

King's College Council

Meeting date 20 January 2025

Paper reference KCC-25-01-20-04.1

Status Unconfirmed

Minutes

The Council is asked to approve the minutes of the previous meeting.

Date 18 November 2024, 17.00

Location Council Room, Strand

Present Lord Geidt (Chair); Nhuoc Lan Tu (Vice-Chair); Professor Shitij Kapur; Vivek Ahuja; Dr Natasha Awais-Dean; Tom Berry; Paul Cartwright; Donna Catley; Sir Jon Coles; Dr Joanna Davies; Vinay Jha; Sir Ron Kerr; Steve Large; Professor Rachel Mills; Professor Kim Piper; Clare Sumner; Steve Weiner; Jon Zehner

Apologies Sheeba Naaz

In attendance Malcolm Ace, CFO/Vice President (Finance)
Lord Simon Stevens
Julia Kosowska, KCLSU
Professor Oguz Acar, Professor of Marketing, KBS (*for the Community Story*)
Dr Ricard Twumasi, Lecturer in Psychosis Studies, IoPPN (*for the Community Story*)
Amelie Boyd, Student in International Marketing MSc, KBS (*for the Community Story*)
Denis Shukur, Chief Executive, KCLSU (*for item 10.2*)

Secretariat Dr Sinéad Critchley, University Secretary & Director of Assurance
Brenda Thomas, Interim Head of Governance
Joanna Brown, Senior Governance Manager

Community Story – AI and the PAIR experience

The Chair welcomed Professor Oguz Acar, Professor of Marketing, King's Business School, to the meeting, along with Dr Ricardo Twumasi (Lecturer in Psychosis Studies) and Amelie Boyd (Student in International Marketing MSc). They presented slides (see **Annex 1** to the minutes) on the PAIR Framework and its pilot and implementation at King's.

The PAIR framework was about preparing students to harness AI without outsourcing thinking. It was about putting humans at the centre of interactions with AI and engaging with AI as a responsible tool.

The PAIR Framework was a simple tool consisting of: Problem, AI, Interaction, and Reflection. The pilot had involved 19 modules from different faculties, and student feedback had reported: improved AI skills, that the framework was a useful tool throughout their studies, providing an enhanced ability to actively define problems and apply critical thinking.

Points raised during discussion included:

- The PAIR framework had provided students with insight into the breadth and possibilities of AI tools, but students' concerns included limited access to premium versions of tools, for example adding subscription fees.
- Prompt engineering was useful for typical use of AI but was expected to become less important, as once a problem and its components and constraints were known, this was already base level

prompt engineering. As models became more advanced, they became less sensitive to precise wording.

- King's provided a short online course, free to everyone, on generative AI in higher education. It was one of most highly accessed courses for AI and education, with close to 9000 students worldwide and receiving high ratings.
- Regarding future use of AI tools at King's, the next stage was to convert the PAIR Framework Pilot into a King's Academy course, open to all. The final stage would be in making the course compulsory.
- It was noted that there were different experiences and preconceptions of AI among students. Frameworks like PAIR were important in providing guidance on using AI in the right way.
- It would always be an obligation of King's, as a university, to turn out critical thinkers. The future ambition to aid graduate outcomes was for King's graduates to receive certification for their knowledge of AI tools, which would provide assurance to future employers.
- The King's Edge framework would be a distinctive value offering and was expected to be presented to the Council in September.

1 Welcome, Apologies and Notices

The Chair welcomed members and attendees to the meeting.

2 Declarations of Interest

Noted.

3 Approval of agenda

As in previous years, the Chair proposed to take the first item of the Finance Committee Report – *the Financial Statements* – and the first item of the Audit, Risk & Compliance (ARCC) Report – *External Audit Report & Management Letter* – one after the other.

It was clarified that the Academic Board items on the main agenda for approval would be approved under the Unanimous Consent Agenda. With that amendment, the agenda was approved.

4 Unanimous Consent Agenda (including Minutes of the Previous Meeting) [KCC-23-11-21-04]

It was noted that the minutes of the last meeting should be updated to correctly show the location as St Thomas' Campus. With that amendment, the reports on the Unanimous Consent Agenda were taken as read and noted or approved as set out in the papers, including:

- (i) *Minutes of 10 July 2024 meeting [APPROVED WITH ONE MINOR CORRECTION]*
- (ii) *Minutes of 9 October 2024 meeting [APPROVED]*
- (iii) *Council Business Plan*
- (iv) *Actions Log*

5 Matters Arising

None.

6 Report of the Chair

The Chair noted that it was his last meeting as Chair of Council, and that he looked forward to handing over to the incoming Chair, Lord Stevens, on 1 January 2025.

7 Report of the Vice-Chancellor & President [KCC-24-11-18-07]

It was highlighted that SFII had not been designed to influence the 2025 National Student Survey results, but the one after that. 2025 was too soon to accrue the benefits of the changes being implemented.

8 Strategic Discussion [KCC-24-11-18-08]

The Vice-Chancellor & President opened discussions on reflections from the Council Away Day held on 9 October 2024. Aspirations for a King's Edge by 2030 were to create a King's that was:

- Distinctive in the value proposition for its students
- Distinguished in chosen research areas
- Transformed in services and systems
- Empowering academics and professionals to excel
- Investing in growing excellence.

Six preconditions for success were:

- All senior leaders have a shared sense of purpose
- Incentives are aligned to beget the future we aspire to
- Leaders manage change with rigour and accountability
- Ensure we have the right skills to achieve the [digital] transformation
- Control our costs before revenue shortfall forces us to
- Our staff and students feel the benefits all along the way

During discussion, points made included:

- UK universities had, until recently, been used to a stable background.
- More dynamism was now needed in the planning process, including academic plans being more clearly stated.
- Technology would need to be better integrated into the business and operations of the University. It was noted that currently every RG university had a transformation programme and were considering how to better support students.
- It would not be practicable to have both high technology and high people costs.
- Universities leading the way included Arizona State University (ASU) in the US. ASU used technology in a very sophisticated way, including using it extensively to support its students. King's was fortunate in ASU being one of its partner institutions.
- Council would receive an updated version of aspirations for King's Edge in the Spring and would be requested to approve clear targets and deliverables in the next budget. The Chair of the Audit, Risk & Compliance Committee requested that Council receive a routine view of the plans on its agendas. **[ACTION]**
- The Vice-Chancellor stated that the Chancellor of the Exchequer had been clear on five things the higher education sector was expected to act upon, following the recent announcement in the autumn budget of a new maximum cap for UK Undergraduate tuition fees for 2025/2026:
 - What universities were doing to widen access
 - What universities were doing to partner with local and regional initiatives
 - Economic growth
 - Quality (with a focus on graduate outcomes)
 - What universities were doing to enhance efficiencies across the sector, including shared services.

It was unlikely there would be a further financial provision for universities, and with a view to maintaining the new maximum cap, there would be a sector wide response in the next six to eight weeks prior to the spending review.

Major Items for Approval

9.1 Report of the Finance Committee [KCC-24-11-18-09.1]

(i) Financial Statements 2023-2024 and Auditor's Management Letter

This was an item considered by both the Audit, Risk & Compliance Committee (ARCC) and the Finance Committee. The Chair of the Finance Committee commended the Chief Financial Officer and team for a successful financial year, and for producing a clear set of accounts for the auditors. He reported on an observation made during the November meeting of the Finance Committee that there should be more consideration of the audience for the financial statements in future iterations. While its format was not dissimilar to that of other Russell Group universities, there could be a broader reflection on the target audience. **[ACTION]**

The Chair of the Audit, Risk & Compliance Committee reported only one issue had arisen at its meeting, with the external auditor's review of a NatWest loan swap arrangement being challenged. The issue had been revisited, and KPMG had now advised they were satisfied that the transaction had been entirely properly accounted for in 2008 as one loan, but that 2016/17 standards suggested it should have then be treated as two separate transactions. NatWest had confirmed that it had been treated as two separate transactions in their accounts. It was noted this was a non-cash transaction and was a provision on the balance sheet. The issue was now resolved.

The Chair of the Governance & Nominations Committee requested that a reference be added to the corporate governance section about the 2023 King's College London Governance Effectiveness Review. **[ACTION]**

Decision:

- (i) With the addition of a reference to the 2023 King's College London Governance Effectiveness Review at the corporate governance section of the statements, that the Consolidated Financial Statements 2023-24 be approved and that Council adopt the going concern assumption for the 2023-24 financial statements.**
 - (ii) That the External Auditors' Report for the year ended 31 July 2024 and the letter of management representation from the University to the external auditors, be approved.**
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(ii) Five-Year Financial Forecast to Office for Students (OfS)

The Chief Financial Officer presented the Five-Year Financial Forecast. The OfS requires the annual submission of five-year financial forecasts (current year plus next four years) by regulated institutions, and approval of the forecasts by the institution's Council.

The Chair of the Finance Committee stated that the current proposed submission followed the assumption of the approved IPP. In discussing the forecasts, Finance Committee approved the recommendation that the University should increase the UK Undergraduate

tuition fee to the new maximum of the cap set by the UK Government for English institutions and recommended that Council approve this additional proposal.

The Chief Financial Officer stated that the shape of the surplus was defined by caution regarding the University's ability regarding future student fee setting.

Decision:

That the Five-Year Financial Forecast for submission to the Office for Students (OfS) be approved, including approval to increase UK undergraduate tuition fees to the limit of the new government cap of £9,535 for all eligible students in 2025/26

(iii) King's Endowment Fund Ethical Investment Policy

The Chair of the Finance Committee commended the Finance Team for the work that had gone into the recommended changes to the policy. The Chief Financial Officer reminded members of Council that they were the Trustees of the King's Endowment Asset investments and were legally responsible for the proper investment and safekeeping of these funds in accordance with Charity Commission guidelines. Further to heightened concerns from within the King's community (and throughout UK and international higher education communities) on the ethical screening of the investments held, he also reported on conversations with UCU and KCLSU representatives, who had welcomed the updated policy but sought further discussion and extension of it.

The recommended changes in the policy updated the wording and terminology of the policy, and formally incorporated King's existing informal policy on avoiding investments in companies engaged in the manufacture of contentious weapons, and in companies with direct involvement in tobacco and fossil fuels.

Finance Committee had agreed that further discussion be held with KCLSU, representing the student community, and UCU, representing the staff community, with a view to a further report to the March meeting of the Finance Committee. In the meantime, approval of the updated policy before the Council was recommended. **[ACTION]**

It was suggested that the words "not knowingly" be included. The Chief Financial Officer was confident in the screening process of all King's investments but did not object to the addition.

Decision:

That the amendments to the King's Endowment Fund Ethical Investment Policy be approved, with the addition of the words "not knowingly".

(iv) Bush House South West Wing - Outline Business Case (OBC)

The Chair of the Finance Committee presented the updated OBC and confirmed that both the Finance Committee and the Estates Strategy Committee recommended that the Council agree to proceed with the refurbishment of Bush House South-West Wing.

Funding approval was requested for the next tranche of expenditure of £21m, with firm plans to approve the remainder of the balance in Spring 2025.

Delay to the project had been due to negotiations on cost and planning with the Indian High Commission (IHC). Executive members of staff were commended for the progress made, with

IHC support now confirmed for the scheme. Concessions had been made to secure that support, due to IHC concerns over security.

The Chair of the Estates Strategy Committee noted that budget contingencies had been built in and would be kept under tight control.

Decision:

That the Bush House South-West Wing Outline Business Case (OBC) be approved.

(v) Champion Hill Update

The Chair of the Finance Committee presented the report which requested that the Council not approve the extension of the exclusivity period previously approved. An additional meeting of the Finance Committee and Estates Strategy Committee would need to be scheduled to consider alternative options, with a view to bringing the first tranche of rooms back into use for September 2026. **[ACTION]**

The Chair of the Estates Strategy Committee noted the sequence of difficulties, with a lot more sensitivity to fire and safety risks in the sector following the Grenfell disaster. Due diligence had repeatedly brought up issues of concern and contractors were unwilling to take on those risks. It would not be possible now to achieve an external party taking on those risks in a cost-efficient manner. King's owned the risks and needed to consider options for realising capital.

It was noted that it had not been an easy decision to change direction, and the clarity of vision in doing so was applauded. The Finance Committee and the Estates Strategy Committee believed this was the right decision to make.

Decision:

That the extension of the Exclusivity Period for the Champion Hill project is not approved.

(vi) Investment Subcommittee Annual Report

The Chair of the Finance Committee presented the annual report of the Investment Subcommittee which described the investment performance and other stewardship issues of the King's College London endowment investment fund. Council noted the report.

(vii) Management Accounts Month 2, 2024-2025

The Chair of the Finance Committee introduced the regular report of management accounts, commending the clarity of reporting. He presented two points for consideration: There was a challenge for this year with a net risk of £17m when aggregating risks and opportunity, with diligence expected in closing the gap; and that a year-on-year growth in salary increase, even accounting for inflation, was unsustainable going forward. Council noted the report.

The remainder of the Finance Committee's report had been approved or noted on the Unanimous Consent Agenda:

- (i) Execution of Deeds Policy [APPROVED]*
 - (ii) Annual review of Cash Investment Returns*
 - (iii) Student Recruitment 2024/2025*
 - (iv) Procurement Annual Report*
 - (v) Student Futures Phase 2 Quarterly Update*
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9.2 Report of the Estates Strategy Committee (ESC) [KCC-24-11-18-09.2]

Both items on the main approval agenda were dealt with within the report of the Finance Committee (Item 9.1): Bush House SWW OBC; and Champion Hill Update.

The remainder of the Estates Strategy Committee's report had been noted on the Unanimous Consent Agenda:

- (i) Virginia Woolf Building Exit – space efficiencies*
- (ii) Director of Estates & Facilities Report*
- (iii) Major Project Status report*

9.3 Membership of the Council [KCC-24-11-18-09.3]

The University Secretary and Director of Assurance presented the report.

Decision:

That Sheeba Naz, KCLSU Vice President Postgraduate, be appointed as the student member of Council for a one-year term from until 31 July 2025 and that Julia Kosowska, KCLSU Vice President Education (Health) be approved as an observer student member of Council until 31 July 2025.

10 Report of the KCLSU [KCC-24-11-18-10]

10.1 KCLSU Officers' report

Noted.

10.2 KCLSU Returning Officer's Report [*RESERVED*]

The Chief Executive of the KCLSU introduced the KCLSU Returning Officer's report. He reported that KCLSU elections in the Spring of 2024 had been conducted with integrity and fairness, with 58,458 votes cast across all elections, which was significant student engagement. It had been known at the time of the election that one of the candidates for President was facing disciplinary charges. These charges were subsequently upheld, and the Returning Officer adjudicated that this breach of the Trustee Code of Conduct made the candidate ineligible, and consequently KCLSU was operating without a President for this year. The question of eligibility of candidates had led to a review of the KCLSU governance framework, with new Articles drafted, and with changes to its framework anticipated. The KCLSU would welcome the Council's support in this going forward.

11 Reports of Committees

11.1 Report of the Academic Board [KCC-24-11-18-11.1]

The Vice-Chancellor reported that the last meeting of the Academic Board had discussed the development of a Board Assurance Framework (BAF) and its' implications for the functioning of Academic Board, with the focus on providing Council with strategic advice on matters relating to academic quality.

The Vice-Chancellor summarised the discussion as support and endorsement for further aligning the work of the Academic Board to that of the Council. It had been suggested that the five separate areas could be rationalised into three domains so that they could be succinctly addressed.

Council Member, Sir Jon Coles, had attended the October Academic Board meeting as an observer. Obtaining assurance on academic quality from the Board with a BAF was a work in progress, but the conversation had been interesting. The size of the Board was noted, including the large percentage of student members only there for one year of membership.

The Vice President (Academic) reported on the work of a subcommittee of the Academic Board: the Academic Board Operations Committee, which would be a mechanism for introduction of the BAF.

It was suggested that there be a “BAF teach-in” in the same way there had been for the Financial Statements. This would be brought forward in the new year. [ACTION]

All reports from the Academic Board had been approved or noted on the Unanimous Consent Agenda:

- (i) *Ongoing Conditions of Registration for the Office for Students [APPROVED]*
- (ii) *Report on the Researcher Concordat Action Plan [APPROVED]*
- (iii) *Research Integrity Annual Statement*
- (iv) *Research Publications Policy*
- (v) *Board Assurance Framework and Link to Academic Board*
- (vi) *NSS and PTES and Student Experience*
- (vii) *Revised Emergency Regulations*
- (viii) *Chief External Examiner Overview Report*
- (ix) *Chair’s Actions*
- (x) *Report of the College Education Committee*
- (xi) *Report of the College Research Committee*
- (xii) *Election of Associates of King’s College (AKC)*

11.2 Report of the Audit, Risk & Compliance Committee [KCC-24-11-18-11.2]

The approval of the Financial Statements and External Audit Report & Letter of Management Representation had been dealt with in conjunction with the report of the Finance Committee at item 9.1

The remainder of the Audit, Risk & Compliance Committee’s report had been approved or noted on the Unanimous Consent Agenda:

- (i) *Annual Report of the University in respect of the Prevent duty [APPROVED]*
- (ii) *Annual College Safeguarding Report [APPROVED]*
- (iii) *Annual statement on Research Integrity [APPROVED]*
- (iv) *Annual report of the ARCC*
- (v) *Internal Assurance Update*
- (vi) *Board Assurance Framework – progress and next steps*

11.3 Report of the Staff & Culture Strategy Committee [KCC-24-11-18-11.3]

All reports from the Staff & Culture Strategy Committee had been noted on the Unanimous Consent Agenda:

- (i) *HR Strategy Thriving Staff Community*
- (ii) *Committee Membership and remit*

12 Any other business

It being his last meeting, the Chair thanked everyone present for their support during his tenure as Chair of Council.

Executive members of Council, excepting the Vice-Chancellor, and all non-members of Council other than the University Secretary, left the meeting.

13 **CONFIDENTIAL MINUTE - Report of the Remuneration Committee** [KCC-24-11-18-11.4]
[RESERVED AND RESTRICTED]

[illegible]

14 Adjournment

The Chair adjourned the meeting at 19:30.

Lord Geidt
November 2024