

M18/167-M18/226

**Minutes of the meeting of Council held on Wednesday 4 July 2018 following the meeting of the FEF Trustees at 5pm in the Shilling Building Lecture Theatre**

<b>Present:</b>	Mr Stephen Cox (Chair) Professor Sarah Ansari Ms Natasha Barrett Ms Ann Ewing Dr Bob Fitzgerald Mr John Gregory Ms Tina Harris Mrs Margaret Jack Ms Sarah King	Professor Paul Layzell Mr Gerry O'Hagan Mr Nick Perryman Professor Liz Schafer Mrs Chris Shoukry Mr David Spence Mr David Williams Ms Colette Wilson
<b>Apologies:</b>	Miss Emilie Ancelin Mrs Christine Goodyear	Ms Denise Keable Mr Jeremy McIlroy
<b>In Attendance</b>	Professor Katie Normington Mr Stephen Avery Dr Tom Flynn Ms Pippa Gentry Ms Steff Milne	Senior Vice Principal (Academic) Chief Financial Officer Chief Executive Officer, RHSU (item 6) VP Societies & Media, RHSU (item 6) VP Sports, RHSU (item 6)
<b>With:</b>	Dr David Ashton Mrs Anna Sendall Mrs Pauline Martin Mrs Elaina Moss Mr Doug German	COO and Secretary to Council Director of Governance and Legal Services Executive Officer for Council, Minutes Legal Counsel Executive Policy Assistant, Secondary Minutes
<b>Observers</b>	Mr Clem Jones Ms Willow Wong	SU President Elect 2018/19 (and for item 6) Student Representative Elect 2018/19 (and for item 6)

**FORMAL BUSINESS**

- MEMBERS ATTENDING THEIR LAST MEETING**  
NOTED members for whom it was the last meeting of Council. Natasha Barrett, SU President, and Emilie Ancelin, Student Representative, were thanked for their contribution to Council after two years in post. M18/167
- MINUTES**  
CONFIRMED and SIGNED the minutes of the meeting held on 25 April 2018 (M18/87-M18/131) and 6 June 2018 (M18/132-M18/150). M18/168
- MATTERS ARISING FROM THE MINUTES**  
NOTED the special meeting of Council on Friday 6 July at 11am in the Large Board Room for consideration of the appointment of the next Chair Council. M18/169
- REGISTER OF INTEREST**  
NOTED members were invited to indicate if they had a conflict of interest, not previously declared, with an item on this agenda. There were none. M18/170

5. **UNSTARRING OF ITEMS**

None

M18/171

**PART A: MAJOR ITEMS OF BUSINESS**

6. **STUDENTS' UNION**

RECEIVED the annual report of Students Union Activities (CL/18/37) in compliance with the 1994 Education Act. The report provided an update on the work of the Students' Union in 2017/18 which was in its second year of operation under the new strategic plan and operating model. Key themes of the report included Improving students' education, Making the Campus fun, Wellbeing, Employability and Empowering students to change the world around them.

M18/172

THANKS were given to all outgoing Sabbatical officers for their work this year, and best wishes for success in the future.

M18/173

7. **PRINCIPAL'S REPORT**

7.1 NOTED the report from the Principal (CL/18/38) which considered a range of sector and College developments that impact the direction and operation of the College as well as some of the operational risks facing the College in implementing its strategy.

M18/174

NOTED that the higher education landscape was now very different compared to the time of drawing up the strategic plan in 2011/12, and consequently some parts of the operating model were no longer fit for the future.

M18/175

NOTED that initial consultations with Council members, academic and professional services departments had started in order to develop a revised strategy for 2019-2025. A series of projects were also underway to address effectiveness and efficiency under the banner *Fit for the Future*. Council NOTED the summary of the projects which, at this time, were part of a vision of options under consideration.

M18/176

NOTED that documents for registration with the OfS had been lodged within the relevant deadline and feedback and confirmation of the College registered status was awaited.

M18/177

NOTED the senior personnel changes and the review of the relationship between the academy, senior team and professional services to find ways to deliver greater engagement and accountability of the academy in decision-making processes. To allow time for consideration of the recommendations, interim appointments of Acting Deans would be made for the academic year 2018/19.

M18/178

NOTED the report of league table performance which showed Royal Holloway's ranking continued to improve. The Guardian Good University Guide placed the College as the second fastest riser and in the top 50 institutions for 2019.

M18/179

NOTED that the most challenging metric continued to be graduate employability partly because of our subject mix. However at 73.3% graduate employability continued to rise. The Longitudinal Educational Outcomes (LEO), now in its second year of reporting, placed the College 18<sup>th</sup> in our sector for average earnings five years after graduating.

M18/180

DISCUSSED the review of the make-up of the College undergraduate population to identify the changing profile of students in order to support every students' success. NOTED the development starting in 2018/19 of the *Student Success Strategy*.

M18/181

7.2 RECEIVED an oral update on the Gender Pay Gap NOTING that the current issue was an imbalance in the number of men in the most senior positions in the College rather than evidence of men and women being paid differently for the same work. This year's academic

M18/182

	promotion round resulted in more women being promoted than men (53%:47%) and 7 women being promoted to Professor out of 8 successful professorial promotions.	
	NOTED that work was ongoing to develop the action plan following the first publication of the College Gender Pay Gap on 7 March 2018 and this would be reported to Council in due course.	M18/183
	NOTED as discussed at the April meeting of Council, that work was underway to create a separate system to manage student employment on campus which would complement the employability programme and career planning. It would also allow closer control of the student 20 hour maximum working week and provide College with reassurance of UKVI compliance.	M18/184
7.3	RECEIVED an update on student recruitment for 2018/19 (CL/18/39) and NOTED that the UCAS national picture was a 2.5% reduction in undergraduate applications compared to our slight increase in undergraduate applications year on year. A higher number of offers had been made and the number of acceptances (unconditional firm or conditional acceptances) was up from 19.3% to 20.7%. This was the result of the hard work of all of those involved in student recruitment.	M18/185
	NOTED Postgraduate taught applications were higher than in previous years, and work was focussed on rebuilding the marketing and converting the applicants to firm acceptances.	M18/186
8.	<b>ACADEMIC STRATEGY</b> NOTED the report of progress with the development of the Integrated Academic Strategy including the End of Academic Year Report for Research Developments and the Year End Report of the Teaching and Learning Committee (CL/18/40).	M18/187
9.	<b>FINANCE</b>	
9.1	RECEIVED an update on progress of the residences transaction (CL/18/41) which Council had agreed should proceed at its meeting in July 2017.	M18/188
	NOTED that initial bids had been received and College was currently in dialogue with bidders before inviting final bids and progressing towards completion of an agreement that was anticipated for the last quarter of 2018.	M18/189
	NOTED a report from the College financial advisers, QMPF, on the financial impacts of the transaction. It was anticipated that the transaction would deliver a capital receipt of c. £60m in lieu of foregoing an average annual cash surplus of £2.9m over the life of the contract. On this basis the cost of capital was 5-6%. The alternative option of borrowing to create financial capacity had already been considered by Council at its meeting in July 2017 and was discounted when Council had made the decision to pursue the residences transaction.	M18/190
	NOTED that Council would receive, for approval, the final proposal of the details of the transaction before completion and this would include a full risk assessment.	M18/191
9.2	RECEIVED a report on the Current Year to 30 April 2018 and 2017/18 Forecast.	M18/192
	NOTED the report on the current Year to 30 April 2018 and the operating surplus (before FRS102 Adjustments) of £2.9m, which was £0.4m higher than budget.	M18/193
	NOTED the full year forecast surplus for 2017/18 (under FRS102) at 30 April 2018 was £3.6m, £0.3m better than January 2018 but still £4.6m worse than budget. The main variances were due to lower than budgeted income from student recruitment and one off residential accommodation voids. Lower income was partly offset by expenditure lower than budget. Potential areas for variance to the yearend forecast were identified which forecast a plausible range of surplus between £2.0-5.9m.	M18/194

9.3	RECEIVED the 2018/19 Budget and Office for Students Financial Forecast submission to 2022/23 (CL/18/42b) including the comparison of the 2018/19 budget to the 2018/19 forecast that Council approved in the 5 year financial plan submitted to HEFCE in December 2017. The forecast was for a surplus for 2018/19 before gains and losses of £8.6m, 4.5% of income. The current budget showed a deficit before restructuring and other gains and losses of £0.8m, a decrease in surplus of £9.4m.	M18/195
	CONSIDERED the changes in the sector, in particular the level of competition and the financial challenges that contributed to the reduction in the surplus. Whilst the long term aim was to continue to grow the number of students, in the short term the priority was to reduce expenditure and protect cash balances whilst continuing to ensure a significant level of capital expenditure.	M18/196
	NOTED the summary budget showed a surplus before fee provision, restructuring and other gains and losses for 2018/19 of £0.2m compared to the 2016/17 forecast surplus of £3.6m.	M18/197
	NOTED the key assumptions and significant risks to the 2018/19 budget with tuition income being the main risk. If there were a material shortfall in student numbers urgent action would be taken to protect the budget cash position.	M18/198
	NOTED the budget included a tuition fee provision of £1.0m to mitigate the risk of under recruitment of PGT students in addition provision of £3.0m for restructuring costs.	M18/199
	NOTED that the USS Pension budget deficit was an additional risk to the budget. An addendum to the 2018/19 Budget (CL/18/42b) was provided to update Council on the latest information from the USS Trustee Board which proposed to increase employer's pension contribution from April 2019. The current proposal indicated an increase in excess of the 1.3% increase currently included in the 2018/19 budget and would also implicate contribution cost increases for individual staff members that would have an adverse impact on net take home pay. NOTED that the latest cost increases proposal might be regarded as the worst case scenario and actions were considered that would mitigate the impact of such a proposed increase in employer's contribution should they be enacted at the level currently indicated.	M18/200
	NOTED the summary of the Financial Forecast 2018/19–2022/23 for submission to the Office for Students (OfS) including the Statement of Comprehensive Income, Balance sheet and Cash Flow Statement.	M18/201
	APPROVED the budget for 2018/19 and to submit the financial forecasts to the Office for Students.	M18/202
10.	<b>AUDIT COMMITTEE</b>	
10.1	RECEIVED a report outlining the College preparations for achieving compliance with the General Data Protection Regulation (GDPR) including tasks completed, identified areas of work to be addressed and requirements from the Audit and Compliance Committee.(CL18/43)	M18/203
	NOTED that a great deal of work had been completed but there was more to be done and the consequences of non-compliance had not yet been tested.	M18/204
10.2	NOTED the conduct and completion of the audit tender process and award of the contract to Deloitte as the College Internal Auditor on 9 May 2018. The new contract commenced on 1 June 2018 for a period of 3 years plus 1 plus 1. (CL/18/44)	M18/205
11.	<b>HONORARY AWARDS 2019</b>	
11.1	RECEIVED and APPROVED the nominations for the award of four honorary degrees of the University of London (CL/18/45) which had been agreed by Academic Board and cleared by the University of London for award in 2019.	M18/206

- 11.2 RECEIVED and APPROVED the nominations for the award of five honorary fellowships of the College (CL/18/46) for award in 2019. M18/207
- NOTED that nominees for honorary fellows and honorary degrees were not aware that they had been proposed, and Council were asked to ensure confidentiality. M18/208
12. **COUNCIL**
- 12.1 CONSIDERED the membership of Council (CL/18/47) and APPROVED the recommendation from Council Executive Committee to appoint Mr Alistair Buchanan as an independent member of Council with effect from 1 August 2018. M18/209
- NOTED two remaining vacancies for independent members of Council. M18/210
- NOTED that elections would be conducted to fill staff vacancies on Council. M18/211
- 12.2 APPROVED the appointment of Mrs Elaina Moss as Deputy Secretary to Council. (CL/18/48) M18/212
- 12.3 RECEIVED an update on progress with the Scheme and University title (CL/18/49) NOTING that we continued to seek updates from DCMS and Charity Commission as to how the Scheme might be progressed and that a response was still outstanding. M18/213
- NOTED the progress of the University of London Bill had been delayed from the 14 June 2018 and was now expected to receive its second reading in the first week of July. College remains a part of the group application for University title which was now unlikely to progress until the latter part of 2018. M18/214

#### **PART B: ITEMS FOR REPORT AND FORMAL APPROVAL**

13. \* **ANNOUNCEMENTS**  
None M18/215
14. \* **REPORT OF DECISIONS TAKEN BY THE CHAIRMAN**  
NOTED the approval by Chair's action of the Intellectual Property Policy which would be included with General Regulations 2018/19 for student sign up. (CL/18/50) M18/216
15. \* **REPORT OF DECISIONS TAKEN BY CIRCULATION**  
None M18/217
16. **COUNCIL COMMITTEE MEMBERSHIP**  
NOTED the reappointments to Council Committees for a third term of office of Colette Wilson (Chair of Audit & Compliance Committee), Chris Shoukry (Chair of Health & Safety Committee) and Margaret Jack (Finance Committee) (CL/18/51) M18/218
- AGREED the Co-option of Dr Katie Perry, CEO of the Daphne Jackson Trust, to Equality & Diversity Committee and NOTED the co-option of Mr Kevin Meehan to Finance Committee. M18/219
17. \* **ANNUAL REPORT**  
NOTED the explanatory overview and annual statement from the Office of the Independent Adjudicator (CL/18/52) M18/210
18. \* **HONORARY FELLOWS**  
NOTED the award of honorary fellowships on 18 May 2018 to:  
  - Dr Gobbi Daunton
  - Mr Doron Swade M18/211

- Mr Klaus Vedder

19. \* **HILDA MARTINDALE TRUST**  
NOTED the annual report from the Trust (CL/18/53) and the awards made to 16 applicants for 2018/19. M18/212
- APPROVED the reappointment of Professor Trisha Greenhalgh to a second term of office of five years with effect from 1 January 2019. M18/213
20. \* **ESTATES PROJECTS**  
NOTED an update on estates projects (CL/18/54) M18/214
21. \* **INSURANCE RENEWAL**  
NOTED members were asked to advise Secretariat by email of any circumstance which might give rise to a claim against the University or any Officer, Member of the University Court, Senate, Board or Management, or any employee or their predecessor which have not already been notified to the Insurer or that might otherwise effect the Insurer's consideration of this Insurance. (CL/18/55) M18/215
22. \* **ACADEMIC UNITS**  
RECEIVED proposals for changes to the Academic Units of the College as required by Statute 6. (CL/18/56) M18/216
- NOTED the dissolution of the Department of Social Work and the creation of a single School of Computer Science, Information Security and Mathematics. M18/217
- APPROVED the Academic Units for 2018/19. M18/218
23. \* **ACADEMIC BOARD**  
RECEIVED the minutes of Academic Board meetings (CL/18/57) M18/219
- December 2017
  - 14 March 2018
  - 30 May 2018 (minutes not yet available)
24. \* **RECEIVED THE FOLLOWING MINUTES (CL/18/58)** M18/220
- Health & Safety Assurance Committee 7 March 2018  
Equality & Diversity Committee 23 April 2018 (minutes not yet available)  
Finance Committee 22 March 2018  
Council Executive Committee 25 April 2018  
Remuneration Committee 25 April 2018 (minutes not yet available)  
Council Executive Committee 6 June 2018 (minutes not yet available)  
Audit & Compliance Committee 11 June 2018 (minutes not yet available)  
Health & Safety Assurance Committee 12 June 2018 (minutes not yet available)  
Finance Committee 21 June 2018 (minutes not yet available)  
Academic Quality Assurance Committee 25 June 2018 (minutes not yet available)
25. **NOTED THAT THE FOLLOWING COMMITTEES HAVE NOT MET SINCE THE LAST MEETING OF COUNCIL**
- Capital Projects Assurance Committee 27 June 2018 Cancelled M18/221
26. \* **SEALING OF DOCUMENTS** M18/223
- 31 May 2018:NEC3 Option A Term Service Contract in Relation to Maintenance Work, between RHBNC and Quinn Ltd. x2

31 May 2018: Sub-Consultant's Collateral Warranting Relating to Electronic Engineering Building, between RHBNC and Voestalpine Metsec PLC x2  
08 June 2018: Bedford and McCrea Building Contract Documents, between RHBNC and Paragon Interiors Group PLC x2

27. **OTHER BUSINESS**

NOTED that the Health & Safety Assurance Committee had considered its role in respect of student wellbeing and would be reviewing its terms of reference and change of name to the Health & Safety and Wellbeing Committee.

M18/224

NOTED the planned implementation of electronic board papers for Council for 2018/19. An induction would be scheduled prior to the first meeting.

M18/225

28. **DATE OF THE NEXT MEETING**

**Wednesday 10 October 2018**

**Thursday 22 November 2018** at Cumberland Lodge (Strategy day meetings 21/22 November)

M18/226



Signed:



Mr Stephen Cox CVO  
Chair of Council

Date

10 OCT - 2018