

M17/181-M17/252

Minutes of the meeting of Council held on Thursday 23 November 2017 at 11.30am at Cumberland Lodge, Windsor Great Park

Present:	Mr Stephen Cox (Chair) Ms Natasha Barrett Ms Ann Ewing Ms Tina Harris Dr Bob Fitzgerald Mr John Gregory Mrs Margaret Jack Ms Denise Keable Professor Paul Layzell Ms Sarah King	Mr Jeremy Mclroy Mr Gerry O'Hagan Mr Nick Perryman Dr Nicole Rickett Professor Liz Schafer Ms Chris Shoukry Mr David Spence Mr David Williams Ms Colette Wilson
Apologies:	Ms Emilie Ancelin Professor Sarah Ansari Ms Anna Sendall	Mr Gurpreet Dehal Mrs Christine Goodyear
In attendance:	Mr Stephen Avery Ms Marie Ennis Professor Rob Kemp	Chief Financial Officer Director of Communications and External Relations Deputy Principal
With:	Dr David Ashton Mrs Pauline Martin Mr Doug German Miss Chloe Spencer	Chief Operating Officer and Secretary to Council Executive Officer for Council Executive Policy Assistant, Minutes Administration Assistant, Secondary Minutes

FORMAL BUSINESS

- 1. MINUTES**
CONFIRMED the minutes of the meeting held on 5 July 2017 (M17/120-M17/180) M17/181
- 2. MATTERS ARISING FROM THE MINUTES**
CONSIDERED any matters arising, not covered elsewhere on the agenda. M17/182
- 3. REGISTER OF INTEREST**
INVITED members to indicate if they have a conflict of interest, not previously declared, with an item on this agenda. M17/183
- 4. UNSTARRING OF ITEMS**
NOTED the un-starring of any part B items. M17/184

NOTED that item 19, Science Building, would be unstarred, and a paper tabled. M17/185

PART A: MAJOR ITEMS OF BUSINESS

- 5. RECRUITMENT OF THE CHAIR OF COUNCIL**
RECEIVED an oral update from the Vice Chair of Council M17/186

Council

	DISCUSSED the process thus far to recruit a new chair of Council, noting that the Search Working Group had worked with the Executive Search firm Perrett Laver to identify names and that the list had been drawn down to seven individuals.	M17/187
	NOTED that candidates had responded well to the process, and spoke highly of the institution; and that the shortlisted candidates would be brought onto campus for immersion days to inform the process further, and to give them a better sense of the institution and its challenges.	M17/188
	NOTED that the Search Working Group hoped to bring forward the names of two candidates to the next meeting of Council for their recommendation.	M17/189
6.	PRINCIPAL'S REPORT	
	RECEIVED an oral report from the Principal.	M17/190
	NOTED that the Council papers contained the mid-term strategy action plan, which encapsulated much of the discussion from the Council Strategy Day.	M17/191
	NOTED that the February Council meeting would include a briefing; and Council members were invited to consider what subjects would be most informative.	M17/192
	NOTED that with the upcoming departure of Professor Rob Kemp (RK), the deputy Principal, consideration was being given to the changing of roles in line with the evolution of the Executive team. Further noted the essential contribution which came from Professor Kemp, and would be needed from his successor, in academic planning and strategy.	M17/193
	NOTED that a Senior Vice-Principal with a portfolio similar to that of RK would be appointed, and that Ann Ewing had agreed to act as the member of Council on the appointment panel. Further noted that following the departure of RK, senior colleagues would be given the relevant letters of authorisation to act as Deputy to the Principal when required.	M17/194
7.	OFFICE FOR STUDENTS	
	CONSIDERED the response to the regulatory framework consultation (CL/17/68)	M17/195
	NOTED that the consultation was a very substantial document; and that the College would be taking advice from Universities UK into account when responding.	M17/196
	NOTED that the consultation raised questions around the relationship the Office for Students should have with students; and that there were challenges to be raised in the documentation about the authority with which the OfS would speak for them.	M17/197
	NOTED that the paper set out the technical details; and that the key decision for Council was the transition phase, and that final signoff would come later.	M17/198
	CONSIDERED the interest of the OfS in the 'Value for Money' agenda, and issues around cross-subsidy; noted the need to engage in the latter issue particularly, given the reliance of institutions on the ability to cross-subsidise.	M17/199
	NOTED that the cost of HEFCE was currently top-sliced from the sector's grant; and that a separate fee for the OfS would be forthcoming.	M17/200
8.	FINANCIAL STRATEGY INCLUDING STUDENT RESIDENCES	
8.1	RECEIVED an update on the Financial Strategy and a progress report on the student residences transaction (CL/17/69)	M17/201
8.2	RECEIVED a report of the financial and logistical implications of the opening of new student residences on Campus (CL/17/70)	M17/202

	NOTED that there were two areas of the College Financial Strategy which were being brought particularly to the attention of Council. These being the triggering of the initial stage of a residences transaction, inviting potential partners to furnish the College with their credentials; and the advancement of the rolling credit facility, which was in the final stages of putting out tender information to interested banks.	M17/203
	NOTED the shortfall in student residences income for the 2017/18 academic year against budget, due to a higher than anticipated number of voids. Further noted that steps had been taken to offset the loss of income, and that the Executive was confident that it was not a structural problem with the residences, and that it would be corrected for the 2018/19 academic year.	M17/204
	DISCUSSED the potential to offer more rooms on campus to returning students, and noted that the College was already engaging with the Students' Union in order to best publicise the availability of more rooms.	M17/205
	CONSIDERED in relation to paragraph 7 of paper CL/17/70, whether the covenants currently restricting the ability of College to offer accommodation to other groups could be reviewed.	M17/206
	NOTED that elements of the shortfall seemed to be down to planning deficiencies, which were being addressed through revised governance structures and that processes would be realigned. Further noted that in looking at student numbers, financial plans could take a more modest assessment for planning purposes than could be used to set targets.	M17/207
9.	FINANCIAL MATTERS	
	Financial Statements 2016/17	
9.1	RECEIVED the annual accounts (CL/17/71)	M17/208
	NOTED that the financial statements and letter of representation were submitted for approval alongside commentary on statements, and that Council were asked to approve the statements in the context of these comments.	M17/209
	NOTED that Finance Committee had reviewed and approved the statements, that they had also been reviewed by Audit and Compliance Committee and audited by the external auditors BDO.	M17/210
	NOTED that the reduced surplus was primarily due to the increase in staff costs, and that new accounting standards would mean more volatility in the numbers. Further noted that the Chair of Finance Committee was drawing out that a set of assumptions had to be made about the movement in pensions cost and performance of the fund, which weren't really knowable until the year end.	M17/211
	NOTED that whilst HEFCE had traditionally concerned itself principally with the bottom line, the new regime under the Office for Students had new reporting with a focus on 'adjusted net operating cash flow'.	M17/212
	NOTED in relation to point 9 of paper CL/17/71, that reference was made to a full revaluation of the picture collection in 2016, and clarity was sought on this.	M17/213
	APPROVED the signing of the financial statements and the letter of representation	M17/214
9.2	RECEIVED and APPROVED the annual sustainability report for the academic year 2016/17 (CL/17/72)	M17/215
	NOTED that the report was based on a focused set of performance indicators, and whilst new guidance was expected from the Office for Students, it was anticipated to remain broadly similar.	M17/216

10. **ACADEMIC QUALITY ASSURANCE**
- RECEIVED a report from the Academic Quality Working Group regarding assurance to HEFCE (CL/17/73). M17/217
- DISCUSSED the work done thus far strengthening the link between Council and College Committees, in addition to the link between Council and Academic Board. M17/218
- NOTED that a great deal of work had been done, and noted particular thanks of Council to David Spence for his attentiveness and leadership. M17/219
- AGREED that Council confirm to HEFCE that College was compliant with the requirements set out in the Annual Assurance return regarding quality and standards. M17/220
11. **ANNUAL REPORT FROM THE AUDIT AND COMPLIANCE COMMITTEE**
- RECEIVED the report for 2016/17 of the Audit and Compliance Committee (CL/17/74) M17/221
- NOTED in relation to the external audit that the role of the Audit and Compliance committee was to interrogate the process rather than content. Further noted that the process had been rigorous, and the auditors had given good feedback on the finance team, as well as a clean bill of health for the institution. M17/222
- NOTED in relation to the internal audit, that ACC had been provided with a range of information on a range of operations, further discussed a number of issues. M17/223
- NOTED the work ongoing in respect of Cyber Security, and that progress was being made. M17/224
- CONSIDERED the issue of 'Value for Money', which was looked at each year in the course of other audits, and whether the way it was considered needed to be changed in the new environment under the Office for Students. M17/225
- DISCUSSED the nil assurance from internal audit on procure-to-pay, and the potential for serious issues with the systems in place, noting the actions in process, and still to be taken. It was noted that there was not a high chance of fraud, but that there were issues with high volume, lower value transactions. It was further noted that these issues would be resolved through the re-engineering of the process. M17/226
- REQUIRED that Audit & Compliance Committee continue to monitor and report to Council. M17/227
- APPROVED the report of the Audit & Compliance Committee for submission to HEFCE. M17/228
12. **HONORARY AWARDS**
- 12.1 RECEIVED and APPROVED the recommendations for the award of six honorary degrees of the University of London for 2018 (CL/17/75) M17/229
- 12.2 RECEIVED and APPROVED the recommendations for the award of honorary fellowships of the College for 2018 (CL/17/76) M17/230
- NOTED that a small number of honorary awards were given out by the College each year for eminent individuals, and those who had been of particular service to the College. Further noted that Council Executive had considered a number of cases and had arrived at the recommendations in the document, which had passed through Academic Board and been cleared by the University of London. M17/231

Council

NOTED that Honorary Fellowships of the College were proposed for Mr Iain Ross and Professor Justin Champion. M17/232

NOTED that nominees for Honorary Fellows and Honorary Degrees were not aware that they had been proposed, and Council were asked to ensure confidentiality. M17/233

PART B: ITEMS FOR REPORT AND FORMAL APPROVAL

13.*	ANNOUNCEMENTS None	M17/234
14.*	REPORT OF DECISIONS TAKEN BY THE CHAIRMAN None	M17/235
15.*	REPORT OF DECISIONS TAKEN BY CIRCULATION None	M17/236
16.*	COMPLIANCE RECEIVED the second annual Prevent report (CL/17/77)	M17/237
17.*	TREASURY MANAGEMENT POLICY NOTED a change to the treasury management policy (CL/17/78)	M17/238
18.*	ESTATES PROJECTS RECEIVED an update on estates projects (CL/17/79)	M17/239
19.	SCIENCE BUILDING RECEIVED and APPROVED the shortlist of potential names for the Science Building (CL/17/80)	M17/240
	NOTED that Council had received notice of the process to identify names for new buildings during the July meeting, and that the process had been followed to shortlist the names presented. Further noted that the names would be put to consultation with staff and students in the coming term, with a view to present a recommendation to Council in the new year.	M17/241
20.*	TERMS OF REFERENCE	
20.1*	AGREED the terms of reference of the Remuneration Committee (CL/17/81) NOTING that the minutes of the Remuneration Committee meeting of June 2015 clarified the role of the Principal in its meetings. The minutes were delivered to Council at the 7 October 2015 meeting and this is noted in the minutes (M15 232). Since that time the Principal should have been recorded as "in attendance" at Remuneration Committee meetings. The Principal continues to withdraw from the meeting where appropriate.	M17/242
20.2*	AGREED the terms of reference of the Health & Safety and Equality & Diversity Committees (CL/17/82)	M17/243
21.*	ACADEMIC BOARD Minutes of Academic Board meetings 11 October not yet available	M17/244
22.*	RECEIVED THE FOLLOWING MINUTES (CL/17/83) Council Academic Quality Assurance Committee 15 September 2017 Council Executive Committee 20 September 2017	M17/245

Council

Health & Safety Assurance Committee 2 October 2017 (not yet available)
Equality & Diversity Committee 19 October 2017 (not yet available)
Council Executive Committee 25 October 2017 (not yet available)
Remuneration Committee 25 October 2017 (not yet available)
Capital Projects Assurance Committee 26 October 2017 (not yet available)
Finance Committee 26 October 2017 (not yet available)
Investment Sub-Committee 26 October 2017 (not yet available)
Council Academic Quality Assurance Committee 30 October 2017 (not yet available)
Audit & Compliance Committee 13 November (not yet available)

23.*

SEALING OF DOCUMENTS

M17/246

4 October 2017: Deed of Warranty for new library building: RHBNC and Conder Allslade Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Colorminium (London) Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Elan Lifts Ltd
4 October 2017: Deed of Warranty for new library building: RHULBNC and Norstead Ltd
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Ove Arup & Partners Intl Ltd and Geoffrey Osborne Ltd (x6)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, Mechanical & Electrical Bream: RHULBNC and Ove Arup & Partners Intl Ltd (x4)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Stride Treglown Ltd and Geoffrey Osborne Ltd (x3)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, architect & head designer, between RHULBNC and Stride Treglown Ltd (x2)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, between RHULBNC and Rider Levett Bucknall UK Ltd (x2)
12 October 2017: Deed of Admission/Accession between University of Adelaide and Regents of University of California and RHULBNC and University of Western Australia (x2)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Stride Treglown Ltd (x3)
12 October 2017: Deed of Novation for design & construction of new science building: RHULBNC and Ove Arup & Partners Intl Ltd (x3)
12 October 2017: NEC3 PSC Option A Appointment in relation to design & construction of new science building, between RHULBNC and Ove Arup & Partners Intl Ltd (x2)

24.

OTHER BUSINESS

DISCUSSED the state of the Scheme, and noted that Dr David Ashton had written to the Charity Commission in regard to the delays in their progress. Noted that the Charity Commission had apportioned responsibility to the Department of Culture, Media and Sport. M17/247

Council APPROVED an approach to continue the College's approach through contacts at the Charity Commission, rather than bypassing them in favour of approaching DCMS. M17/248

NOTED the thanks of Council to Mr Gurpreet Dehal, who had been an outstanding member of Council, and who would be stepping down in the new year due to his new position on the Board for the Office for Students. M17/249

NOTED the thanks of Council to Dr Nicole Rickett for her contribution to the work of Council, further noting that she would be leaving the College. M17/250

Royal Holloway, University of London
Council

NOTED the thanks of Council to Professor Rob Kemp, for his profound and longstanding contribution to the College and its activities, noting further the personal thanks of Council members for his advice, guidance and support.

M17/251

25.

DATE OF THE NEXT MEETING

Wednesday 21 February 2018 5pm

M17/252