
College Council Minutes - Approved

Date	24 November 2020, 17.00
Location	Microsoft Teams
Present	Lord Geidt (Chair); Dr Angela Dean (Vice-Chair); Vivek Ahuja; Professor Sir Ed Byrne; Paul Cartwright; Sir Jon Coles; Michael D'Souza; Paul Goswell; Salma Hussain; Sir Ron Kerr; Ros King; Steve Large; Sir Nigel Sheinwald; Clare Sumner; Professor Guy Tear; Kat Thorne; Dr Susan Trenholm; Nhuoc Lan Tu; and Professor Evelyn Welch.
Apologies	The Rt Revd and Rt Hon Dame Sarah Mullally
In attendance	Chris Mottershead, Senior Vice President (Quality, Strategy & Innovation) Professor Richard Trembath, Senior Vice President (Health) Professor Nicola Phillips, Vice President & Vice-Principal (Education) (Items 6.2 and 7.4) Professor Sir Robert Lechler (Item 6.3) Annie Kent, Interim Chief Finance Officer (Items 6.3, 7.1 and 7.3) Darren Wallis, Executive Director, Education & Students (Item 7.4) Aless Gibson, KCLSU Vice-President Education (Health) (Item 8) Heena Ramchandani, KCLSU Vice-President Postgraduate (Item 8) Niall Berry, KCLSU Vice-President Activities and Development (Item 8) Tasnia Yasmin, KCLSU Vice-President Welfare and Community (Item 8)
	Secretariat: Irene Birrell, College Secretary Joanna Brown, Governance Manager Xan Kite, Director of Governance Services Paul Mould, Director of Business Assurance

1 **Welcome, apologies and notices**

The Vice Chair opened the meeting on behalf of the Chair and welcomed members and attendees to the meeting.

Apologies had been received from Bishop Sarah Mullally.

No notice of conflicts of interest had been received.

2 **Approval of agenda**

The Vice Chair announced that the Audit, Risk and Compliance report (Item 7.3) would be taken immediately following the Finance Committee Report (Item 7.1) given the related items concerning the financial statements and the external audit. Items 7.8 (Fellowships & Honorary Degrees Report) and Item 7.9 (Remuneration Committee Report) would be dealt with in closed session at the end of the meeting.

Decision

That the agenda be approved.

3 **Unanimous Consent Agenda (including Minutes of the Previous Meeting) [KCC-20-11-24-03]**

Decision

That the reports on the Unanimous Consent Agenda, including the minutes of the 15 July 2020 meeting, be taken as read and noted or approved as set out in the papers.

4 Matters Arising from the Minutes

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5 Report of the Chair

None.

Lord Geidt in the Chair

6 Report of the President & Principal

6.1 Summary Report on Key Issues [KCC-20-11-24-06.1]

The report of the Principal outlined key current issues. The Principal highlighted the admissions, league tables and staff update sections of his report.

The Principal reported that in recognition of everyone’s hard work and commitment in responding to the challenges created by COVID-19, staff would be given an additional three concessionary days over the Christmas period. Additionally, under the leadership of the Senior Vice President (Operations), certain aspects of regular work would be set aside for more normal times. During discussion on this topic, points raised included:

- Academic staff - Delivering both online and in person was more demanding. Clinical staff had been drafted to the front line and others faced difficulty in trying to keep their research up and running and continually having to change pace.
- Professional Services staff – Staff were having to operate in multiple modes and make rapid transitions in response to the frequent changes of government policy and adjust ways of working.
- COVID outbreaks among staff and students and the subsequent need to isolate people at short notice led to increased workload for those who had to pick up the reins.
- A testing centre for students had been set up in the last three weeks to meet Government requirements for students to be tested twice before returning home at Christmas. This had been a huge, time-pressured undertaking in addition to normal day jobs.

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- 40 percent of vacant posts had been either held vacant or involved staff on furlough which meant that fewer staff were bearing the stresses.

A discussion on the Degree Outcomes data (Annex 7 to the Principal's Report) included the following:

- The number of First-Class degrees awarded by King's had risen. The Principal noted that this in part reflected improvements in the academic offer and quality of students. King's was average in relation to other Russell Group universities in the number of firsts awarded and it was keeping the matter under review.
- There were no plans to continue the student marks safety net arrangement introduced in the previous year in light of COVID-19 as it was possible to plan and design appropriate assessments in advance.
- It was noted that academic staff were working to improve teaching and to help students to better understand how to achieve success.
- It was noted that it would be helpful to learn more from the degree outcome data and the wider implications of obtaining better marks in terms of closing the BME attainment gap, taking account of variations from faculty to faculty and understanding the position for Black students who were currently the group expressing the highest levels of dissatisfaction.
- A report on student attainment gaps would be considered at the next meeting of the Academic Board and this discussion would be reported to the subsequent meeting of Council.

A discussion on the Higher Education Environment (Annex 3 to the Principal's Report) included:

- The Office for Students and Research England had been given instructions to reduce unnecessary bureaucratic burden on universities. Processes under review were surprising in some cases. They included removal of the requirement to hold an Athena SWAN award on gender equality for NIHR and UKRI grants (including for NIHR-funded Biomedical Research Centres), and a review of the NSS and TEF, the details of which were not yet known.
- The Department for Education had issued policy paper proposals on changing the way it gives out funding and a decision to fund a smaller number of large projects than in recent years. Focus would be on disciplines that the Government deemed to be a priority for the economy. King's had been preparing for this with its developments in engineering, informatics and the Innovation Quarter.

6.2 COVID-19 Update Overview [KCC-20-11-24-06.2]

Over the semester, King's had offered a blend of on-line and on-campus teaching. A key concern had been to avoid ripple effects in which students testing positive for COVID-19 led to other students and staff who had been in contact needing to self-isolate. The established roll back plan had been brought into effect when the second lockdown had been announced and the majority of non-lab teaching had returned to online provision.

A survey had revealed that students were broadly satisfied with the learning provision, with some patchiness around personal tutoring and support. Around 5 percent reported issues around extreme loneliness and their ability to make friends, though many more had reported general loneliness, and the university and KCLSU were working to mitigate this.

Plans had been established to provide COVID-19 tests for students to allow them to get the two required tests before travelling home for Christmas in the Government corridor time frame. Work was now focused on the procedures to be put in place for students' return in January using a combination of lateral flow and PCR tests. The expectation was that students would be tested upon return and regularly thereafter if they wished to be on campus. Thanks was due to the cleaning and security staff and campus ambassadors for keeping students safe and socially distanced. King's had so far not seen the challenges that other institutions had faced.

In discussion the following points were noted:

- King’s was at the high end of cost for COVID-19 support when compared with other institutions, and it was noted that it had taken a slightly different accounting approach by taking all costs centrally rather than requiring faculties to manage these locally. It had also been clear about protecting jobs where others in the Russell Group had used redundancy to a greater extent.
- The NHS was going to roll out vaccination to frontline staff in early December and students on clinical placements who had to stay beyond the travel corridor window would be considered for vaccination by the NHS as part of that group. It was not yet clear how and when the remainder of the student body might be provided vaccinations. This would depend on national priorities and government guidance.
- The impact of the vaccination on the finances and risk register longer term was not yet known, but the impact on the current academic year would be minimal.

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6.4

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7 Reports of Committees

7.1 Report of the Finance Committee [KCC-20-11-24-07.1]

(i) **Financial Statements 2018-19**

Given the exceptional circumstances this year, the Treasurer had introduced additional sessions for Finance Committee members and others to enable a more granular review of the accounts. The Treasurer and Chair of Audit, Risk and Compliance Committee had also met with KPMG to consider their findings.

Income before Interest, Tax, Depreciation, Amortisation & Pension movement showed earnings of around £59m, up from around £50m last year. After these costs, King's returned a loss of £20m compared to a loss of just over £21m last year.

The Finance Committee had focused on three material matters impacting the bottom line: the revaluation of land amounting to £484m; the pension impact of £116m compared to £(167)m last year; and the Canada Water asset sale in April which had had an overall impact on the gain in this year's accounts of approximately £35m with the sale of the site for £86m including some £14m of VAT.

Council noted that there continued to be significant uncertainty over the USS pension scheme funding position and future contribution rates and the preliminary March 2020 triannual valuation suggested an increase in the technical deficit on the scheme of anywhere from 2.7 to 5 times which indicated a material increase for next year's accounts.

There had been an acute focus on cash flow management due to the pandemic this year. Total net cash inflow of around £77m included cash generated from operating activities of around £65m. However, this overall positive cash flow picture had been supported by around £86m of cash received from the sale of property assets during the year, without which the university would have posted a net cash outflow as it continued to invest heavily. Plans of the Executive to address this were set out in the Forward Plan (see Minute 7.1(ii)).

Going concern had been an area of focus this year due to upcoming changes in audit requirements and the exceptional economic climate prevailing. Senior university officers, and the Audit and Finance Committees had confirmed the going concern status. In addition, KPMG had completed its evaluation and concluded that it had nothing to report in these respects. Overall, KPMG had given an unqualified opinion on the university's financial statements.

The Chair of Audit, Risk and Compliance Committee assured Council of the Committee's view that the Accounts were accurate and noted that the number of areas of disagreement with the auditors had been low. The quality of the financial accounting this year had been exemplary.

The Chief Finance Officer noted the testament to the work of her Finance colleagues in the operating review in the Statements and in the very positive remarks received from the auditors and thanked her colleagues for their work. The Treasurer added his recognition of the outstanding preparation and the Chair noted that Council had been well served with the more frequent view of the accounts it had received as a result of the pandemic and added his thanks to the Finance team.

Decision

That the Consolidated Financial Statements, including agreement that the adoption of the going concern assumption in their preparation is appropriate, be approved.

(ii) Update on 2020/2021 and 5-year Forward Plan

The November review of the Interim Finance Plan approved in July 2020 had been undertaken as intended taking account of the latest information, in particular student tuition fees and proposed decisions around pay provisions and the capital programme as planned. The Plan would next be reviewed in February 2021 when there would be a greater understanding of student income streams.

The Financial position at November 2020 was stronger than anticipated in the July plan with enrolment targets met overall and income no different to previous years. There were new risks concerning incidents of COVID-19, student retention and satisfaction. A cautious approach was being taken and some funding held back to be ready for potential volatility. Some monies were being protected against student hardship and allowing students to break residence contracts for a period of time which was being seen as a really strong measure by the students. It was hoped that by February that position would be much more favourable and prediction of a slightly lower deficit than expected under the original plan would be possible.

It was proposed that three capital projects be taken to the next gateway with the remainder of the capital programme continuing to pause: the Pears Maudsley Centre for Children and Young People (CYP) investment of £0.3m on approval of the Full Business Case; the London Institute for Healthcare Engineering investment of £2m to progress to Full Business Case and undertake enabling works; and the Quad investment of £0.7m to take it from shell and core to completion. Finance Committee was confident that there were cash resources to see these through.

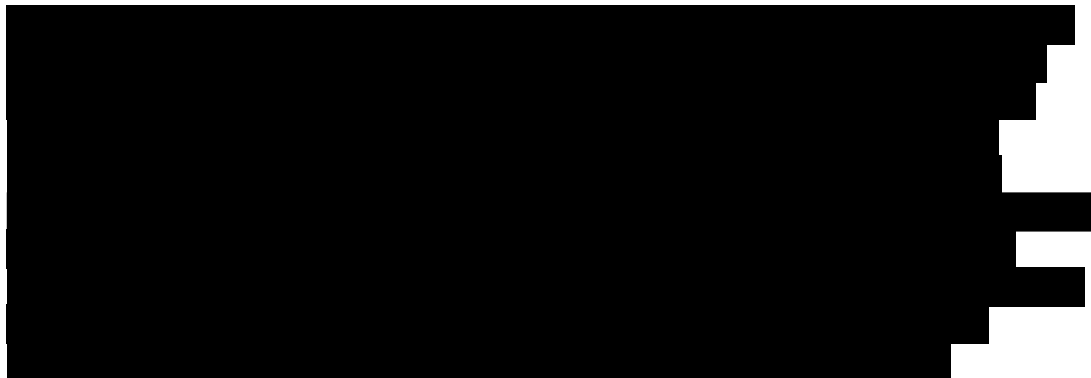
Finance Committee considered that overall provisions set out in the revised Plan to be prudent considering the current operating environment. It had noted that a further focus on productivity improvements would be required with particular attention given to costs. Attention would also be given to free cash and expenditure days to get closer to 90-100 expenditure days from the 45-70 range forecast.

Decision

Council approved:

- (i) The latest risk assessment and associated financial provisions;
- (ii) Implementation/re-instatement of the following pay measures recommended by the College's Executive:
 - a. New Graduate Teaching Assistant (GTA) terms and conditions c £2.5m
 - b. Clinical pay uplifts (backdated to April 2020) c£1.2m
 - c. Professorial increments subject to performance review. c£0.5m
 - d. Promotion (academic panels take place at the end of October and new pay based on promotion would start in January 2021) c£0.5m
 - e. Pay cut for Principal/SVPs/VPs c£0.2m

(Together these total £5m and with an additional £1m contingency are included in the operating forecast. Spine point increments for the lowest paid staff and grade progression for those who have completed their PhD (est. £150k) had already been reinstated and backdated to August 2020.)
- (iii) A continuing pause on the capital plan to the next review point, the March 2021 meeting of Finance Committee, with the following three named exceptions where approval is sought *in principle* for the release of c£4m to maintain momentum and feasibility for these projects and also to allow a £1m contingency for essential kit and works which will be subject to separate approvals. Progression to be subject to gateway reviews which include financial reviews.
 - a. *Pears Maudsley Centre for Children and Young People (CYP)* – to invest £0.3m on approval of the Full Business Case to begin works, with KCL funds not required until March 2024. The Full Business Case was considered by RERC, Finance Committee and Council in October and November 2020. [See separate report of the Joint Finance and Estates Strategy Committees].
 - b. *London Institute for Healthcare Engineering (LIHE)* - to invest £2m to progress to FBC and undertake enabling works including Prideaux decant. Final spend decision Summer 2021.
 - c. *Quad (3 and 4)*, taking from shell and core to completion – to invest £0.7m to progress to final spend decision in June 2021. Decision to be taken in January 2021 following consideration by the Quad Programme Board, CAP and RERC.



(iv) Revised Debt Strategy

Finance Committee had approved a debt strategy in June 2020 which included a decision to defer seeking a Private Placement (PP) until late 2020/early 2021.

(v) Update on Pensions

The USS Pension Trustee had distributed materials supporting the initial stages of their March 2020 valuation and was consulting through UUK, as the Universities' representative, for views and comments from both Employers and staff in the process. The valuation of the scheme was complex, the timing difficult and the outline range of costs unaffordable as currently set out. King's response to the consultation had been submitted following wide consultation across the university and consideration by the Chairs' Committee. The scheme would be subject to revaluation in March 2021.

All remaining items of the Finance Committee report were approved or noted with the Consent Agenda:

- (i) Powers of Attorney and Execution of Deeds Policy (**approved**)*
- (ii) Auditor's Management Letter*
- (iii) Staff Loans for the six months ended 31 May 2020*
- (iv) Severance Costs for the period to 31 July 2020*
- (v) College Endowment Funds Year Ended 31 July 2020*
- (vi) Capitalisation of Unexpected Income Accounts as at 1 August 2020*
- (vii) Fundraising report on the College's Tax Strategy 2020*
- (viii) Management Accounts P12*
- (ix) Annual Report on the College's Tax Strategy 2020*
- (x) Schedule of Insurances for 2020-2021*
- (xi) Research Awards*
- (xiii) Investment Subcommittee report*

7.2 Report of the Audit, Risk & Compliance Committee [KCC-20-11-24-07.3]

(i) External Audit Report and Management Letter of Representation

Council had considered this item under Minute 7.1(i).

Decision

Council approved the motion that the External Auditors' Report for the year ended 31 July 2020 and the letter of management representation from the university to the external auditors, be approved.

(ii) Annual Report of the Audit, Risk and Compliance Committee

information from Academic Board to Council. He had asked the staff members elected to Council from Academic Board to lead a discussion with the Board about the flow of information from Council to the Board. Council would also welcome a report on this back from the elected members.

(i) Student Engagement and Satisfaction

The latest NSS results had dealt a blow to King's this year, partly because positive movement had been seen in some of the subjects that had been a cause for action over time and also because such good work had been undertaken to improve education and experience. Questions had been raised about culture, organisation and management as well as feedback and assessment. A clear approach had been laid out with short and long-term actions.

Council asked whether the resources needed were available and heard that a key source of difficulty was the student record system which was complex and expensive to fix.

Members noted that poor results and plans to address them had been received for over eight years and that improvements were still not seen. They asked whether there was some cultural resistance to the necessary actions being taken. It was noted that there was still some challenge with respect to ownership of the problem and leadership to make change and, whilst some comments made at Academic Board were valid, the notion that faster feedback and quality feedback cannot go hand in hand would continue to be challenged. The student record system interface with the education IT system KEATS was inefficient and created delays, but there were other delays including the production of exam papers and issues faced in the exam venues.

Some departments consistently received positive feedback and that expertise should be replicated throughout the university. Special measures would be required.

(ii) Portfolio Simplification Update

Academic Board had approved the remaining recommendations made by the Curriculum Commission on English and Film Studies modules at PGT level. The decision-making process for programmes and modules had been completed in October 2020 and the final set of decisions presented along with an overview of the project and details on implementation and timelines. The task now as to look ahead and realise the benefits of this huge institutional effort.

All remaining items of the Academic Board report were approved or noted with the Consent Agenda:

- (i) *Annual OfS Registration report (approved)*
- (ii) *Degree Outcome Statement (approved)*
- (iii) *HR Excellence in Research Report and Academic Plan (approved)*
- (iv) *COVID-19 Update – Education Strategy*
- (v) *Academic Strategy – 2020-2021 assessment*
- (vi) *Academic Strategy (Research) Update*
- (vii) *Digital Education Policy*
- (viii) *MNurs proposal*
- (ix) *DClinDent Proposal*

7.5 Report of the Governance & Nominations Committee [KCC-20-11-24-07.5]

All items were approved or noted on the Consent Agenda

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- (i) *Committee Memberships (approved)*
 - (ii) *Change to an Ordinance – ESC (approved)*
 - (iii) *Governor Liability and Indemnification*
 - (iv) *Reflections on the Council Away Day*
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- (v) *Academic Board Elections*
 - (vi) *CUC HE Code of Governance*
 - (vii) *Council Composition*
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7.6 Report of the Estates Strategy Committee [KCC-20-11-24-07.6]

All items were noted on the Consent Agenda

- (i) *Children and Young Persons building project*
 - (ii) *General Overview of Estates & Facilities*
 - (iii) *Blended online/physical interface*
 - (iv) *Champion Hill Update and Remediation*
 - (v) *Campus Masterplanning Update*
 - (vi) *Estates Capital Working Group*
 - (vii) *St Thomas' Campus – Update on GSTT Strategy*
 - (viii) *King's Residences Demand and Supply*
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7.7 Report of the Chairs' Committee [KCC-20-11-24-07.7]

All items were noted on the Consent Agenda

- (i) *SUSTech*
 - (ii) *Pay Freeze Update*
 - (iii) *USS Pension Consultation*
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8 Report of the KCLSU [KCC-20-11-24-08]

The President of KCLSU introduced the new Sabbatical Officers who commented on current key issues. This year's Sabbatical Officers had had the need to balance their manifesto obligations against the challenges posed by COVID and presented these in order to ensure that the student voice was taken into account during these unprecedented and uncertain times:

- The VP Education (Health), Aless Gibson, reported that the academic experience had been very different this year, that study spaces had been critical and that KCLSU was working closely with the university on this. There was a need for student feedback and KCLSU had hosted two town hall meetings and initiated a survey to gather this. The use of module evaluation responses would be discussed at College Education Committee on 25 November and mechanisms to seek feedback throughout the year would be investigated. Students had identified the benefits of learning online, but also concerns about access and reliability of technology.
- The VP Postgraduate, Heena Ramchandani, reported that many students were in financial need through currency devaluation and loss of part time work due to the pandemic. The career prospects of graduating students this year and last were much worse than previous years and equal access to technical digital poverty was a real concern.
- The VP Community and Welfare, Tasnia Yasmin, reported that the transition to online study had been really difficult for many students and affected their wellbeing and KCLSU and King's needed to let them know that support was available. There were equality, diversity and inclusion concerns as underrepresented students were suffering the most and there was a need to ensure that King's met its commitments to diversity in a sustainable way.

The KCLSU President, Salma Hussain, reported that KCLSU was working with King's to take action on issues concerning the student experience in real time, making changes for students this year. Examples included making blended learning work and reversing the decision to use Wednesday afternoons for the education timetable.

Council noted that mechanisms used to reach out to students during the pandemic were challenging and important, particularly for those who feel quite isolated. KCLSU had used town hall meetings at different times of the day and had achieved participation from over 300 students and feedback from

a wide range of students from every faculty. KCLSU was also working on its structures and communication to find new ways to reach out to students and support them.

The Principal reported that the work that the KCLSU had undertaken to collaborate with the university and to give the best student experience possible in the most difficult of circumstances had been phenomenal, challenging and constructive. The Chair expressed Council's gratitude to the KCLSU Officers for joining the meeting and for all the work that they were undertaking.

10 Any Other Business

The licensing service for the incoming Dean, The Revd Canon Dr Ellen Clark-King, would be held at 7pm on 1 December 2020 online and would be led by the Bishop of London. Council Members were invited to attend.

11 Fellowships and Honorary Degrees Committee - Closed Session (RESERVED)

All observers left the meeting at this point.

■ [REDACTED]

[REDACTED]

[REDACTED]

All remaining items of the Fellowships and Honorary Degrees Committee report were approved with the Consent Agenda:

- (ii) Nominations for Honorary Degrees **(approved)**
- (iii) Nominations for Honorary Fellowships **(approved)**
- (iv) Nominations for Fellowships **(approved)**

12 Remuneration Committee - Closed Session [RESERVED]

Executive Members of Council left the meeting at this point.

- (i) **Annual Report of the Remuneration Committee** [KCC-20-11-24.7.9 Annex 1]
The Vice-Chair of Council noted that Remuneration Committee had had a busy year. It was conscious of its responsibilities and aware of public scrutiny. It had focused on being rigorous in using peer benchmarking both internally and externally and in being more transparent about the basis for decision-making.

All remaining items of the Remuneration Committee report were noted with the Consent Agenda:

- (ii) Final Contract, Incoming President & Principal
- (iii) Final Contract, Senior Vice President (Health)
- (iv) Annual Assurance Report re Expenses
- (v) Interim President & Principal – Remuneration