

College Council Minutes - Approved

Date	14 July 2021, 17.00
Location	Microsoft Teams
Present	Lord Geidt (Chair); Dr Angela Dean (Vice-Chair); Vivek Ahuja; Paul Cartwright; Sir Jon Coles; Michael D'Souza; Salma Hussain; Sir Ron Kerr; Ros King; Steve Large; The Rt Revd and Rt Hon Dame Sarah Mullally; Kat Thorne; Clare Sumner; Professor Richard Trembath, Dr Susan Trenholm; Professor Guy Tear; Nhuoc Lan Tu; and Professor Evelyn Welch.
Apologies	Paul Goswell
In attendance	Annie Kent, Vice President (Finance) Zahra Syed (incoming President of KCLSU)

Secretariat:

Irene Birrell, College Secretary
 Joanna Brown, Governance Manager
 Xan Kite, Director of Governance Services
 Paul Mould, Deputy College Secretary & Chief Compliance Officer

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Regular Session of Council with all Council members

1 Welcome, apologies and notices

Apologies had been received from Paul Goswell.
No notice of conflicts of interest had been received.

2 Approval of agenda

The agenda was approved.

3 Unanimous Consent Agenda (including Minutes of the Previous Meeting) [KCC-21-07-14-03]

It was noted that were two minor amendments to the minutes: *Lan Tu to be listed as in attendance; item 10(b) – last sentence to read: King’s had put out a statement of strong support in the Chair ‘in response to press reports’.*

The remaining reports on the Unanimous Consent Agenda were taken as read and noted or approved as set out in the papers.

4 Matters Arising from the Minutes [PRIVATE & CONFIDENTIAL]

[REDACTED]

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7 Reports of Committees

7.1 Report of the Governance & Nominations Committee KCC-21-07-14-07.1]

Council received the report of the Governance & Nominations Committee (GNC). The outgoing GNC Chair noted that, since approval under the Unanimous Consent Agenda at item 2 on the agenda, the Committee now had a new chair in Clare Sumner.

(i) **Process for Selecting Second Student Member of Council**

This had been a complex issue and thoroughly discussed, with a carefully considered compromise put before Council for approval.

Decision:

- (i) That the second student seat on Council proposed in the revisions to the King's College Council Statutes currently being considered for approval by the DfE be filled by the KCLSU Vice-President (Postgraduate), making it an ex-officio position by agreement of Council until 2023 when the arrangement should be reviewed as part of the next five-year review of the effectiveness of Council. This approval is subject to the President of the KCLSU, who is also an ex officio member of Council, being an undergraduate student representative. If that is not the case, the Governance and Nominations Committee will recommend an appointment to Council.
- (ii) That the Vice-President (Postgraduates) be invited to attend Council meetings as an observer until such time as a decision to approve (or not approve) the Statute amendment is received from the Privy Council.

(ii) **Petition re Council Membership - Response**

Council received the proposed response to the petition. As reported at the November 2020 and March 2021 meetings of Council, the Committee has been giving consideration to a petition and subsequent submission received by the Chairman and the Principal concerning Council membership

that, in summary from the collected correspondence, proposed that King's College Council should be comprised of a majority of staff and student members and that all members, including independent members, should be elected.

Council did not agree with the petition proposals and considered the following:

- The Council's responsibilities go far beyond the needs and desires of current students and members of staff. To insist that the majority of members be current students and staff and that those constituencies make the ultimate decision as to who sits on Council disregards Council's broad accountability to society at large and its responsibility for stewarding of the future of the College.
- King's adheres to the CUC Higher Education Code of Governance which states the following:
 - The majority of the members of the governing body must be independent and external.
 - The governing body must establish a Nominations Committee (or similar) to advise it on the appointment of new members and the terms of existing members as well as the perceived skills balance required on the governing body.
 - There is an expectation that governing bodies will contain staff and student members and encourage their full and active participation.
- King's is a large, complex institution with an annual turnover approaching £1b. The decisions taken by Council require significant business and professional expertise and with just 12 independent members, seats need to be filled with due consideration for the skills needed at any given time.
- The current configuration of the staff seats, established in 2018, provides an appropriate balance between executive expertise and other staff voice. The three elected staff members on Council are elected by their peers: first through their election to the Academic Board, which is an election at-large within faculty and staff constituencies, and second by election from within the Academic Board itself.
- Council member composition was time-tested across the UK and elsewhere, despite the selective comparators cited by the petitioners.
- It was suggested that, while the current composition was time-tested and worked, it might not always be the best balance in future. The regular five-year review of Council could revisit composition at its next cycle.
- It was acknowledged that the newly elected staff members of Council had added value. One of the staff members noted that joining Council had in turn provided a clear view of how it operated and that better ways of reporting this back to Academic Board and the wider King's community needed to be found. Council membership had provided insight into how important it was to have members from a wide spectrum of expertise.
- It was noted that staff as well as students did not, on the whole, understand the role of the Council. It was suggested that many of those who had signed the petition had perhaps felt aggrieved by decisions made by management not by Council. The incoming Chair of GNC and the College Secretary had met recently with the Director of Communications to discuss how to improve understanding of and engagement with the King's community.

Decision:

That the report attached in Annex 2 to the GNC report be approved as Council's response to the petition with respect to Council membership.

(iii) Search for New Members

Members were requested to send any additional comments on the person specification and skills to the College Secretary.

All remaining items were approved and noted on the Consent Agenda:

- (iv) Meeting Cycle 2022-2023 (**approved**)
- (v) Amendments to Terms of Reference (**approved**)
- (vi) Appointments

- (vii) Annual Council Review Process
- (viii) September Away Day Outline

7.2 Report of the Finance Committee [KCC-21-07-14-07.2]

The report of the Finance Committee (FC) was presented by its Chair who thanked the Vice President (Finance) and her team for all their work in pulling the content together.

(i) Financial Plan

The 2021/2022 budget had been prepared by the Executive based on a recognition that the university was beginning to emerge from the COVID-19 pandemic and the impact this had had on the overall university including its immediate and prospective finances. Essentially, this budget has been developed through a bottom-up process with some judgement overlay covering a number of issues including risk provisions and a recognition that the incoming President & Principal would need to address the fundamental below-target accretion of margin which has characterised the university’s finances for a number of years while investment in several strategic initiatives was being undertaken by management consistent with the Council approved strategy.

The Committee Chair highlighted the three tables in the report which showed trends over a number of years. Chart 1 depicted the reliance on the Business School to support the health schools and research. Health schools needed to improve their performance metrics.

The Vice President (Finance) added that while major changes were not being proposed in this recovery year, there were a lot of pressures on the horizon to consider, including: the pandemic continuing; infrastructure ambitions; climate change cost impacts; getting efficiency right; investments needed; ambitions for growth in STEM subjects; changes needing to be made to costs now income was steady, which would be hard when ambitions were so great; challenges to drive the surplus; and potential industrial action looming regarding pensions.

The President & Principal would be looking at all these pressures through size and shape and ways of working. The university was cash strong now though most of it was committed, and borrowing had been taken to the maximum.

Points raised in discussion included:

- In terms of tracking and benchmarking, King’s needed to understand its data better. Monitoring and analysis had to be improved. Analysis was not carried out at nearly a granular enough level.
- Health schools were looking at more efficient use of teaching and lab space.
- Executive Deans and Department Heads being more involved in decision making would be critical.
- The President & Principal, drawing on experience of universities across three continents, reported that the shape of the graphs was broadly the same in other universities. The difference was that the Faculty of Natural, Mathematical and Engineering Sciences (NMES) was not as research intensive as it should be. He was committed to developing the data sources needed.

Decision

That the operating budget of £27.5m and £72.3m capital plan for 2021/2022 (at Annex 1 to the report) be approved.

[REDACTED]

[REDACTED]

(iii) Research Overheads

The Committee had been asked to note a report summarising the changes that are being implemented to address the growing levels of financial subsidy for research. The Committee required further work to be carried out to explain how this was going to be achieved. The report showed incremental improvements but a step change in metrics, data and rewards would be required to achieve the improvement sought. A greater level of clarity in the tracking of costs and savings was also required. The President & Principal stated that this was another example of the need to improve the university's data systems, which he had taken on as a major challenge for the senior team.

All remaining items were noted on the Consent Agenda:

- (iv) Health Budget Progress
- (v) Financial Statement Accounting Issues 2020-2021
- (vi) Quad Engineering Update
- (vii) Debt Repayment Fund Proposal
- (viii) SAUL Pension Valuation
- (ix) Pensions Consultation Update
- (x) Stamford Street Settlement of Lloyd's Lease update
- (xi) Debt Issue Update
- (xii) Ethical Investment Policy
- (xiii) Member Appointments

7.3 Report of the Audit, Risk & Compliance Committee [KCC-21-07-14-07.3]

The report of the Audit, Risk & Compliance Committee (ARCC) was presented by its Chair. He noted that many of the issues arising in the report had received full discussion earlier in the meeting.

(i) Fundraising Operations Annual Report

The Chair reported that the Committee was content with the report, had noted the data breach and were satisfied that the College had mounted an appropriate response.

Decision

That the Fundraising Operations Annual Report be approved

(ii) Fundraising Ethics Review Group Annual Report

The Chair reported that the Committee had noted the difficult but necessary decisions presented in the report, and that the Committee was assured that the underlying process was robust.

Decision

That the Fundraising Ethics Review Group Annual Report be approved.

[REDACTED]

[REDACTED]

[REDACTED]

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All remaining items were noted on the Consent Agenda:

- (iv) External Audit Strategy
- (v) Internal Audit Update
- (vi) Risk presentations and discussions

7.4 Report of the Academic Board [KCC-21-07-14-07.4]

Council noted the report of the Academic Board. The Principal, as Chair of the Board, stated that it was important to understand that Academic Board is a committee of Council, and that issues on the agenda were matters largely in process.

- (i) Online Professional Education
- (ii) Community Charter
- (iii) Cultural Competency
- (iv) Academic Board Terms of Reference and Composition
- (v) Responding to issues raised at KCSLU Town Halls – update
- (vi) Student Terms & Conditions 2022-2023
- (vii) Equality, Diversity & Inclusion
- (viii) Academic Board elections results
- (ix) Academic Board sub-Committee reports

7.5 Report of the Remuneration Committee [KCC-21-07-14-07.5]

The report of the Remuneration Committee had been approved under the Unanimous Consent Agenda.

8 Report of the KCSLU President [KCC-21-07-14-08]

The outgoing President of the KCSLU noted an update to her report, that the incoming Vice President (postgraduates) was Rebecca Seling, who had been a student member of the Academic Board this past year. She reflected on what the KCSLU had achieved over the past year, in spite of the challenges of the pandemic, and hoped that the positive collaboration between KCSLU and the College would continue.

Council members thanked the outgoing KCSLU President and sabbatical officers for their outstanding reports, and the remarkable job they had done in the face of the pandemic, using their on-line time brilliantly.

9 Any Other Business

This was the last meeting for a number of Council Members, and the Chair delivered words of farewell and thanks to:

- Salma Hussain (completed one year as student member of Council and President of the KCSLU)
- Ros King (completed nine years' membership)
- Dr Angela Dean (completed nine years' membership)
- Dr Susan Trenholm (completed two years' membership)

The Chair also acknowledged Professor Nicola Phillips, a regular attendee at Council meetings, for her many contributions to King's in her time as Vice President (Education) and wished her well in her new role.