



**UNIVERSITY  
OF LONDON**

## **BOARD OF TRUSTEES**

Wednesday, 28 November 2018, at 4.00 pm  
Court Room, Senate House

### ***MINUTES***

#### **PRESENT**

Jane Andrewartha  
Professor Michael Arthur  
Abdul Bhanji  
Professor Edward Byrne  
Philip Clark  
Professor Peter Kopelman  
Professor Paul Layzell

Patrick Loughrey  
Kieran Murphy  
Andrew Ratcliffe  
Professor Stuart Reid  
Malcolm Roberts  
Mark Storey  
Rosalyn Wilton (Chair for the  
meeting)

#### **APOLOGIES**

Stella Beaumont  
Sir Richard Dearlove

Andrew Halper

#### **IN ATTENDANCE**

Dr Ghazwa Alwani-Starr (Director of Property and Facilities  
Management)  
Simon Cain (Director of Human Resources)  
Chris Cobb (Pro Vice-Chancellor (Operations) and Chief  
Operating Officer)  
Lizzy Conder (Joint Acting Director of Finance (Financial Services,  
Tax and Treasury))  
Damaris Currie (Central Secretariat)  
Rosalind Frendo (Director of Compliance and Secretary to the Board)  
Karen Kröger (Joint Acting Director of Finance (Financial Planning  
and Analysis))  
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)

4394 It was noted that, in the absence of the Chair, the meeting would be chaired  
by the Deputy Chair, Rosalyn Wilton.

#### **Minutes of the Meeting Held on 17 October 2018**

4395 The Board confirmed the minutes of the meeting held on 17 October 2018.

## **Matters Arising**

- 4396 The Board noted the update in the Matters Arising paper (BT1284) on the appointment of Professor Wendy Thomson as the Vice-Chancellor Elect.

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

- 4397 The Board noted the updates in the Vice-Chancellor's report (BT1285, Confidential), including the list of the Vice-Chancellor's main activities and meetings (Appendix BT1285A) since the Board's previous meeting.

### *University of London Bill*

- 4398 The Vice-Chancellor highlighted the progress of the University of London Bill, which, having passed through its Second Reading on 16 October 2018 and the Committee stage on 21 November 2018, would now proceed to Consideration and Third Reading. If it successfully passed these stages, Royal Assent should be received shortly thereafter. The Vice-Chancellor expressed his gratitude to Maureen Boylan, Consultant and former University Secretary, for all her work in relation to the Bill.

- 4399 Members noted also the update on the process for progressing Member Institutions' (MIs') applications for university title and the associated public name consultation that was required, notwithstanding that none of the MIs involved wished to change their legal name on gaining university title.

### *University of London Institute in Paris (ULIP)*

- 4400 The Vice-Chancellor highlighted the update on ULIP and the work to establish a Paris Group, the first meeting of which was scheduled for 4 December 2018.
- 4401 During the signing of a preliminary agreement between King's College London and founding institutions of the University of Paris, the Vice-Chancellor had discussed with the Deputy Mayor of Paris in charge of higher education, research and student life, the idea of a meeting to reinforce collaborations between academic and cultural institutions in London and Paris. Further to this discussion, ULIP would host a workshop with representatives of the Mayor of Paris on 15 January 2019.

### *London Weighting Claim*

- 4402 The Vice-Chancellor reported that, subsequent to the update at the previous meeting, the University had informed UNISON and the University and College Union (UCU) that it would not be accepting their recommendation in relation to an increase in London Weighting. However, the University had proposed a series of meetings, in recognition of its original commitment and as an acknowledgement of the financial pressures particularly on the lowest paid staff; the meetings would explore pay progression and the various discretionary elements of pay to identify opportunities for addressing concerns that had been raised by the unions.

### *Registration with the Office for Students (OfS)*

- 4403 Members noted that the University had received confirmation from the OfS of its registration as a higher education provider. The Vice-Chancellor commended the Director of Compliance and Secretary to the Board for her work in this area.

#### *Strategic Planning*

- 4404 The Vice-Chancellor reported that, further to discussion with the Vice-Chancellor Elect, it had been agreed that work on the next University Strategy would commence early in 2019.

#### *Health Education England (HEE)*

*BTMM 4405-08 are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

### **Annual Accountability Returns**

#### **Annual Report of the Audit and Risk Assurance Committee (ARAC) to the Board of Trustees and the Accountable Officer for 2017-18**

- 4409 The Board considered the Annual Report of the ARAC for 2017-18 (BT1286), including:
- (i) Terms of Reference and Constitution of the ARAC (Appendix BT1286A).
  - (ii) Uniac Annual Internal Audit Opinion for 2017-18 (Appendix BT1286B).
  - (iii) Value for Money (VFM) and Corporate Performance Annual Report for 2017-18 (Appendix BT1286C, Confidential).
- 4410 The Board was informed that, although the OfS had not required the inclusion of a report on VFM as part of the University's 2017-18 assurance return, the ARAC had considered it to be a valuable part of the annual reporting process to the Board, and the VFM report had therefore been included for the Board's information.
- 4411 Highlighting that some assurance ratings were lower than the previous year, the Chair of the ARAC, Andrew Ratcliffe, explained that these did not reflect any systemic change in the University. Rather, they applied to areas that the University had specifically asked Uniac to review in order to inform the development and implementation of improvements.
- 4412 The Chair of the ARAC reported that, as requested by the Board at its previous meeting, the University was undertaking analysis of the potential impact on strategic objectives of any reduced financial capacity and the associated prioritisation of projects, and that this work would be monitored by the ARAC as it progressed.
- 4413 The Board noted a recent amendment to the Committee's terms of reference, approved by the Vice-Chancellor on the Board's behalf, to include a

requirement for the Committee to satisfy itself on the arrangements in place to promote added value for students and key stakeholders.

4414 **AGREED**

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

**University Financial Statements for 2017-18**

4415 The Board considered a report on the Financial Statements for the year ended 31 July 2018, including:

- (i) Financial Statements 2017-18 (Appendix BT1287A)
- (ii) Report from Deloitte LLP, the External Auditors (Appendix BT1287B)
- (iii) Letter of Representation from the Board of Trustees to the External Auditors (Appendix BT1287C)
- (iv) Letter of Comfort from the Board of Trustees to the Directors of CoSector Limited. (Appendix BT1287D)

4416 The Joint Acting Director of Finance (Financial Services, Tax and Treasury) explained that, following the adoption in 2016 of Financial Reporting Standard 102, a number of adjustments were required for the external Financial Statements that were not reflected in the University management accounts, the details of which were set out in the report. Following these adjustments, the University showed a surplus to budget of £7.9M in the external Financial Statements.

4417 The Chair of the ARAC highlighted that, to take account of the requirements of The Higher Education Senior Staff Remuneration Code (June 2018) published by the Committee of University Chairs (CUC), the 2017-18 Financial Statements included disclosure of the Vice-Chancellor's remuneration and a Remuneration Committee statement approved at that Committee's meeting earlier on 28 November 2018. The ARAC had been content with the External Auditor's Report and the proposed Letter of Comfort in respect of CoSector and had recommended the Financial Statements to the Board for approval and subsequent transmission to the OfS.

4418 Having scrutinised the Financial Statements, the Board was content to approve them for submission to the OfS. The Chair commended all involved in their production.

4419 **AGREED**

- (i) That the Board approved the University's Financial Statements for 2017-18 (Appendix BT1287A).
- (ii) That the Board authorised the Deputy Chair of the Board of Trustees and the Vice-Chancellor to sign on its behalf:
  - a. the balance sheets
  - b. the representation letter to the External Auditors (Appendix BT1287C)
  - c. the letter of comfort in respect of CoSector Limited (Appendix BT1287D).

## **Financial Commentary for 2017-18**

4420 The Joint Acting Director of Finance (Financial Planning and Analysis) presented the financial commentary (BT1288, Confidential) for inclusion in the Annual Accountability Return to the OfS and explained that this followed the same format as that provided for previous submissions to the Higher Education Funding Council for England. She outlined the reasons for the variance between the 2017-18 audited performance and the position relative to the July 2018 forecast, including that a proportion of the variance related to movement in the pension provision had not been known at the time of the July forecast.

4421 **AGREED**

That the Board approved the proposed financial commentary for submission to the OfS.

## **Academic Quality Assurance Annual Report**

4422 The Director of Compliance and Secretary to the Board presented the Academic Quality Annual Report (BT1289), which had been prepared in response to the requirement for the governing body of each higher education institution (HEI) to submit an annual assurance statement reflecting the governing body's oversight of the academic governance arrangements in place for the preceding academic year. The report followed the format of the previous two reports, and included submissions from the boards of the University's three Central Academic Bodies (CABs): University of London Worldwide (UoLW); the School of Advanced Study (SAS); and ULIP; the submissions had been considered and agreed by the respective boards at their meetings during the autumn term 2018. The University's Research Integrity Action Plan was appended (Appendix BT1289A).

4423 A member of the Board commented on the range of academic activity undertaken by the University, and suggested that consideration might be given in due course to having some form of overarching academic body as part of the governance structure. It was noted that the University's academic activity would be a key component of the new University Strategy and that the governance structure to support this would be considered as part of the planning process. The Board would be updated further as this work progressed.

4424 **AGREED**

That the Board approved the submission of the assurance statement to the OfS (paragraph 34 of the report).

## **Annual Assurance Return**

4425 The Board considered the proposed Annual Assurance Return to the OfS for the year ended 31 July 2018 (BT1290). The return was shorter than that of previous years, reflecting the transitional nature of the first year of the operation of the OfS. It was noted that additional information might be required for future Annual Assurance Returns.

4426 **AGREED**

That the Board approved the signature by the Vice-Chancellor of the Annual Assurance Return included within Document BT1290, as the University's 'accountable officer', and on behalf of the Board of Trustees.

**Prevent Duty Monitoring Accountability Return for 2017-18**

4427 The Director of Compliance and Secretary to the Board presented a report on the Prevent Duty Monitoring Accountability Return (BT1291), including the University's Prevent Duty Risk Assessment and Action Plan (Appendix BT1291A). This year, rather than requesting a full report, the OfS required the submission of a data return together with a 300-word accountability statement. The Return had been agreed by the University's Prevent Group and had also been considered by the Vice-Chancellor's Executive Group.

4428 In response to a query regarding the staff training programme mentioned in the Return, the Secretary to the Board confirmed that it was the intention for the two new bespoke e-learning packages to be delivered to staff from early in 2019, with a view to the relevant staff undertaking the training by the end of March 2019.

4429 The OfS had recognised that, as the requirements for the Prevent Duty Return had changed on 12 September 2018, some providers would require additional time to prepare data for the revised monitoring arrangements. The Board noted that the OfS would accept the information that was currently available for the Return, with a view to the full data set being provided by HEIs in November/ December 2019. The Secretary to the Board explained that, in this context, some of the data fields in the draft submission had been marked as 'not applicable'; while the University had collected data in some of the relevant areas, this had not all been collated in a format consistent with the requirements of the Accountability Return. It was agreed that this should be clarified in the final version of the submission.

4430 **AGREED**

That the Board approved the submission to the OfS of the Return, subject to the clarification regarding the availability of some types of data.

**Report from the Estates Committee**

4431 The Board considered a report on the meeting of the Estates Committee held on 12 November 2018 (BT1292, Confidential), including:

- (i) University of London Expression of Interest: OfS Competition Funding Exercise to Support Student Mental Health (Appendix BT1292A, Confidential)
- (ii) Recent Lease Agreements (Appendix BT1292B, Confidential)
- (iii) QMPF Report (Appendix BT1292C, Confidential)
- (iv) 4432 The Chair of the Estates Committee, Philip Clark, highlighted the following matters:

*BTM 4432(i) is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

- (ii) The Committee's consideration of options for increasing the funds available for future Estates projects. A report from QMPF, the University's Project Finance Consultants, had been considered as part of the Committee's discussion, and had been provided to the Board for information (Appendix BT1292C, Confidential).
- (iii) The Committee's ongoing work to determine the strategic fit of each of the University's properties under four classifications that were set out in the report. Work would be undertaken to prioritise projects in conjunction with the development of the overall University Strategy.

4433 Noting the Committee's work on the funding of future projects, a number of comments were made about the opportunities afforded by the present borrowing conditions. The Joint Acting Director of Finance (Financial Planning and Analysis) reported that a range of options were being considered; however, before any decisions were taken, the University would need to have clearer plans regarding the intended use of any funds and also associated income streams. Officers would be considering this matter further and the Board would be kept informed.

4434 It was noted that, as the new Estate Strategy developed, it would be important not to lose sight of the University's core academic mission and its People Strategy as estates projects were prioritised and progressed.

#### *Intercollegiate Centre for Wellbeing*

4435 The Director of Property and FM highlighted the Expression of Interest submitted with regard to the OfS Competition Funding Exercise to Support Student Mental Health. She was grateful to all the representatives from the MIs who had been involved with discussions on the proposed Intercollegiate Centre for Wellbeing, and stressed the intention to maintain the involvement of this group as plans progressed. Work was being undertaken to ensure the quality of controls for any student data that would be collected in relation to the Centre.

#### *Birkbeck, University of London ('Birkbeck') Main Building and Other Leases*

*BTMM 4436 and 4437(i) and (iii) are considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

#### 4437 **AGREED**

- (ii) The Board endorsed the University of London's Expression of Interest with regard to the OfS Competition Funding Exercise to Support Student Mental Health.

#### **Withdrawal of Heythrop College ('Heythrop')**

4438 The Board considered a report (BT1293) on the proposed withdrawal of Heythrop from the University. The Vice-Chancellor outlined the history of the College and the Board wished to place on record its sadness at the closure of Heythrop, noting the College's long association with the University.

4439 The Principal of Heythrop had written to the Chair, requesting formally that the Board agree to the withdrawal of College status from Heythrop (Appendix

BT1293A). The Principal had confirmed in her letter that arrangements had been made in respect of the completion of their studies for all students registered for a degree or other award of the University at the time Heythrop would cease to be a College of the University.

- 4440 In line with the arrangements reported previously, and acting with the agreement of the Collegiate Council, the Vice-Chancellor had recommended on its behalf that the Board should accept the withdrawal. The Board confirmed that it was content to accept the recommendation, noting that assurances had been received at previous meetings on provision for Heythrop students, on contractual relationships and on mitigation of any reputational risks.

*Proposed Flexible Apportionment Arrangement (FAA) with SAUL on behalf of Heythrop*

*BTM 4441 is considered exempt from disclosure in accordance with Part II of the Freedom of Information Act 2000.*

4442 **AGREED**

The Board, in accordance with the requirements of Statute 16 and Ordinance 9, approved the withdrawal of Heythrop College as a College of the University of London, with effect from 1 February 2019.

**Update on Strategic Risks - Red Risks**

- 4443 The Board noted the update on Strategic Risks (BT1294, Confidential) and the ongoing work concerning Risk 1, which related to the achievability of strategic objectives with the funding available to the University.
- 4444 Further to a query about ongoing discussions regarding the Universities Superannuation Scheme (USS), the Director of HR confirmed that the University's response to the Universities UK (UUK) consultation on the Joint Expert Panel's (JEP's) recommendations had been submitted and that UUK had subsequently fed back to the USS Trustee. The responses of the USS Trustee and the Pensions Regulator on the JEP recommendations were awaited.

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

- 4445 The Director of HR presented the Annual Status Report on the Exercise of Staffing Functions (BT1295), which had been prepared in accordance with the provisions of Ordinance 6 Annex 2. He highlighted, in particular: that work had commenced on developing the next People Strategy; the Gender Pay Gap (GPG) analysis undertaken in accordance with the statutory reporting requirements; and the launch of the Race Equality Group, which was scheduled to meet four times in 2019. It was noted that the outcomes of the GPG analysis would be presented to the Equality and Diversity Committee meeting on 11 December 2018 and then to the Board at its meeting on 30 January 2019. The Board noted the report.

## **Finance Report**

- 4446 The Board considered a report on the management accounts for the three months to 31 October 2018 (BT1296 and Appendix BT1296A, both Confidential). It was noted that the Quarter 1 forecast, which would shortly be completed, would provide an updated view of the end of year position.
- 4447 The Board noted the current position with regard to UoLW income, which was below the phased budget. The Joint Acting Director of Finance (Financial Planning and Analysis) reported on a range of possible contributing factors, highlighting, in particular, timing issues related to changes in methods of course payment, with students tending to delay payment until much closer to the fee deadline, now that they could pay online. It was also noted that more registrations were due in January 2019. The phased nature of examination income, which peaked at certain points of the year, was also noted. A clearer picture would have emerged by the time of the Board's next meeting.
- 4448 It was noted that, following several years of planned deficit budgets reflecting the investment required to deliver the present University Strategy, the University planned to return to a surplus in future years and that the Board would expect the new University Strategy to be predicated upon delivering a return on the prior investment. The Pro Vice-Chancellor (Operations) outlined work already being progressed in this context, including the present efficiency programme.

## **Anti-Slavery and Human Trafficking Statement 2017-18**

- 4449 The Board considered a report on the proposed Anti-Slavery and Human Trafficking Statement for 2017-18 (BT1297). The text of the proposed Statement (Appendix BT1297A) was broadly the same as that for the previous year, excepting the introduction and additional purchasing category information. The Statement had been produced in accordance with the requirements of the Modern Slavery Act 2015.
- 4450 Noting CoSector's inspection of the working facilities of an overseas supply chain provider, a query was raised about other work to assess the compliance of suppliers. The Joint Acting Director of Finance (Financial Services, Tax and Treasury) provided assurance regarding the arrangements in place; the University had adopted a risk-based approach and ensured that due diligence was undertaken accordingly. She also drew attention to the University's affiliated membership of 'Electronics Watch', an independent monitoring organisation in regions of electronics production.
- 4451 **AGREED**  
The Board approved the Anti-Slavery and Human Trafficking Statement 2017-18, which would be published on the University website.

## **University Registration with the OfS**

- 4452 The Board noted a report (BT1298) confirming the OfS's decision to register the University as a higher education provider, with no specific conditions of registration being imposed at this time, and the ongoing work being undertaken in line with OfS requirements.

## **Report from the Investments Committee: Unified Trust Fund (UTF) Annual Report and Financial Statements for 2017-18**

- 4453 The Board noted a report from the Investments Committee, which included the UTF Annual Report and Financial Statements for the year ended 31 July 2018 (Appendix BT1299B) and the associated Letter of Representation from the Board of Trustees to Deloitte LLP (Appendix BT1299A). The Board was informed that no matters of concern had been raised by the External Auditors following their audit of the Financial Statements. The Committee had been content with key performance figures over the session and it was noted that the UTF distribution had remained unchanged.
- 4454 Subsequent to their circulation to the Board, the UTF Annual Report and Financial Statements had been approved by the Investments Committee, which had authorised the Chair of the Committee to sign the balance sheet. The Board was content with the Annual Report and Financial Statements, as presented.

## **Trust Funds Committee Annual Report 2017-18**

- 4455 The Board noted the Trust Funds Committee Annual Report 2017-18 (BT1300).

## **ULIP Students' Union (SU)**

- 4456 The Board received a report on the ULIP SU (BT1301) and noted:
- (i) the Annual Accounts of the ULIP SU for 2017-18 and its budget for 2018-19 (Appendix BT1301A), which had been approved by the Board of ULIP on 6 November 2018 on behalf of the Board of Trustees; and
  - (ii) the amendments to the ULIP SU Constitution (which had been made available for the Board of Trustees to view on MinutePad), which had been approved in principle by the Board of ULIP on 6 November 2018 and that authority had been delegated to the Chair of the Board of ULIP to approve additional amendments required to finalise the Constitution.

## **Unconfirmed Minutes of the Collegiate Council Meeting on 28 September 2018**

- 4457 The Board noted the unconfirmed minutes of the Collegiate Council meeting held on 28 September 2018 (BT1302, Confidential).

### **Action Taken Under Delegated Authority**

- 4458 The Board noted Document BT1303 on action taken under delegated authority not reported elsewhere on the agenda, which included updates on: appointments to the Remuneration Committee; and the amendment of the terms of reference of the ARAC, as reported earlier in the meeting (BTM 4413 above refers).

### **Dates of Future Meetings**

- 4459 The Board noted the dates of future meetings as follows (all meetings were scheduled to commence at 4.00 pm):

#### **2018-19**

Wednesday, 30 January 2019  
Thursday, 21 March 2019  
Wednesday, 22 May 2019  
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