



**UNIVERSITY
OF LONDON**

BOARD OF TRUSTEES

Wednesday, 22 May 2019, at 4.00 pm
Court Room, Senate House

MINUTES

PRESENT

Jane Andrewartha
Professor Michael Arthur
Abdul Bhanji
Professor Edward Byrne
Philip Clark
Sir Richard Dearlove (Chair)
Professor Peter Kopelman
Professor Paul Layzell
Patrick Loughrey
Kieran Murphy
Professor Stuart Reid
Malcolm Roberts
Mark Storey
Rosalyn Wilton

APOLOGIES

Stella Beaumont
Andrew Halper
Andrew Ratcliffe

IN ATTENDANCE

Bill Abraham (Director of Development) for BTMM 4598-4604
Caroline Bidder (Head of Asset Management) for BTMM 4581-4590
Chris Cobb (Pro Vice-Chancellor (Operations) and Deputy Chief
Executive)
Lizzy Conder (Director of Finance (Investment and Risk Strategy))
Damaris Currie (Central Secretariat)
Rosalind Frendo (Director of Compliance and Secretary to the Board)
Karen Kröger (Director of Finance (Planning and Operational
Strategy))
Mark Newton (Managing Director, CoSector) for BTMM 4592-4596
Professor Rick Rylance (Pro Vice-Chancellor (Research) and Dean
and Chief Executive of the School of Advanced Study)
John G Stewart (Director of Legal Services)
Professor Wendy Thomson (Vice-Chancellor designate)

Minutes of the Meeting Held on 21 March 2019

4556 The Board confirmed the minutes of the meeting held on 21 March 2019, subject to an amendment to Minute 4512 relating to the appointment of the Deputy Vice-Chancellor, to indicate the Vice-Chancellor designate's involvement with the process and support for the appointment. Following consultation with the current Deputy Vice-Chancellor, the Deputy Chair (who had chaired the previous meeting) would approve the final wording of the minute.

4557 **AGREED**

To authorise the Deputy Chair to approve the amendment to minute 4512.

Matters Arising

School of Advanced Study (SAS)

4558 The Board noted that the University had yet to receive confirmation from Research England regarding funding for SAS.

Institute of Advanced Legal Studies (IALS)

BTM 4559 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

Vice-Chancellor's Report

4560 The Board noted the updates in the Vice-Chancellor's Report (BT1335, Confidential), including the list of his main activities and meetings since the previous meeting (Appendix BT1335C). The Vice-Chancellor highlighted the following matters.

University of London Institute in Paris (ULIP)

BTM 4561 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

Boycott of Senate House

4562 Periodic disruption arising from the actions of protestors calling for outsourced workers to be brought into the direct employment of the University was continuing. The Vice-Chancellor reported that the University had reiterated its support for the principle of in-sourcing of services, and the first tranche of outsourced workers - front of house; portering; post room; and audio-visual services - had been brought in-house on 20 May 2019. A similar review process would be applied to the other externally contracted services.

4563 Members noted a recent letter published in *Times Higher Education* in relation to the boycott of Senate House by a number of University and College Union (UCU) branches; and the Vice-Chancellor's response to that letter (Appendices BT1335A and BT1335B).

BTM 4564 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

Ordinance 23

4565 The Vice-Chancellor had appointed Andrew Halper, supported by the Director of Compliance and Secretary to the Board, to investigate a matter under the provisions of Ordinance 23. A report would be made to the Board once the investigation had concluded.

Recent Awards

4566 The Board was pleased to note a number of recent awards, including the Leading Women initiative's receipt of the award for best Marketing and Communications campaign at The Guardian University Awards 2019.

Concluding Remarks

4567 This would be the Vice-Chancellor's final meeting before he stood down from the role at the end of June 2019. Concluding the item, he expressed his gratitude to the Deputy Vice-Chancellor, Professor Byrne, for the advice and support that he had provided. He also placed on record his thanks to the members of the Vice-Chancellor's Executive Group for their support during his time as the Vice-Chancellor.

University of London Strategy 2019-2024

4568 The Pro Vice-Chancellor (Operations) presented an update on progress on the new University Strategic Plan, which would cover the period 2019 to 2024 (BT1336), and highlighted emerging themes and the proposed timetable of activities that would contribute to the development of the new Strategy. An important part of the process would be the joint meeting of the Board and the Collegiate Council on 11 June 2019, where attendees would consider the emerging University strategy in the context of the external landscape in which the University would be operating over the coming years. The Board noted the draft agenda for the joint meeting.

University Federal Subscription and Member Institution Charges for 2019-20

4569 The Board considered the proposal for the 2019-20 Federal Subscription and Member Institution Charges (BT1337, Confidential Appendix BT1337A and Appendix BT1337B).

4570 The Director of Finance (Planning and Operational Strategy) highlighted the following:

- (i) That the methodology for the Subscription and Charges was the same as that of the previous year.

- (ii) That the proposed Senate House Library subscription was in line with the phased increases that formed part of the financial model agreed by the Collegiate Council and the Board in July 2017.
- (iii) That the direct grant element of the financial support would be provided to the University's Student Clubs and Societies. This was covered by the Member Institutions, as agreed by the Collegiate Council in December 2018. The University funded the infrastructure costs (staff and external costs), including *pro-bono* services.
- (iv) That the subscription and charges had been shared and discussed with Member Institution Finance Directors and had been considered by the Collegiate Council at its meeting on 3 May 2019, when it had recommended them to the Board for approval.

AGREED

4571 The Board approved the proposed Federal Subscription and Member Institution Charges for 2019-20.

Finance Report

BTM 4572 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

Management Accounts

4573 It was reported that the underlying business performance of the University for the eight months to the end of March 2019 was favourable to budget. The variance was, however, expected to reduce over the rest of the year as a result of timing differences relating to project spend in the Estate and Information and Communication Technology (ICT) developments, as well as some costs now expected in the latter part of the year.

4574 A member of the Board suggested that it would be helpful for the income and expenditure table in the report to include an additional column providing a prior year comparison. The Director of Finance (Planning and Operational Strategy) undertook to incorporate this in future reports.

Budget 2019-20

4575 In view of likely increases in pension costs and wages, and therefore a probable reduced rate of growth than that predicted in previous planning rounds, a cautious approach was being taken in developing the budget for 2019-20; professional service areas would be asked to find savings to help mitigate the impact of the slower growth.

Efficiency Programme

4576 The Board noted the update against the key efficiency programme activities. Members commented on the need to maintain the message to all staff and stakeholders of the continued importance of the ongoing programme of efficiencies.

USS Pensions

4577 On 9 May 2019, the University had received correspondence from Universities UK (UUK) on the USS Trustee's formal proposals following UUK's consultation response. The UUK response was to the USS 2018 actuarial valuation consultation on technical provisions. As previously agreed, the Director of Human Resources had contacted Board members to gain their feedback on the University's proposed response to the UUK before its submission.

Wages

4578 The Universities and Colleges Employers Association (UCEA) had made its final pay offer to the Trade Unions engaged in the national pay negotiation on 30 April 2019. The modelled sector-level cost was similar to the amount that the University had assumed for planning purposes. The Director of Finance (Planning and Operational Strategy) reported that the Trade Unions were consulting with their members on the offer.

ULIP

BTM 4579 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

BTM 4580(ii) is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

4580 **AGREED**

- (i) That future reports would include an additional column in the income and expenditure table to provide a prior year comparison.

Estates Matters

4581 The Head of Asset Management joined the meeting for the item.

4582 The Board considered a report on a number of estates-related matters (BT1339, Confidential), including:

- (i) The Facilities Management (FM) Review.
- (ii) The Estates Committee Away Day held on 9 May 2019.
- (iii) Clandon House.
- (iv) Recent lease agreements (Confidential Appendix 1339A).

Estates Committee Away Day

4583 The Chair of the Estates Committee, Philip Clark, reported on the success of the Committee's recent Away Day. He highlighted a number of matters that had been considered at the Away Day, including, *inter alia*:

- (i) The progress made in developing the estates strategy during the previous two years.
- (ii) The work of the Academic Space Working Group, which would be considering the demand for academic space by the University and Member Institutions over the next decade.
- (iii) A number of key estates-related priorities, including: increasing income from the University estate; delivery of estates projects; and a potential proposal to deliver a Zero Operational Carbon Plan by 2036, as part of the new University Strategy.
- (iv) The potential for greater dissemination of the positive work that was being progressed by the University in relation to its estate, and in particular its environmental work, for example, that relating to sustainability. The University would be considering how best to communicate the positive impact of this activity more widely and the Vice-Chancellor designate would be participating in associated discussions.

4584 A query had been raised at the Away Day regarding University of London Worldwide's (UoLW's) work in relation to sustainability. The Pro Vice-Chancellor (International) reported that UoLW was currently undertaking 25 projects in this area and would be looking at means of promoting this work more extensively.

4585 Further to a query from a member of the Board in relation to discussions at the Away Day on potential student accommodation projects and also on the Senate House Intercollegiate Teaching Block, it was confirmed that the Board would receive more detail on the potential projects in due course for consideration.

4586 A member of the Board, who also served on the Estates Committee, commented on the transformative nature of the work being undertaken in the area of property and FM and the high quality of the information presented; he highlighted the role of the Property and FM Department, and the contribution of the Chair of the Committee, to this work.

Clandon House

4587 The Head of Asset Management presented a proposal in relation to Clandon House, a 92-bed student accommodation block situated in Finchley, London. Due to its location, which was some distance from the centre of London and Member Institution sites, Clandon House had not been a popular option for students in recent years. Further to discussions at the Board's meeting in November 2018 on the proposed way forward in relation to the property, it was now recommended that the University seek to dispose of Clandon House; the proposed process for the disposal was set out in the report. It had previously been suggested that a 'letter of comfort' should be secured from the planning authority before a final proposal on the future of the site was

considered. However, following additional advice received, this was no longer recommended.

4588 As part of the disposal process, the University would ascertain if any Member Institutions were interested in bidding for the site. During this process, any firm bids from Member Institutions or external parties would be scrutinised by the Estates Committee and, if appropriate, recommended to the Board for approval.

4589 The Board considered and endorsed the proposed way forward, noting that the current market conditions were unlikely to be bettered in the near future.

4590 **AGREED**

The Board endorsed the approach and the work carried out to date with regard to the proposed sale of Clandon House.

4591 The Head of Asset Management left the meeting at the conclusion of the item.

CoSector Progress Report

4592 The Managing Director, CoSector, joined the meeting to present the report (BT1340 and Appendix BT1340A, both Confidential). Members noted that the financial performance continued to be positive. The year-to-date surplus was already ahead of that achieved in the previous year. Additionally, it was reported that the latest figures, which had become available since the production of the report, showed an improved position against the phased year-to-date budget, giving increased confidence about the likely year-end position.

4593 The Managing Director highlighted potential risks to the level of future surplus, in particular from the forthcoming increases to the employer's contributions for the USS, as 80% of CoSector staff were members of the scheme.

4594 The Board noted that the previously reported migration of Digital Services infrastructure to a cloud-based platform would take place shortly. Members were informed also of potential developments over the coming year, during which complexities around internal charges and income could be clarified in a process that would inform the drafting of the 2020-21 budget, and see an increasing focus on generating external income.

4595 Members noted that the business sales pipeline had increased significantly since the previous report and that this reflected, in particular, the scale of opportunities in digital learning. Further to a query about the skills required to deliver an expanding range of services in this area, the Managing Director explained that CoSector was exploring a range of models for service delivery that would provide flexibility and ensure the right specialist skills were available.

4596 The Board commended the Managing Director on the transformative work that had taken place in CoSector and on achieving a significant turnaround in its financial position.

4597 The Managing Director left the meeting.

4598 The Director of Development joined the meeting.

BTMM 4599-4604 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

4605 The Director of Development left the meeting at the conclusion of the item.

Honorary Fellowships

4606 The Board considered a report (BT1342 and Appendix BT1342A, both Confidential) on the proposed award of two Honorary Fellowships, recommended by the Honorary Degrees and Fellowships Committee at its meeting on 20 February 2019, with a view to the nominees receiving their honorary fellowships at the 2019 Foundation Day Ceremony. The Collegiate Council had been consulted on the proposals in accordance with agreed procedures and had endorsed the recommendation. The Board expressed its strong support for the proposed awards.

BTM 4607 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.

Singapore Goods and Services Tax (GST)

4608 The Board considered a report (BT1343, Confidential) on the University's tax exposure in Singapore from January 2020, including:

- (i) A briefing paper on the widening scope of sales taxes to the provision of transnational education (Confidential Appendix BT1343A).
- (ii) Inland Revenue Authority of Singapore (IRAS) e-Tax Guide on GST: Taxing imported services by way of an overseas vendor registration regime (Appendix BT1343B).

4609 It was noted that Singapore was widening the scope of its Goods and Services Tax (GST) from 1 January 2020 to include digitally-supplied services to private individuals. The services subject to GST included the supply of distance learning via pre-recorded medium or e-learning, for example, online courses. The University would need to register for Singapore GST as the overseas service provider would be liable for the accounting for the tax. Members noted the associated advice received from PwC (Confidential Appendix BT1343A).

4610 Members were informed of the potential for other countries to widen the scope of their sales taxes in future; any proposals for additional registrations would be brought to the Board as appropriate. It was noted that the competitive and financial impact of these changes would need to be kept under review by the University.

4611 **AGREED**

The Board approved, in line with the Scheme of Delegation, that the University should register for the Goods and Services Tax in Singapore.

Outcome of Prevent Duty Annual Return

4612 The Board noted a report on the outcome of the annual assessment by the Office for Students (OfS) of the University's compliance with the Prevent Duty (BT1344). The OfS found that the University demonstrated due regard to the Prevent Duty and was not at higher risk of non-compliance with Prevent.

Action Taken Under Delegated Authority

4613 The Board noted Document BT1345 on action taken under delegated authority not reported elsewhere on the agenda.

Dates of Future Meetings

4614 The Board noted the dates of future meetings as follows (all meetings were scheduled to commence at 4.00 pm):

2018-19

Wednesday, 17 July 2019

2019-20

Wednesday, 16 October 2019

Wednesday, 27 November 2019

Wednesday, 29 January 2020

Wednesday, 25 March 2020

Wednesday, 20 May 2020

Wednesday, 15 July 2020

Tributes

Professor Peter Kopelman

4615 The Chair paid tribute to Professor Peter Kopelman, who would be concluding his term as interim Vice-Chancellor at the end of June 2019. On behalf of the Board, he expressed his gratitude to Professor Kopelman, commending him on the continuity and leadership that he had provided during his time as Vice-Chancellor. He also highlighted the wide range of his achievements and broader contribution to the University federation during the course of his career.

Patrick Loughrey

4616 The Chair informed members that this would also be Patrick Loughrey's final Board of Trustees meeting before he stood down as Warden of Goldsmith's College at the end of May 2019. Patrick Loughrey had been a much-valued member of the Board since 1 August 2017. The Chair also highlighted his membership of a number of other University boards and committees and

thanked him, on behalf of the Board, for his contribution to the University over many years.