minute 2016.037 is confidential.

## Part 4: HEFCE Annual Accountability Returns

### Audited 2015-16 Financial Statements (Paper QM2016/19a) and Representation Letter (Paper QM2016/19b)

2016.038 Council **considered** the audited 2015-16 Financial Statements and Representation Letter. The following points were noted:

- [a] The External Auditors had requested a late technical change to the Consolidated Statement of Comprehensive Income and Expenditure, which was explained to Council members in the meeting. The figures had been amended, as had the corresponding references to the surplus in the President and Principal's foreword and the Strategic Review.
- [b] This was the first year that the statements had been prepared in FRS102 format. The External Auditors' report had not identified any issues to report to Council and had made only three recommendations, one of which was a continuation from the previous year.
- [c] The 2015-16 Financial Statements had been reviewed by QMSE, Finance and Investment Committee and Audit and Risk Committee. Comments arising from those reviews had been incorporated into the final draft before Council.
- [d] The Audit and Risk Committee had considered in detail the issue of covenant compliance and going concern, the External Auditors having highlighted the risk of delay or failure in securing the renewal of an existing loan facility, which was due to expire in April 2017. Based on assurances given by the Director of Finance and the External Auditors, and feedback from the Treasurer following discussion at Finance and Investment Committee, the Committee was satisfied that the going concern assumption remained valid.
- [e] The Representation Letter comprised a mix of standard clauses and some specific to QMUL. The Audit and Risk Committee had sought reassurances from the Chief Operating Officer, the Finance Director, Professor Edmund Burke representing QMSE on strategic risk management, and the Academic Registrar and Council Secretary that the Representation Letter could be recommended to Council.
- [f] Council **approved** the 2015-16 Financial Statements and the Representation

Letter.

- [g] Council expressed its appreciation and thanks to the Finance Director and her team for their work in preparing the statements and ensuring a positive audit process and outcome: it was gratifying that the External Auditors had regarded the statements as an example of outstanding work in the sector.

### **Audit and Risk Committee Annual Report (Paper QM2016/20)**

2016.039 Council **received** the Audit and Risk Committee Annual Report. The following points were noted in discussion:

- [a] The 2015-16 Annual Report incorporated recommendations from the HEFCE Assurance Review visit in February 2016, notably in the data assurance section.
- [b] Overall, the outcomes of the Internal Audit work during this reporting period were positive, with far fewer recommendations arising compared to previous years, and with most recommendations being accorded a lower level of priority. The recommendations from the exceptional review of the Maths Building Refurbishment project had been implemented and new project governance arrangements were being put in place.
- [c] The Committee had received a report on value for money that identified numerous activities demonstrating QMUL's commitment to this across all its activities. The Committee approved the report for submission to HEFCE, a mandatory requirement for the first time this year.
- [d] The Committee remained concerned that staff costs were higher than at comparator institutions, while noting that, on a pre-FRS102 basis, staff costs expressed as a percentage of income had reduced from 2014-15 and the 2015-16 target had been achieved. The benchmarking analysis now in progress would help QMUL to understand the cost base and opportunities for realising efficiencies.
- [e] Council **approved** the Audit and Risk Annual Report for onward submission to HEFCE.
- [f] Council expressed its gratitude to the members of the Committee for their careful work during the year and exemplary attendance at meetings.

### **HEFCE Assurance Return**

2016.040 Council **received**:

- Part 1 of the HEFCE Assurance Return together with evidence to support the assurances given (Paper QM2016/21);
- a report showing how papers and presentations to Council since January 2014 provided evidence to support the academic assurances in Part 2 of the HEFCE Assurance Return (Paper QM2016/22);
- Part 3 of the HEFCE Assurance Return (Paper QM2016/23)
- an update on compliance with QMUL's obligations under the Prevent Duty and evidence to support the Prevent Duty declarations (Paper QM2016/24);

- a financial commentary analysing the variances between the forecasts submitted to HEFCE in July and the outturn position in the Financial Statements (Paper QM2016/25);
- the Annual Sustainability Statement (Paper QM2016/26).

The following points were noted in discussion:

- [a] The academic assurances were a new requirement that was intended to reduce the burden on institutions with respect to external quality assessment. The evidence on which Council based these assurances would be reviewed next year as further guidance was issued by HEFCE and other sector bodies.
- [b] The Prevent Duty declarations were also a new requirement this year. Following submission of an initial assessment in March 2016, which had been approved by Audit and Risk Committee, HEFCE had confirmed that QMUL has regard to its obligations under the Prevent Duty. A further report was required at this relatively early point, because HEFCE wished to co-ordinate reporting on the Prevent Duty in future with the annual Assurance Return. There had been no changes to QMUL's approach since the initial, positive assessment, and Audit and Risk Committee had approved the Prevent Duty Annual Report and updated risk register at its meeting on 10 November 2016.
- [c] Council **approved** the following documents for onward submission to HEFCE:
- i. Parts 1, 2 and 3 of the HEFCE Assurance Return;
  - ii. The Prevent Duty Declarations;
  - iii. The Annual Sustainability Statement.

## Part 5: Other Matters for Report

### Audit and Risk Committee Report (Paper QM2016/27)

2016.041 Council **noted** the report of the meeting of Audit and Risk Committee held on 10 November 2016.

### Finance and Investment Committee Report (Paper QM2016/28)

2016.042 Council **noted** the report of the meeting of Finance and Investment Committee held on 08 November 2016.

### Remuneration Committee Annual Report (Paper QM2016/32)

2016.043 Council **noted** the 2015-16 annual report of the meeting of Remuneration Committee.

### Governance Committee Report (Paper QM2016/29)

2016.044 Council **noted** the report of the meeting of Governance Committee held on 27 October 2016. The following points were noted in discussion:

- [a] Council **approved** the re-appointment of Kath Barrow to Council for a second, four-year term from 01 December 2017, and her continuing membership of Audit and Risk Committee.

- [b] Council **approved** the amendment to Ordinance A to introduce the award of Doctor of Psychotherapy (DPsych).
- [c] The action plans arising from the Council effectiveness review in 2014 and the mapping of QMUL's compliance with the CUC Higher Education Code of Governance had been closed and the outstanding actions would be incorporated into the regular business schedules of Council and Governance Committee. There would be a continued focus on equality and diversity issues and on improving the quality of the information provided to Council and its committees.
- [d] Council **agreed** to defer discussion about the frequency of Council meetings until the next Chairman of Council was in post.

#### **Use of the Common Seal of the College (Paper QM2016/30)**

2016.045 Council **noted** a report on the use of the Common Seal of the College and action taken by the Chairman since the last meeting of Council.

#### **Agenda for next meeting (Paper QM2016/31)**

2016.046 Council **noted** the draft agenda for the next meeting on 16 February 2017.

#### **Dates of Meetings 2016–17**

- Thursday 16 February 2017 at 1700 hours, Colette Bowe Room
- Tuesday 04 April 2017 at 1700 hours, Colette Bowe Room
- Tuesday 16 May 2017 at 1700 hours, Colette Bowe Room
- Tuesday 27 June 2017 at 1700 hours, Colette Bowe Room