



**UNIVERSITY  
OF LONDON**

## **BOARD OF TRUSTEES**

Wednesday, 27 November 2019, at 3.00 pm  
Room 349, Senate House

### **MINUTES**

#### **PRESENT**

Jane Andrewartha  
Stella Beaumont  
Abdul Bhanji  
Professor Edward Byrne  
Philip Clark  
Sir Richard Dearlove (Chair)  
Andrew Halper  
Professor Paul Layzell  
Kieran Murphy  
Andrew Ratcliffe  
Professor Stuart Reid  
Malcolm Roberts  
Mark Storey  
Professor Wendy Thomson

#### **APOLOGIES**

The Baroness Amos of Brondesbury  
Professor Michael Arthur  
Rosalyn Wilton

#### **IN ATTENDANCE**

Bill Abraham (Director of Development) for BTMM 4811-14 only  
Dr Ghazwa Alwani-Starr (Pro Vice-Chancellor (Strategy, Planning  
and Partnerships) and Director of Property and Facilities  
Management)  
Sam Brenton (Director of Educational Innovation and Development,  
University of London Worldwide) for BTMM 4753-56 only  
Simon Cain (Director of Human Resources)  
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))  
Craig O Callaghan (Director of Operations and Deputy Chief  
Executive, University of London Worldwide) for BTMM 4753-56  
only  
John G Stewart (Director of Legal Services)

Professor Mary Stiasny (Pro Vice-Chancellor (International) and  
Chief Executive of University of London Worldwide)

### **Presentation on University of London Worldwide (UoLW) Activities**

4753 The Pro Vice-Chancellor (International) delivered a presentation on UoLW. The Director of Educational Innovation and Development, UoLW, and the Director of Operations and Deputy Chief Executive, UoLW, were also in attendance for the presentation.

4754 The presentation covered, *inter alia*:

- (i) The range of activities of the UoLW.
- (ii) The benefits for students of studying with UoLW, including: the status and value of the University of London degree; the access provided to the expertise of the Member Institutions (MIs); the flexibility offered by the modes of study available; and the variety of the programmes.
- (iii) The benefits for the MIs of working with UoLW, including: the ability to access new constituencies of students; the strong brand of the University of London; the services offered by the UoLW; the ability to operate at scale; and the means of generating revenue for minimal capital outlay.
- (iv) The different models of delivery of UoLW programmes.
- (v) The support offered to students.

4755 During discussion following the presentation, comments and points included:

- (i) Comments on the high quality of UoLW's provision and how the respective distance-learning offerings of UoLW and the MIs served to complement each other.
- (ii) The suggestion that it might be beneficial to conduct a survey of the total educational offering across the federation, covering comparators and details of partners from outside the federation.
- (iii) The increasing appetite from MIs for collaboration with UoLW, and the approaches from MIs to the University with potential programme ideas.
- (iv) The potential scalability of the UoLW model and the potential for expansion of participation from the UK market, in ways that complemented the offering of individual MIs.
- (v) The range of factors taken into account when deciding on fees for the programmes.

4756 Concluding the item, the Vice-Chancellor highlighted the positive response at the recent strategy seminar on Transnational Education in relation to the potential for developing and expanding the University's offering in distance-learning.

4757 The Director of Educational Innovation and Development, UoLW, and the Director of Operations and Deputy Chief Executive, UoLW, left the meeting at the end of the presentation.

## **Minutes of the Meeting Held on 16 October 2019**

4758 The Board confirmed the minutes of the meeting held on 16 October 2019.

## **Business Transacted Since the Previous Meeting**

4759 The Board noted the report (BT1383) on business transacted since the previous meeting.

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

4760 The Vice-Chancellor introduced her report (BT1384), including the list of her main activities and meetings since the previous Board meeting (Appendix BT1384B). She drew attention, in particular, to the update on the forthcoming General Election and coverage of higher education (HE) within the various political party manifestos. The following matters were also highlighted.

### *Office for Students (OfS) Regulatory Framework*

4761 Members noted the information on the OfS regulatory framework (Appendix BT1384A) and that a more detailed report on this matter would be presented to the Board in January 2020.

### *Human Resources (HR) Update*

4762 The Director of HR confirmed that neither the University and College Union (UCU) nor UNISON had secured a mandate for industrial action at Senate House in relation to the disputes around the national pay award and the Universities Superannuation Scheme (USS). Members noted that Lizzy Conder, Director of Finance (Investment and Risk), had been appointed to the USS employer debt working group.

4763 The Board was pleased to note that the University had received accreditation as a Living Wage Employer and noted its long-standing commitment, since 2012, to ensuring that all University employees and those staff working within its contracted-out services receive, at a minimum, the London Living Wage.

## **Annual Accountability Returns**

### **Annual Report of the Audit and Risk Assurance Committee (ARAC) to the Board of Trustees and the Accountable Officer for 2018-19**

4764 The Chair of the ARAC presented the Committee's Annual Report for 2018-19 (BT1385), including: the Terms of Reference and Constitution of the ARAC (Appendix BT1385A); the Uniac Annual Internal Audit Opinion for 2018-19 (Appendix BT1385B); and the Value for Money Annual Report for 2018-19 (Appendix BT1385C, Confidential, which had been presented for the Board's information only and would not form part of the submission to the OfS).

4765 Members' attention was drawn to the Committee's opinion on the University's management and control environment. Without qualification of that opinion,

the Committee had drawn attention to three matters, on which it had particular focus and which it would keep under review:

- (i) Financial strategy
- (ii) Information Technology security
- (iii) The emerging regulatory regime of the OfS.

4766 The Chair of the ARAC highlighted the vacancy on the Committee for an independent member of the Board and suggested that any interested members should contact the Secretary to the Board in the first instance.

4767 **AGREED**

The Board approved the ARAC's annual report for inclusion with the University's Return to the OfS.

### **University Financial Statements for 2018-19**

4768 The Director of Finance (Investment and Risk Strategy) presented a report (BT1386, Confidential) comprising the draft University Financial Statements for the year ended 31 July 2019 (Appendix BT1386A), the draft Letter of Representation to the External Auditors (Appendix BT1386B) and the Report from the External Auditors, Deloitte LLP (Appendix BT1386C), all of which had been considered in detail by the ARAC and recommended to the Board for approval.

4769 The Director of Finance (Investment and Risk Strategy) explained that, as reported at the previous meeting (BTM 4727 refers), the net operating deficit in the University's management accounts for 2018-19 was £3.7M, which compared favourably to a budgeted deficit of £3.9M.

4770 Further to the adoption in 2016 of Financial Reporting Standard 102, several adjustments were required for the external Financial Statements that were not reflected in the University management accounts. One key adjusting item was a pension provision movement, which had resulted in a £18.4M increase in the University's liabilities, and was the main contributor to the overall deficit for the year. Members noted that most higher education institutions (HEIs) would have similar increases in the USS pension provision within their own financial statements. It was further noted that the 2018 actuarial valuation had been agreed after the financial year-end and that, if this valuation had been applied to 2018-19, it would have resulted in a pension provision of £17.5M, instead of the reported £30M, giving a surplus for 2018-19 of £2.5M.

4771 **AGREED**

- (i) The Board approved the University's Financial Statements for 2018-19 (Appendix BT1386A).
- (ii) The Board authorised the Chair and the Vice-Chancellor to sign on its behalf the balance sheets.
- (iii) The Board authorised the Chair to sign on its behalf the representation letter to the External Auditors (Appendix BT1386C).

## Financial Return 2018-19

- 4772 The Board considered a report (BT1387) on the Financial Return for 2018-19, incorporating the 2018-19 Financial Return Workbook (Confidential Appendix BT1387B) and the accompanying Financial Commentary (Confidential Appendix BT1387A). The Board noted that the OfS had taken the decision to consolidate into one the previous returns that had covered: financial forecasts; actual audited financial data; and student number forecasts (previously submitted to the Higher Education Statistics Agency (HESA)). HESA would continue to collect more detailed information on student projections.
- 4773 It was noted that the return required staff data to be split between academic and non-academic staff. This split would be noticeably different from other HEIs due to the nature of the University and its work, including the UoLW model of programme delivery which was undertaken in collaboration with academics based at the MIs. In this context, members commented on the importance of ensuring that the University clearly conveyed its particular structure and models of programme delivery to the OfS, and were informed that officers had been liaising with the OfS in this regard.
- 4774 Members commented on the significant workload associated with producing the information required for the new return. It was noted that there had been considerable communication between HEIs and the British Universities Finance Directors Group (BUFDG) on this point.
- 4775 **AGREED**  
The Board:
- (i) Approved the 2018-19 Financial Return Workbook and Financial Commentary for onward submission to the OfS.
  - (ii) Authorised the Finance Directors to adjust the assumptions table of the 2018-19 Financial Return Workbook, if necessary, once clarification on requirements had been received from the OfS.
  - (iii) Authorised the Finance Directors to respond to all verification questions from the OfS and to make such alterations to the Financial Return Workbook as might be required.
  - (iv) Authorised the Vice-Chancellor to sign the 2018-19 Financial Return Workbook once verification questions had been resolved.

## Academic Quality Assurance Annual Report

- 4776 The Board considered the Academic Quality Assurance Annual Report for 2018-19 (BT1388). It was noted that the OfS had not indicated whether an assurance statement on this matter was required as part of this year's set of annual accountability returns, but the University had decided it would be prudent to produce a report and statement.
- 4777 The report followed the same format as adopted in previous years, with separate sections from each of the Central Academic Bodies. The Director of Compliance and Secretary to the Board reported that the continued development of the University's academic mission, which would be at the heart of the emerging strategy for the next five years, would see the closer

integration of the various parts of the University's academic endeavour resulting in a more consolidated annual report in future years.

4778 Further to a query, it was confirmed that academic assurance in respect of the University of London Institute in Paris (ULIP) was also provided through Queen Mary University of London (QMUL) assurance processes and reporting mechanisms.

4779 **AGREED**

The Board approved the submission of the assurance statement to the OfS, if required.

### **Accountability Return**

4780 The Board considered the proposed Accountability Return for 2018-19 (BT1389). A revised version, circulated to members, incorporated a minor amendment in respect of Research Capital Investment Funding, to indicate that the £83k received for Research Capital Investment Funding had been spent in line with defined criteria.

4781 **AGREED**

The Board confirmed that it was content for the Vice-Chancellor, as the University's 'accountable officer', to sign the Return included within Document BT1389.

### **Prevent Duty Accountability and Data Return for 2018-19**

4782 The Board considered the Prevent Duty Accountability and Data Return for 2018-19 (BT1390 and Appendix BT1390A).

4783 **AGREED**

The Board approved the submission to the OfS.

### **Financial Strategy**

*BTMM 4784-4788 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

### **Strategic Risk Register (SRR)**

4789 The Board received a report on the updated SRR and developments on the risks described therein (BT1392 and Appendix BT1392A, both Confidential). The ARAC had considered the revised SRR at its recent meeting and recommended it to the Board for approval. The Board noted the changes in risk scores and that, overall, the level of risk was considered to be similar to the position in July 2019, when the previous iteration of the SRR had been presented. The Chair of the ARAC stated that the continued existence of a significant number of red and amber risks reflected the ongoing challenge of delivering the University's objectives at a time of some uncertainty and in an increasingly competitive environment.

4790 **AGREED**

The Board approved the SRR.

## **Estate Matters**

### **Report from the Estates Committee**

4791 The Board considered a report arising from the Estates Committee's meeting on 11 November 2019 (BT1393, Confidential), including the list of leases and other property agreements from September to November 2019 (Confidential Appendix BT1393A). The following estate-related matters were highlighted.

#### *Student Accommodation*

*BTM 4792 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

#### *Letter from the Secretary of State for Education on Fire Safety in Universities*

4793 The Pro Vice-Chancellor (Strategy, Planning and Partnerships) highlighted a tabled briefing paper (BT1406) prepared further to a letter of 18 November 2019 from the Secretary of State for Education that had been sent to HEIs, subsequent to the Committee's meeting. The letter, which had been provided for the Board's information, concerned fire safety in buildings occupied by university students (whether owned/operated by universities or not) and followed a fire in a student accommodation block in Bolton on 15 November 2019.

4794 Also included with the briefing paper were: a clarification note issued by the Secretary of State's office further to questions raised by members of the University Safety and Health Association and the Association of University Directors of Estates; and a 'Statement on Fire Safety Arrangements for University of London Buildings' that the University had sent to the MIs, to assure them of the University's compliance with fire safety regulations.

4795 The briefing paper outlined the actions that the University would take in response to the recent requirements outlined in the letter from the Secretary of State. The Vice-Chancellor would respond to the Secretary of State by the deadline of 30 November 2019 confirming the University's commitment to undertaking a fire safety review of all premises used by University students, as requested in the letter. It was intended to commence the review in December 2019. The Secretary of State had asked for the review to include external expert challenge, and the University was seeking an appropriate provider to undertake this role. It was noted that it might be challenging for all HEIs to source external assessors with availability to undertake these reviews in accordance with the required timelines.

4796 The Pro Vice-Chancellor (Strategy, Planning and Partnerships) reported that, in light of the Hackitt Review 2018, the Property and FM Department had commissioned an external contractor to undertake a series of Fire Risk Assessments (FRAs) of University buildings, commencing with the Halls of Residence. The FRAs for the Halls had been completed in October 2019. FRAs for other buildings were ongoing.

4797 Further to a query, the Board noted that some of the University's buildings had cladding, but that this was not of the same type as that fitted to the Grenfell Tower. The Pro Vice-Chancellor (Strategy, Planning and Partnerships) reported that none of the University's buildings used high-pressure laminate (HPL) cladding, which was understood to be the type of cladding used on the student accommodation building in Bolton.

4798 The Chair of the Safety Committee, Professor Stuart Reid, assured the Board that the Committee would monitor developments in relation to the review.

#### *Woburn Square Properties*

4799 Good progress was being made in negotiations with UCL to agree the terms for the continued occupation by the UCL Institute of Education of the properties on Woburn Square, Taviton Square and Endsleigh Street.

#### *Academic Space Working Group (ASWG)*

4800 The ASWG, chaired by Professor Stuart Reid, was expected to convene for a further two meetings before delivering its recommendation to the Estates Committee, the Collegiate Council and the Board of Trustees by the end of the academic year 2019-20.

#### **Update on the Options for the Redevelopment of Lillian Penson Hall**

4801 The Board received a report on the ongoing work to provide, in due course, a detailed proposal to redevelop Lillian Penson Hall (BT1394, Confidential). Members noted progress to date, as well as the proposed next stages of the process. The Estates Committee had nominated three members to join a sub-committee to help scrutinise the proposals further and make a recommendation on which option to pursue: Philip Clark (Chair of the Estates Committee); Jane Andrewartha; and Kieran Murphy. It was envisaged that a report on a detailed proposed way forward would be considered by the Estates Committee in February 2020 for onward transmission to the Board in March 2020.

4802 Also on the subject of Lillian Penson Hall, the Board was informed that, earlier in November 2019, the University had lost a case at the Court of Appeal relating to the right of Cornerstone Telecommunications Infrastructure Limited (CTIL) to conduct a survey at the Hall with a view to installing telecommunications equipment on the building. It was reported also that City of Westminster Council had recently turned down a planning application by CTIL for the installation of the relevant masts and dishes. Should CTIL be successful in any appeal of this decision, the University was likely to assert its intention to redevelop Lillian Penson Hall in response to any future request from CTIL for installation of telecommunications apparatus.

*BTM 4803 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

*BTMM 4804-08 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*



### **Dilke House – Redevelopment Options**

4809 The Board considered a report on the work carried out to date on the options for the redevelopment of Dilke House (BT1396, Confidential). The Estates Committee had considered a range of options at its meeting on 11 November 2019, and had recommended that the University should pursue a proposal under 'Option D', which consisted of complete refurbishment of the building to create a class 'A' office environment. Attention was drawn to the high-level financial details associated with the proposed refurbishment.

4810 **AGREED**

The Board endorsed the work carried out to date, and that Option D should be taken forward with regard to the redevelopment of Dilke House, with more details of the scheme and costings to be considered by the Estates Committee at its next meeting on 17 February 2020, and by the Board at the subsequent meeting on 25 March 2020.

### **Development Office Update on Activity 2018-19 and Objectives for 2019-20**

4811 The Director of Development joined the meeting to present a report (BT1397, Confidential) on progress made by the Development Office in 2018-19 and its objectives for 2019-20. The report included a list of donations and bequests made to the University during 2018-19 (Appendix BT1397A, Confidential).

4812 The Director of Development reported that the Development Office had met its objectives for the 2018-19 financial year of raising £2M in philanthropic cash income and £3.5M in new funds, in support of University strategic priorities. Highlights included capital fundraising for the Warburg Institute's Renaissance Project and towards the Institute of Advanced Legal Studies capital project. Work to build upon the contributions to these two projects would be central to the Development Office objectives for the coming year, as would building capacity for the fundraising campaign to celebrate the centenary of the Institute of Historical Research in 2021.

4813 The Board noted the continued role of the Ethical Acceptance of Donations Committee (EADC) during the year in respect of fundraising activity. It was noted that cases referred to the EADC had been subject to detailed scrutiny and that a number of donations had been declined by the Committee following careful consideration.

4814 The Board welcomed the continued work of the Development Office and its achievements to date.

4815 The Director of Development left the meeting at the end of the item.

### **Facilities Management (FM) Services Insourcing Implementation and Review**

4816 The Board received an update on the FM Services Review (BT1398 and Appendices BT1398A and BT1398B, all Confidential). Further to the Board's previous meeting, when members had agreed that Estates Maintenance services should remain contracted out to a specialised supplier due to the specialist technical requirements of the work, a comprehensive tender process had been conducted to identify a suitable contractor. The Pro Vice-

Chancellor (Strategy, Planning and Partnerships) reported that appropriate due diligence had been conducted in respect of the proposed preferred supplier, which had also been rigorously evaluated on its employment terms and conditions and which had committed to adopting the Government's Good Work Plan.

- 4817 Further to a query, the Pro Vice-Chancellor (Strategy, Planning and Partnerships) provided assurances about the arrangements that would be in place for management of the contract.

*Information at BTM 4818 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

4818 **AGREED**

The Board agreed that Salisbury Group should be appointed to undertake the full range of Estates Maintenance Services for the University at a cost of [ ].

## **Finance Report**

- 4819 The Board considered a report on the management accounts for the three months to 31 October 2019 (BT1399 and Appendix BT1399A, both Confidential). Members noted that the operating surplus was currently £0.2M better than the phased budget at this stage of the year. Plans were being implemented to achieve the savings included in the 2019-20 budget. It was noted that capital expenditure had been slower than expected; however, a review of the capital plan was underway and it was expected that the shortfall in spend would reduce over the rest of the academic year.

## **Energy Brokerage Contract**

*BTMM 4820-21 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

## **Appointment of External Auditors**

- 4822 The Board considered a report on the process and outcomes of the recent external audit tender process (BT1401, Confidential), which had been undertaken in line with OfS guidance. The ARAC had established a Panel which had conducted a detailed tender evaluation process. Further to its consideration of the Panel's recommendation, the ARAC had recommended to the Board that KPMG should be appointed as the University's auditors for the year ending 31 July 2020, subject to satisfactory references being received and final agreement between the University and KPMG on the contract terms and conditions. The Chair of the ARAC reported that all references had since been received and had been positive.
- 4823 **AGREED:**  
The Board approved the recommendation that KPMG should be appointed as the University's External Auditors for the year ending 31 July 2020.

### **Annual Status Report on the Exercise of Staffing Functions**

- 4824 The Board considered the annual report (BT1402) on the staffing functions delegated to the Vice-Chancellor, which was presented in accordance with the provisions of Ordinance 6 Annex 2. The Director of HR drew attention to the key areas of work during the 2018-19 session and the assurances provided on the skills, experience and resources of the HR Department.
- 4825 The Board noted that the University had conducted its third Gender Pay Gap analysis in accordance with statutory reporting requirements; more detailed information on the outcomes of the analysis would be presented to the Board in January 2020.

### **ULIP Students' Union**

- 4826 The Board received a report on the ULIP Students' Union (SU) (BT1403) and noted:
- (i) The Annual Accounts of the ULIP SU for 2018-19 and its budget for 2019-20 (Appendix BT1403A).
  - (ii) The approval of amendments to the ULIP SU Constitution by the Board of ULIP at a meeting on 7 November 2019. The amendments had been made available for members to view in the 'Documents' section on the online portal, Decision Time Meetings.

### **Intercollegiate Accommodation Fees 2020-21**

- 4827 The Board noted a report (BT1404, Confidential) on the determination of intercollegiate accommodation fees for 2020-21.

### **Unconfirmed Minutes of the Collegiate Council Meeting on 27 September 2019**

- 4828 The Board noted the unconfirmed minutes of the Collegiate Council Meeting held on 27 September 2019 (BT1405, Confidential).

### **Dates of Future Meetings**

- 4829 The Board noted the dates of future meetings as follows (all to commence at 4.00 pm):

#### **2019-20**

Wednesday, 29 January 2020  
Wednesday, 25 March 2020  
Wednesday, 20 May 2020  
Wednesday, 15 July 2020