

<b>Date</b>	28 November 2017, 17.00
<b>Location</b>	Henriette Raphael Function Room, Henriette Raphael House, Guy's Campus
<b>Present</b>	Lord Geidt (Chairman); Professor Brian Holden Reid; Baroness Morgan of Huyton (Vice-Chair); Professor Edward Byrne (President and Principal); Mr Michael D'Souza; Dr Angela Dean; The Hon Sir David Foskett; Mr Paul Goswell; Ms Ros King; Professor Sir Robert Lechler; Mr Chris Mottershead; Mr Momin Saqib; Sir Nigel Sheinwald; Mr Andrew Summers; Dr Ian Tebbett; Ms Nhuoc Lan Tu; The Right Reverend Dame Sarah Mullally; and Professor the Baroness Alison Wolf.
<b>Apologies</b>	Professor Evelyn Welch
<b>In attendance</b>	Professor Jonathan Grant, Vice President & Vice-Principal (Service) Professor Nicola Phillips, Vice President & Vice-Principal (Education) Dr 'Funmi Olonisakin, Vice President & Vice-Principal (International) Professor Reza Razavi, Vice President & Vice-Principal (Research) Mr Steve Large, Vice President (Finance) Mr Richard Salter, Director of Analytics (for Item 8)
	<b>Secretariat:</b> Ms Irene Birrell, College Secretary Ms Joanna Brown, Governance Manager Ms Xan Kite, Director of Governance

## 1 Welcome, apologies and notices

The Chairman welcomed Professor Nicola Phillips, Vice President/Vice-Principal (Education) to her first Council meeting.

No conflicts of Interest had been declared in advance of the meeting. [During Item 6a, Baroness Morgan of Huyton declared a conflict of interest in her role as Chair of the Royal Brompton & Harefield NHS Foundation Trust].

The Vice-Chair placed on record the Council's congratulations to The Chairman on his recent elevation to Lord.

## 2 Approval of agenda

The Chairman requested that Council note the following points:

- Both the Finance Committee and the Audit, Risk and Compliance Committee were recommending approval of the Financial Statements from their different perspectives. Item 10(a)(i) (Financial Statements 2016-2017) would be considered in conjunction with item 10(b)(i) from the ARCC report (Financial Statements, External Auditors; audit highlights memorandum and management letter).
- Item 9(c) (KCLSU Articles of Association) had been listed on the agenda as an item for approval. However it was an item to note. The KCLSU had simply served notice that they would be considering amendments to their Articles this year that would need to come to Council for approval at a future meeting.
- The Academic Board report requested that Council approve the Annual Provider Review Report (item 10(c)(i)). The Audit, Risk and Compliance Committee (ARCC) report provided a complementary report on the suitability and effectiveness of the processes used to provide assurance of academic quality (item 10b(iv)). The Chair of ARCC agreed that both items be considered in conjunction.
- Item 10e was the report of the Remuneration Committee. The Principal and members of the executive would leave the room for this discussion and therefore this item was moved to the end of the agenda.

With note taken of the preceding points the agenda was approved.

## 3 Unanimous Consent Agenda (including Minutes of the Previous Meeting)

The Governance Review Update at Item 10d on the agenda was removed from the Unanimous Consent Agenda in order that the Chairman provide a further update on the engagement of an external consultant.

### Decision

That the remaining reports on the Unanimous Consent Agenda, including the Minutes of the Previous Meeting, be taken as read and noted or approved.

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**4 Matters Arising from the Minutes**

Council noted the actions agreed at the previous meeting and that all had been completed or would be completed within the agreed timeframe. There were no other matters arising.

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**5 Report of the Chairman**

The Chairman requested that Council Members inform the Secretariat of any issues with the meeting dates scheduled for the 2018-2019 and 2019-2020 academic years.

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**6 Report of the President & Principal**

*Items for Consideration*

(i) Summary Report on Key Issues [KCC\_17\_11\_28\_06a]

The Council considered the Principal's report on key issues. In addition to those noted in the report the Principal raised the following additional issues:

- *Autumn Budget 2017*: Since the agenda had been distributed the Autumn Budget 2017 had been announced. The Industrial Strategy White Paper would provide further details on budget allocation.
- The Principal congratulated Professor the Baroness Wolf on King's College London Math's School having appeared in The Times as State sixth form college of the year.
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- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
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- [REDACTED]
- [REDACTED]
- [REDACTED]
- *Draft Statement on Freedom of Expression*: A paper was tabled. Council members were invited to feed any comments back to Professor Jonathan Grant, Vice President & Vice-Principal (Service). The Council was briefed that this draft document was based on the Chicago principles and was a statement of freedom of speech. Following false allegations in recent past of suppressing speakers, it was considered that it would be useful for King's to have a formal statement of policy on freedom of expression. The KCLSU President would be producing a similar document. Bishop Sarah Mullally suggested that "religious" be added in to the sentence "Our Commitment will at times see the university serve as a place in which intellectual, moral, or political dispute come to the fore." The Council was strongly in support of the draft and content for it to be taken forward. Once finalised it would be circulated electronically to Council members. Some US universities had adopted the Chicago Principles but it was too early to measure any impact. The current iteration of the Chicago Principles had been updated in 2016, and was quite different from the 1930s version, though the core principle of freedom of expression remained the same. The KCLSU President suggested it would be worth looking at the structure of monitoring events alongside the statement, keeping in mind that the reputation of university was of utmost importance. In terms of freedom of speech, the KCLSU had never refused anyone, but had monitored events with space safe marshals and received negative media attention for doing so. The Principal noted that the Prevent legislation meant that the university/KCLSU did need to have due regard to the need to prevent people from being drawn into terrorism.
- The Principal notified the Council that the first female bishop had been elected in the Scottish Episcopal Church and that she was a King's alumna. The Principal had written to Canon Anne Dyer, who had studied Theology at King's, to congratulate her on her appointment.
- The Principal recommended and invited Council members to a new series of lectures commencing in the New Year, and which would thereafter be a regular fixture. The first would be with Professor Anthony David, Vice Dean in King's Department of Psychosis Studies.
- Council was informed that King's was close to recruiting a new Biomedical Engineering group and that much capital investment would be required in order to house the bioengineering team, for which the due process would take place.

- *Pedestrianisation of the Strand*: Although the Autumn Budget 2017 had made little mention of London, it had stated that London would be the pilot for Business Rate Retention which presented an opportunity to ensure that any rates retained were spent on things such as infrastructure. The Strand/Aldwych vision project had been highlighted by Transport for London as a priority project to support and London First had selected Strand/Aldwych pedestrianisation as their number one priority project to support.
- *Royal Brompton Hospital*: Baroness Morgan of Huyton declared a conflict of interest for this item in her role as Chair of the Royal Brompton & Harefield NHS Trust. Council was updated on progress. There had been a joint public statement of intent from King's Health Partners and the Royal Brompton & Harefield NHS Foundation Trust. King's continued to pursue collaboration with Imperial College on this project.
- It was noted that a revised version of Appendix C, which included an additional paragraph on student residences, had been circulated to members.
- *Admissions*: Council was updated that The Principal had conducted a series of departmental visits and that it seemed staff were coping reasonably well with the over-enrolment of students in October 2017. The over-recruitment had occurred because offers had been made based on past metrics, but certain subject areas, particularly business and informatics had been particularly in demand. This had already been anticipated and taken into account in advance of Council's approval of the budget. Council was asked to note that this over-enrolment was in planned areas of growth, but had happened earlier than expected. Each of the Executive Deans would be looking at the financial implications of targets in the upcoming planning round. It was noted that staff were managing and that morale was generally good, but it was stated that it was stressful in the high demand areas. The pressure was in managing extra students without dropping standards.
- Council heard that student satisfaction in the high demand areas was being monitored closely.

(ii) Mental Health Issues and Initiatives [KCC\_17\_11\_28\_06a]

Council received a report on Student Mental Health initiatives from the Senior Vice President/Provost (Health). There had been a significant increase in the prevalence of student mental health issues both at King's and across the world, and an increasing moral obligation for action, and this sat comfortably with King's professional expertise in the area, and its ambitions to lead in student mental health. King's was committed to developing a strategy on student mental health and aimed to be leaders nationally, if not internationally.

A new Student Mental Health Strategy Steering Group had been convened under the executive sponsorship of Professor Sir Robert Lecher, with support from Council member Lan Tu. Academic leadership for the work was being provided by the Executive Dean (IoPPN), professional services leadership by the Director of Students & Education and student leadership by the KCLSU Vice-President for Education (Health).

The Student Mental Health Strategy Steering Group would be focussing on:

- Abolishing any stigma surrounding mental health issues;
- Prevention of mental health issues and promotion of mental wellbeing;
- Extending group and one-to-one based peer support mechanisms;
- Critically evaluate the existing KCL counselling services;
- Commissioning research to understand where students were accessing support to inform future delivery of services;
- Evaluation of King's interventions in order to disseminate learning nationally and internationally; and
- Subsequently rolling out a similar approach in support of staff wellbeing.

Council welcomed the report.

*Items on Consent*

- (iii) Annual Prevent Submission (**Decision**: Council approved the submission)
- (iv) Diversity & Inclusion Steering Group (noted)
- (v) Annual Health & Safety report 2016-17 (**Decision**: Council approved the report)

## 7 Professional Services & Professional Strengthening [KCC\_17\_11\_28\_07]

Council received a report from the Senior Vice President (Operations). The report provided a summary of the functional approach to professional service delivery and updates from each of the sector and institutional enablers, as well as information about cost summary and budget. During discussion the following points were raised:

- Improvements at all levels in the organisation continued to be promoted through Continuous Improvement initiatives, and localised adaption of resources to the changing academic models.

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- Demand for new IT solutions exceeded the capacity to deliver and significant investment in IT systems continued.
  - An update on compliance with the new General Data Protection Regulations (GDPR) would be taken to the next Audit, Risk and Compliance Committee meeting before being put to Council.
  - Following an external review on communications, a key suggestion for improvement in this area was to move away from a tactical email message-based approach to senior management engagement. This would require a different type of support from Internal Communications and with the appointment of a new Internal Communications Director further improvements were already starting to be implemented.
  - Development of communication was one of the two or three major changes that King's needed to address over the next few years, along with IT. A lot of progress had been made in the last year, and the next planning round was expected to reveal further areas requiring adjustment.
  - Dr Tebbett stated that the biggest risk regarding professional strengthening was in not proceeding with the high-level functional approach to professional services delivery. In his view, if initiatives did not proceed then the services that the university needed in order to respond to academic growth and to improve the student experience would under-deliver. Appointments would be lost if roles could not be provided that were attractive in the marketplace. King's was currently benefitting from the maturity of management decisions, and it was important to continue to improve using the professional strengthening agenda.
  - Benchmarking data taken from the Uniforum group including 19 Russell Group universities in the UK, and universities in the USA, Australia and New Zealand, showed the difficulty in breaking the relationship between income and professional operating costs. On average, London pay was higher than the rest of the UK, but London had its own challenges and consequently London universities, and particularly those of the size and complexity of King's, faced the need for more efficiencies.
  - Council was keen to monitor this professional strengthening work, and Dr Tebbett suggested that he could do qualitative benchmarking also looking at cost and time spent on change.
  - Academics who had been at the university for more than six months had been invited to participate in a benchmarking exercise conducted by a third party on the impact of direct measures. The next exercise would be in March 2018.

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## 8 **Key Performance Indicators [KGC\_17\_11\_28\_08]**

The Council received a report requesting Council approval of the approach to be taken to reporting performance against Key Performance Indicators. The Director of Analytics attended to take questions. During discussion the following points were raised:

- Council considered the way in which the university scorecard would provide data on staff and professional services. The staff survey was carried out every two years and the latest survey was currently underway; the results would be reported to Council shortly.
- Council had received discrete reports on specific areas in recent years, notably finance. The Balanced Scorecard approach had been designed to be scalable for faculty needs. The Balanced Scorecard had core standard items and the capability for faculties to add more.
- A question was raised about measuring risk and sustainability. It was acknowledged that one of the weaknesses of the balance scorecard approach was that it was based on output, which was a trade off against having benchmark data. Performance could be contextualised against benchmark data, and the Balanced Scorecard had been defined to reflect that. King's had a distinct risk register.
- The Balanced Scorecard would be assessed by the Executive. Where faculty had not set stretching targets, or could not set targets, they would be set by the service area lead, and refined before going back to faculty. Targets would be set to reflect benchmark groups where appropriate.
- In terms of student satisfaction, achieving targets was slow, partly because of the boycott of the National Students Survey.
- The inclusion of the gender pay gap had been discussed and the greatest impact was lack of representation at senior grades.
- The Chairman noted that the balanced scorecard would be reported to Council twice a year. He was in favour of the "at a glance" approach and requested that in future the report include both a summary and a key.

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## 9 Report of the KCLSU President

### *Items for Consideration*

a) Summary Report [KCC\_17\_11\_28\_09a]

The Council received a report from the President of King's College London Student Union (KCLSU). In addition to the points raised in the report, Mr Saqib stated that securing visa expenses for all international students wishing to go for a sabbatical position was significant as international students constituted a large proportion of the student demographic and it was important to encourage them to be active members of the university community. One World Week had gone well and more events celebrating diversity would be promoted. KCLSU sabbatical officers had attended the Estates Strategy workshop, and students were supportive of efforts made to facilitate a sense of community in the university. Mr Saqib similarly reflected KCLSU optimism about the new mental health initiative.

The Chairman commended the KCLSU President on his engagement in all of the issues reported, and for his initiative in welcoming those groups who had been disadvantaged by visa issues.

### *Items on Consent*

b) King's/KCLSU Agreement and Priorities 2017/18 (noted)

c) KCLSU Articles of Association (noted)

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## 10 Reports of Committees

a) Report of Finance Committee [KCC\_17\_11\_28\_10a]

### *Items for Consideration*

(i) Financial Statements 2016-17 (to approve)

The Financial Statements showed a Comprehensive Income for the year ended 31 July 2017 of £24m which compared on a like-for-like basis with £20m in the prior year. The operating cash surplus available for investment, defined as comprehensive income adjusted for actuarial gains and losses, donations, capital receipts and endowment in 2016/17 had been c.£14m. The management accounts for the year showed an operational cash surplus for investment of £16.6m compared to the budget of £5.5m. The over-performance was due to higher than expected tuition fee income and slower than planned recruitment of faculty. Shortfalls in research grants and overheads partly offset other favourable variances although the forward order book remained strong. The margins were tight at 2% in 2016-17 as expected in the investment phase of the Strategic Plan implementation and it was intended that this would rise to 6% in the steady state. The investment being made in education and research facilities was shown in the £80-£90m increase in assets. Council noted that current valuation of the assets would raise the valuation figure by about £400-500m and that this might be undertaken in due course to increase lending capacity.

#### **Decision**

Council approved the Financial Statements 2016-17.

### *Items on Consent*

(i) Annual Assurance Return

**Decision:** Council approved the Annual Assurance Return

(ii) Annual Accountability Return

**Decision:** Council approved the Annual Accountability Return

(iii) Annual Sustainability Return 2017

**Decision:** Council approved the Annual Sustainability Return

(iv) Standard and Poor's Annual Credit Rating Report (noted)

(v) Terms of Reference and Membership of the Finance Committee (noted)

(vi) Terms of Reference and Membership of the Investment Sub-Committee (noted)

(vii) Report on College Endowment Funds for the year ended 31 July 2017 (noted)

(viii) Capitalisation of Unexpended Income Accounts as at 1 August 2017 (noted)

(ix) Report on Replacement of the Finance System (noted)

(x) Management Accounts for the two months ended 30 September 2017 (noted)

(xi) Investment Sub-Committee Report for the year ended 31 July 2017 (noted)

(xii) Update on Pension Matters (noted)

(xiii) Update on Bush House Buildings (noted)

b) Report of Audit, Risk & Compliance Committee [KCC\_17\_11\_10b]

The Chair of Audit, Risk and Compliance Committee reported that the meeting of the Committee held on 7 November 2017 had been held at the Francis Crick Institute and recommended that a future meeting of Council be held in the Francis Crick building.

### *Items for Consideration*

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- (i) Financial Statements, External Auditors' audit highlights memorandum and management letter  
**Decision:** Council approved the External Auditors' audit highlights memorandum and management letter.
  - (ii) Management Letter of Representation  
**Decision:** Council approved the management letter of representation
  - (iii) Audit, Risk & Compliance Committee Annual Report  
**Decision:** Council approved the Audit, Risk & Compliance Committee Annual Report
  - (iv) Annual Provider Review - Quality Assurance Processes  
Audit, Risk and Compliance Committee had reviewed a report on the processes relied upon by the university to monitor academic quality. It noted that some processes were not always being optimally operationalised, but concluded that it supported the opinion provided to Council by Academic Board that there are good structures in place to support the provision of a high quality academic experience to students (see minute 10c).

*Items on Consent*

- (i) Annual Internal Audit Report (noted)
- (ii) Research Strategy (noted)
- (iii) King's participation in the Francis Crick Institute (noted)

c) Report of Academic Board [KCC\_17\_11\_10c]

*Item for Consideration*

- (i) Annual Provider Review Report

Academic Board had received the Annual Provider Report at its meeting on 11 October 2017 and agreed to recommend the Annual Provider Review Actions to Council for approval. Council would then be able to provide the assurances on the quality of the student academic experience, student outcomes, and the standard of awards as required by the revised HEFCE annual accountability return.

**Decision:**

Council approved the Annual Provider Review Report.

*Items on Consent*

- (i) International School for Government (noted)
- (ii) Undergraduate External Examiner Overview Report (noted)
- (iii) Annual Report on Action taken on Suspensions of Regulations (noted)
- (iv) Proposal for a BSc (Hons) Nursing (Singapore) (noted)

d) Report of Governance Committee [KCC\_17\_11\_10d]

*Items for Consideration*

- (i) Charter and Statute revisions

Council considered proposed amendments to the Charter and Statutes for approval in principle as the first step in the process for amendments to be made. The next step would be to submit the revisions to the Privy Council for its review and input and a final version would be brought back to Council taking account of that advice for approval on two separate occasions as required by the current Statutes.

The majority of the proposed amendments were editorial and related to the new University of London Act which was with the House of Commons for approval. There was an additional substantive change proposal put forward at the urging of the Privy Council to change the special resolution process so that these could be approved in one meeting rather than two. The other substantive change proposal was to increase the student membership by one to two members and to reduce the staff membership by one to ensure no overall increase in the number of Council Members. The President of KCLSU remained an ex-officio member and one of the two students. The Nominations Committee would be asked to assure, wherever possible, that one student member was undergraduate and one post graduate.

The proposed revisions would enable the President and Principal to use the title Vice-Chancellor, but there was no intention to change the current practice at King's using President and Principal.

**Decision**

Council approved the revisions to the Charter and Statutes in principle and instructed the College Secretary to forward the proposed amendments to the Privy Council for its advice.

- (ii) Governance Review Update

The consultancy firm Nous had been engaged to assist with the governance review and one of its senior partners would meet with Council at its next meeting on 25 January 2018 and the outcomes of that meeting would be considered by the Governance Committee in February in progressing the review. A snapshot of the intended presentation to Council would be circulated to the Governance Committee before the January Council meeting.

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In addition, John Sexton, President Emeritus, New York University, had been engaged to join Council to assist with the governance review at its Away Day in May.

*Items on Consent*

- (i) Governance Review Update (noted)
- (ii) Additional Vice-Chairs of Council (noted)

e) Report of the Remuneration Committee

[Secretary's note: This item was taken at the end of the meeting]

f) Report of the Joint meeting of the Finance Committee and Estates Strategy Committee [KCC\_17\_11\_10f]

*Item for Consideration*

(i) Capital Challenges and Options for Deployment

The Chair of the Estates Strategy Committee reported that a joint meeting of the Finance Committee and Estates Strategy Committee had been held on 14 November to begin to foster a better understanding of the thinking and strategy of the two bodies and their intertwined business. The meeting had considered Vision 2029, the Academic Strategy, financial strategy and real estate considerations. It was clear that the two committees should work together and the governance review provided an opportunity to consider the best ways to do that. In addition to the consideration of strategy and its implementation, work was being undertaken to build an asset register to enable a bottom-up understanding for decision-making. The register would be presented to Council in due course.

One issue under current consideration was the extent of outsourcing halls of residence to private providers and the ways in which the right quality but affordable housing could be protected in all student residence arrangements now and in the future; what was the right balance between owned and leased facilities? The Principal noted that he was currently chairing a review of student residence provision across the University of London and this would inform the considerations at King's.

Strategic issues, including focus on the attainment of the 6% operating margin, would be considered at the Council Away Day in May.

*Items on Consent*

- (i) Estates Strategy and Finance Committees – links and processes
- (ii) Acquisitions and Disposals Process

g) Report of the Nominations Committee

*Items on Consent*

- (i) Investment Subcommittee Membership Extensions (noted)
- (ii) Council and Committee Vacancies (noted)

h) Report of Fellowships & Honorary Degrees Committee

*Items on Consent*

- (i) Nominations for Honorary Degrees

**Decisions**

Council approved the following nominees for the award of an Honorary Degree:

[Redacted names]

- (ii) Nominations for Honorary Fellowship (to approve)

**Decisions**

Council approved the following nominees for the award of an Honorary Fellowship:

[Redacted names]

- (iii) Nominations for Fellowship

**Decisions**

Council approved the following nominees for the award of a Fellowship:

[Redacted names]



- (iv) Honorary Award Categories (noted)
- i) Report of the Estates Strategy Committee (KCC\_17\_11\_10i)
  - Items on Consent*
  - (i) Report of the Director of Estates & Facilities (noted)
  - (ii) Space and Facilities Plan for the Strategic Vision 2029 (noted)
  - (iii) Specific Development Projects – Update (noted)
  - (i) Bush House Update (noted)
  - (ii) Capital Projects Dashboard (noted)
  - (iii) Estates Operation Overview 2017/2018 Q1 (noted)
  - (iv) Sustainability Report – Carbon Reductions (noted)

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*The Senior Vice Presidents and all attendees left the meeting at this point.*

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**10e Report of the Remuneration Committee**

**Discussion Part 1: Senior Staff Other than the President and Principal**

The members of Council and the President and Principal received a report on discussions held at the Remuneration Committee with respect to senior staff other than the President and Principal.

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*The President and Principal left the meeting at this point*

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**10e Report of the Remuneration Committee**

**Discussion Part 2: The President and Principal**

The members of Council considered the report of the Remuneration Committee with respect to the President and Principal. It was noted by the Chairman that the Remuneration Committee was undertaking a full review of its policy and procedure, for which an external consultant would be engaged. The report on the review along with a revised remuneration policy would come forward in due course for Council's approval.

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*The President and Principal re-joined the meeting at this point*

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**11 Any Other Business**

There being no other business, the Chairman declared the meeting adjourned.

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**Irene Birrell**  
College Secretary  
November 2017