

MINUTES OF THE PROCEEDINGS

at the

Fourth Meeting of the

COURT

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Fourth Meeting of the Court of Imperial College was held in Lecture Theatre G16, the Sir Alexander Fleming Building, South Kensington Campus at 2:15 p.m. on Friday, 11th February 2011, when there were present:

The Lord Kerr of Kinlochard (Chairman), Mrs. J. Anderson, Dr. K Batchelor, Professor D. Begg, Mr. P. Brown, Mr. V. Du Buisson, Mr. W.M. Heath, Mr. S. Heath, Mr. N.A. Joseph, Dr. D Lodge, Ms. R. Lomax, the Hon. Richard Lyttelton, Professor S. Macchietto, the Baroness Manningham-Buller, Dr. M.J. McGarvey, Mr. A. Murphy, Professor Sir Anthony Newman Taylor, Dr. V. Payne, Eur. Ing. I. Pollock, Mr. K. Porter, Professor S. Richardson, Mr. M.W.M. Rowlandson, Dr. V. Smith, Mrs. J. Venables, Mr. T. Willenbruch, Mr. N. Williams, the Rector and the Clerk to the Court and Council.

In Attendance:

The Director of Communications and Development and the Assistant Clerk to the Court and Council.

Apologies:

Professor D. Andrews, Dr. A. Arnold-Smith, the Revd. G. Blacktop, Air Vice Marshall D. Couzens, Professor D. Griffiths, Professor Dame Julia Higgins, Professor J. Higham, Professor R. Ibbet, Dr. H. Joshi, Professor J. Kramer, Professor A. Macdonald, Mr. S. Maddison, Professor J. Magee, Professor D. Nethercot, Mr. J.H.M. Newsum, Mr. S. Newton, Ms. K. Owen, Professor M. Sloman, Dr. F. Tam, the Lord Tugendhat, Professor J. Weber,

MINUTES

1. The Minutes of the third Meeting of the Court, held on 12th February 2010, were taken as read, confirmed and signed.

MATTERS ARISING**Wye College**

2. It was noted that the Rector's Report to the Court had mentioned that a new tenant was being sought by Savills for the Wye Campus. The Rector was asked if any further progress had been made in this search. The Rector said that the Council had that morning received a report on developments at Wye. As he had reported last year, academic activity had ceased at Wye in 2009 and the College was seeking alternative tenants. Savills had been marketing the site since then and had also been in discussion with the local authority about the future use of the site. The local authority had recently ruled that an additional minimum 6 month period of marketing would have to take place in order for it to be fully satisfied that there was no latent educational demand for the site, with all or part of the site available for potential tenants. Savills were commencing this further period of marketing with meetings being held with Ashford Borough Council and local residents to ensure that the marketing campaign was conducted in line with the Inspector's wishes. If no viable educational tenant user for the site could be found, the College would have to prepare a 'masterplan' for its future potential uses. The Rector confirmed that the College continued to seek a sustainable future for all aspects of the estate at Wye. Although the College's involvement at Wye had in the past caused a degree of tension with local residents, he was pleased to say that relations between Imperial and the village residents in Wye had improved dramatically over the last 12 months.

REPORT BY THE CHAIRMAN

3. The Chairman opened his Report by welcoming members of the Court to what might well be the final Meeting of the Court in its present form. Before moving on to the main business of his report, the Chairman drew members' attention to the resplendent Mace which was on display at the front of the Hall. He reminded the Court that, thanks to a generous donation of £25,000 from the Goldsmiths' Company, the Mace had been commissioned for the College to celebrate its centenary in 2007. It had been presented to the College by the Prime Warden of the Goldsmiths' Company at the Postgraduate Awards Ceremony in the Albert Hall in May 2009 and would have made its first appearance at the previous year's Court Meeting but for its entry into the Goldsmiths' Craft & Design Council National awards, which had coincided with the Court Meeting. Although this had deprived him of the opportunity to show off the Mace at that Meeting, the eventual outcome had been entirely positive as the Mace had been awarded the prestigious Senior Silversmiths Gold Award; a high honour which reflected the craft and skill that had gone into the creation of the Mace.
4. The Mace had been made for the College by the silversmiths Carl Padgham and Andrew Putland. Its head was a three dimensional representation of the College's Imperial crown with the harp, lion and book from Imperial's coat of arms inside. The stem was helix shaped and was intended to represent human D.N.A or a chain of atoms in a spiral; a visual reference to Imperial's pedigree in science and medicine. It had taken 8 months to complete, weighed 7.1 kgs – or 230 troy ounces – and measured 1.2 metres in length. The College was, understandably, delighted with its Mace and the

Chairman reiterated the thanks that were due to the Goldsmiths' Company for its generosity in providing the Mace for the College.

5. Turning to the substance of his Report, the Chairman reminded members that he had announced at last year's Meeting that the Council was to review the College's governance arrangements, as it was required to do periodically. The College was fortunate that Sir Rob Margetts, a former member of the Court and Council, had agreed to chair the review. He had been joined by a very strong panel of members on the governance working group including Sir Cyril Chantler, the Former Principal of Guys and St Thomas's Medical School, and Mr. Iain Conn, BP's Chief Executive for Refining and Marketing and an alumnus of the College. The recommendations had already been circulated to the Court for information and comment and the Chairman thanked all members of the Court who had commented. Comments had been overwhelmingly supportive. The main recommendations were that:
 - a. The Council should remain a supervisory, not an executive, body at its current size and composition.
 - b. The delegation of authority from the Council to the Rector should explicitly include reference to the Management Board as the senior executive body advising the Rector.
 - c. The Management Board should always include in its membership those executives who were also members of Council.
 - d. The Council should approve the appointment of those executives who sit on Council and the Rector should invite an external member of Council onto the relevant appointment panels.
 - e. A representative directly elected by the academic community should replace the Senior Dean as the staff representative on Council.
 - f. The Remuneration and Nominations Committee should be split into its constituent parts and the Nominations Committee should, in addition to the Chairman as its Chair, have equal numbers of representatives from the executive and external members of Council.
 - g. A risk committee of Council should be formed, to take responsibility under the Council for the oversight of how risks of all kinds are managed.
 - h. A Development Committee of Council should replace the Development Advisory Board.
 - i. And finally, that the Court should be reformed as a stakeholder forum for the College.
6. The proposals relating to the Court would be the subject of discussion later in the Meeting, but the Chairman confirmed that the other proposals had all been agreed by the Council at the end of the last year and had already, or were now being,

implemented; a number of changes to the Council committees' terms of reference had been approved and the new Risk and Development committees established. The terms of reference of the Management Board had also been enshrined for the first time in a College Ordinance. More importantly, the governance review had confirmed that, in the main, the College's governance arrangements were appropriate and complied with best practice. The changes that had been agreed and were now being implemented were not major reforms, but would rather serve to improve the College's governance as it faced potentially difficult times ahead.

7. In relation to this latter point, the Chairman said that the financial environment for higher education had changed dramatically since the last Meeting. There had been a change of government with the new government determining that deficit reduction should be one of its absolute priorities. As part of this, funding for higher education was going to be substantially reduced, and student fees increased from the current £3,000 to a maximum of £9,000, this higher fee to be subject to the imposition of further conditions mainly related to widening access. In response, at its Meeting that morning the Council had considered both the level of the fee to be charged and the additional measures Imperial might need to take if it was going to charge more than £6,000. For the Council, one of the most important issues was how the College could support and encourage access on its own terms through generous bursary schemes or fee waivers which would ensure that it could continue to attract the very best students regardless of their ability to pay. To preserve Imperial's academic standing and reputation, the Council was unanimous in its conviction that Imperial must resist any suggestion that it should be subject to quotas or that its academic standards should be lowered.
8. As a result of that morning's discussion, the Chairman was able to announce that, in order to maintain the excellence of the education Imperial provided to students it was the College's intention, subject to agreement by the Office for Fair Access, to set fees at £9,000 for Home and EU students for 2012 entry. Although it was not possible to confirm the financial support that would be made available for students at this stage, he suggested that the message to the outside world must be that, for those who could manage Imperial's courses, the College would work to ensure they could manage its costs.
9. Although the drastic reduction in direct funding from the government would be challenging, the Chairman was pleased to say that the measures Imperial had taken over the last few years to prepare for these cuts meant that it was better placed than most other institutions to weather the storm. Last year's financial statements showed that the College was in good financial health, having increased its income by 3% to £694M with an operating surplus of £42M. This was a superb achievement by any measure and to do so in a period of economic downturn made it all the more remarkable. Of course, he said, there was no room for complacency as the real effect of the cuts in HE funding would be felt in the next few years. Nevertheless, the College's sound financial management in the last few years would stand Imperial in good stead and ensure that it could continue to invest in excellent teaching and research.
10. Turning to the College's Academic Health Sciences Centre, the Chairman reminded members that the AHSC was intended to integrate the College's and its hospitals'

strategies for service, education and research and would support the translation of the College's world-leading medical research into improved patient care. Over the last few years, he had reported on this development and progress towards the establishment of the AHSC, one of only five in the country. He was pleased to say that the partnership with the Imperial College Healthcare NHS Trust through the AHSC was now very well established. The Trust was the largest acute Trust in England with a budget of c. £900M *per annum*. The partnership of this Trust with Imperial's Medical Faculty, which was itself one of the largest medical faculties in Europe with an annual research spend of over £162m, would create a very powerful centre for driving medical innovation.

11. While these were very exciting developments, which could well prove a watershed in the way in which healthcare was managed and delivered in this country, the Council had also been very mindful of the potential impact on the College. As he had said before, the Council was mindful of the need to maintain a proper distinction between the Trust's activities and those of the College. The Trust and the College were financially independent and the College would not be liable for the Trust's finances. It was equally clear that the Trust delivered healthcare, while the College delivered teaching and research. While these clearly fed into each other, with research providing avenues for better healthcare, and the ability to access patients improving the quality of research, the College was not now, and nor would it ever be, responsible for the treatment of patients in the Trust's hospitals.
12. Moving on, the Chairman said that last year he had reported on the purchase of the Woodlands site from the BBC, which had been seen then as a major strategic and financial opportunity for the College. This site in west London was close to the Hammersmith Campus with very good transport links through White City underground station. It consisted of 6.5 acres and, with further development, could provide up to 80,000m² of usable space for academic and administrative use, as well as providing much-needed accommodation for postgraduate students. It had been recognised that developing the site would not be easy, but the Council had felt that the substantial opportunities it presented outweighed any such concerns.
13. Since then, developments on the site had outstripped expectations by some margin. Since the Court's last meeting the College had prepared and agreed a scheme to provide 606 Postgraduate studio apartments and nine three-bedroom family units for Imperial College key workers on one portion of the site. Not only had this scheme been developed, but thanks in large part to the hard work and persistence of the College Fund Board, its Chief Executive and his project team the scheme had been through all the necessary planning stages with planning permission being granted by Hammersmith and Fulham Council on 13 October 2010. Demolition of the existing buildings had commenced almost immediately thereafter and building work would start later in the year. Practical completion was planned for August 2012, in time for the 2012-13 academic year. Achieving consent of this scale in just over a year from acquisition of the site was a testament to the determination and success of the Fund Board and of the project team.
14. The next challenge for the College was to decide how best to use the remaining 4/5ths of the site. The Deputy Rector, Professor Richardson, had established a task group to consider how to exploit the opportunities at Woodlands, but it was already clear that this

additional space could help to alleviate some of the space constraints at the South Kensington campus and could provide expansion space as Imperial continued to develop and grow. The Woodlands development was another example of Imperial's willingness to invest in its future.

15. Bringing his Report to an end, the Chairman turned to the subject of his own position. As members were aware, he had decided to stand down from his position as Chairman at the end of the year. He said that the last six years had sometimes been challenging, but always exciting, interesting and stimulating. He was proud of his association with Imperial and, though he would no longer be the Chairman, he said he would continue to take a keen interest in the College. Imperial was already one of the premier higher education institutions in the country and, in an increasingly competitive international environment, it was also now quite rightly recognised as being in the very top tier of universities across the world. It was clear that the College could not rest on these laurels. It had to continue to develop and to build on its successes if it was to achieve as much in its second century as it had in its first. The Chairman was confident that the Rector, Sir Keith O'Nions, and the other members of the College's senior management were equal to this task and he said he was sure that they would be ably supported by his successor as Chairman, whoever that might be.

ANNUAL FINANCIAL STATEMENTS

16. The Director of Finance and Acting Chief Financial Officer, Mr. Andrew Murphy, gave a presentation on the College's Annual Report and Financial Statements for the Year Ended 31st July 2010. A copy of Mr. Murphy's presentation is attached at Annex A to these Minutes.

REPORT BY THE RECTOR

17. The Rector, Professor Sir Keith O'Nions gave a presentation to the Court on recent developments at the College. A copy of his presentation is attached as Annex B to these Minutes.
18. The College's excellent financial performance in recent years was noted and it was suggested that this was largely attributable to the tight control of staff costs; the Rector was asked if the College planned to share this success with its staff through increased salaries. The Rector said that the College had recognised the financial risks facing the HE sector and had decided to take action to control its costs before it was hit by the cuts in public expenditure that were coming. It had been successful in controlling all of its costs, both staff and non-staff. Indeed, he said, substantial savings had been made in non-staff costs. Although discretionary bonus payments had been frozen in the last two years, in contrast to some other institutions, academic staff recruitment had not been frozen, showing the College's commitment to continue to invest in its academic staff. He then said that the College would have to determine the appropriate pay award for staff in discussion with the unions over the next few months. He recognised though that staff at the College had thus far been very supportive of the measures taken to secure Imperial's financial position. The College could not take this level of support for

granted and would have to consider very carefully what could be afforded and what was in the best long term interests of the College and its staff.

19. It was suggested that the emerging Indian and Chinese economies were advancing much faster than many others. The Rector was asked if there was a possibility that universities in either or both countries would soon be counted amongst the best universities in the world and if so, what implications this might have for overseas student recruitment. The Rector said that the international standing of universities in those countries was improving and it was clear that, if this direction of travel was maintained, one or two would eventually be ranked alongside the best in the world. Having said that, he believed that the UK currently did very well in the international rankings; to have 3 UK institutions in the top 10 universities worldwide was a remarkable achievement and it was up to the College to ensure that it maintained its position. Turning to the recruitment of overseas students, he acknowledged that overseas students were very important for the College, as they were for many other universities. They were a source of very high quality students, while the fees they paid were also an important income source. However, their recruitment could well be impacted by policy changes, both at home and abroad, and the College would have to be alert to such changes.
20. It was noted that Imperial Innovations had been very successful in spinning out companies from the College's inventions. The Rector was asked if this success could continue and also if there was a strong pipeline of inventions coming through from the College. The Rector said that he believed that Innovations' success was sustainable and he cited its recent rights issue which had raised an additional £140M of capital. These additional funds would enable Innovations to both accelerate, and increase the size of, its investments in companies established under its existing intellectual property pipeline agreement with the College. They also, in his view, confirmed Innovations' position as the premier commercialisation and technology investment company in the UK. Furthermore, these additional funds would enable Innovations also to invest in companies founded by or based on technology from Oxford, Cambridge and University College London. One of the keys to Innovations' success was that, once it had decided to commercialise an academic's invention, it was able move very quickly and ensure that the exploitation of that invention was handled professionally.

REFORM OF THE IMPERIAL COURT (PAPER A)

21. The Chairman presented Paper A and reminded members that the Court had been created in 1998 when the College was granted a Supplemental Charter by Her Majesty the Queen. Its original purpose had been to act as a forum for those organisations which had an historic connection with the College such as the learned societies, professional institutions, livery companies and others.
22. The Court had always been a large body and while this had meant that many bodies were represented on the Court and thus were provided with an enduring link with the College, its very size had militated against its members becoming more engaged with the life of the College. As evidence of this, the Chairman cited attendance at the annual meetings, which had declined steadily since 1998 and was now less than 50. The contribution made by those members who did show an interest in the College was

valued, but the consistently low attendance suggested that the Court was not working in the way originally intended. Last year's governance review had recommended that the College should consider radical reforms. From this consideration, the idea that the Court could be reconfigured as a true stakeholder forum had arisen. Such a body might feature representation from the associated NHS Trusts, funding agencies, alumni, schools with which the College had strong links, and companies, public sector bodies and charities which funded research and employed Imperial's graduates.

23. The Chairman said that there had been general support for this change, both from the Council and from the members of the Court who responded to the consultation that had been conducted at the end of last year. No respondents had suggested that the Court was working well and should be retained in its current form. Indeed, a number of current Court members had suggested that it should be done away with completely. The Council had decided not to pursue this nuclear option, but had agreed that the stakeholder model should be developed further. During these discussions, the suggestion had come forward that the annual Court meeting would be an ideal opportunity to communicate and celebrate Imperial's scientific successes to the wider community. Mr. Tom Miller, the College's Director of Communications and Development, had developed this suggestion into an exciting proposal for an annual Festival of Science to be hosted by the Court. The Chairman then asked Mr. Miller to give a presentation to the Court on these proposals, a copy of which is attached as Annex C to these Minutes.
24. Following Mr. Miller's presentation, the Chairman asked for members' comments on the proposals for the reform of the Imperial Court and the establishment of an annual Festival of Science.
25. It was suggested that, with the increasing focus on access as a result of the forthcoming student fee increase, more emphasis might be given to using the Court to improve links with local schools and colleges. This would improve access and also ensure that the Court's members were engaged and useful to the College. Dr. Lodge, who was appointed to the Court by the Girls Schools Association, said that Imperial's Outreach activities were already very good at getting into local schools and fostering an interest in science in schoolchildren. She said that, as a Headmistress herself, she would welcome the opportunity to bring students from her School to the College to partake in the Science Festival and she was sure other Court members would also want to take advantage of this opportunity.
26. It was noted that the Chairman of the Court and Council would be appointed by the Council. It was suggested that one way of improving the Court's involvement would be for it to appoint its own Deputy Chairman from among its members. The Chairman said he did not believe that the addition of another panjandrum would improve the College's governance structures. The key was to give individual members a real reason and purpose for engaging with the College and he did not feel that appointing a Deputy Chair would do this.
27. Another suggestion was that the Court should be reconfigured as a supervisory body, overseeing the work of the Council. If this was accepted the Court would need to meet several times a year with membership considered to be a working position rather than

an honour. Members who failed to attend meetings would be asked to leave, to make way for those who could actively contribute. The Chairman said that the relationship between the Court, the Council and the College was clear. The Council was the College's governing body with ultimate responsibility for its strategy and its financial health. Making the Council subordinate to another supervisory body would not only serve to undermine its authority, it would also be counter to best practice in governance, something that had recently been confirmed in the College's discussions with the Privy Council. It was therefore not an option that should be considered by the College.

28. It was noted that a large number of the current appointing bodies, including several of the learned societies, would no longer be represented on the Court. The Chairman was asked if the College had thought how it should interact with these important scientific bodies in the future. The Chairman said that the College already had multiple interactions with these bodies at the departmental and faculty level. He believed that these interactions were much more fruitful than that provided by membership of the Court. He did not think that removing these organisations as appointing bodies to the Court would make any practical difference to the College's interactions with them.
29. A similar point was made in relation to the members appointed by the City and Guilds of London Institute and the associated livery companies. The City and Guilds of London Institute had an historic relationship with the College and the members appointed by the livery companies were amongst the members who attended the annual Court meeting and other events. From a purely commercial view, it was also suggested that the link to some fairly rich City institutions provided through these memberships could also be beneficial for the College. The Chairman acknowledged that this was an oversight in the original proposals and reported that, at its Meeting in the morning, the Council had decided to reinstate the Goldsmiths' Company, which had a particular historic association with the College, as an appointing body. The Court welcomed this news, but asked for the same consideration to be extended to the other livery companies. The Rector said that one of the purposes of reconfiguring the Court was to ensure that its members were engaged with, and supportive of, the College. As the livery companies' members clearly fulfilled these criteria, he suggested that their membership should be reinstated. The Chairman concurred.
30. It was noted that the elected academic staff membership of the reconfigured Court would be considerably reduced while the non-academic staff would in future be entirely excluded from membership. The Chairman was asked to consider if these memberships could be increased. The Chairman said that the main purpose of the reconfigured Court was to involve the College's external stakeholders in its life and work. He therefore felt the reduced number of elected staff members was appropriate. However, he agreed that the non-academic staff should also be represented and asked the Clerk to add a member elected by the non-academic staff to the Court.
31. With regard to the Festival of Science, members agreed that this was an exciting proposal that would serve to promote the College's work to the wider public whilst also energising the Court.
32. Bringing the Meeting to a close, the Chairman thanked members for their positive contributions to the debate on the future of the Court and on the proposed Festival of

Science. As the members of the Court who had been ready to engage constructively with the College, they represented the type of members that the College hoped to attract to the reconfigured Court. For those of them who would continue to be members once the Court was reformed, he hoped that they would continue to show the same level of interest in, and commitment to, the College. For those members whose last Meeting this might be, he thanked them for their contribution over the years and expressed the hope that they would continue to take a keen interest in the College and would always consider themselves to be friends of Imperial.

ANY OTHER BUSINESS

33. There was none.