

Council

2 June 2015

Minutes

Present: Professor M Spyer (Chair)
Mr A Bicknell
Professor D Bowman
Professor N Brown
Mr M Draper
Professor M Fisher
Professor B Gusterson
Mr D Kennedy
Professor P Kopelman
Mr C North
Mr D Patel
Mrs S Rimmer
Mr C Smallwood
Mr M Stevens
Professor D Strachan
Ms C Swarbrick
Mr G Turner

In attendance: Mrs S Bowen, University Secretary & Director of Academic Administration and Quality
Mrs W Brewer, Joint Director of Human Resources
Ms S Trubshaw, Clerk to Council & Head of GLAS
Mr J Unsworth, Director of Finance and Corporate Services
Mr T White, Director of Strategic Planning

Mr Miles Scott, Chief Executive, SGFT (Minute 92)

Apologies were received from Mr D McKee, Professor J Weinberg and Professor Sir Nicholas Wright.

84. Remarks from the Chair

Reported:

That the Chair, together with Dr Iain McPhee, Ms Sophie Bowen and the Principal had attended the Graduation Ceremony of the first cohort of international students to graduate with a St George's Hospital Medical School MBBS degree delivered by the University of Nicosia. The significance of the event was marked by the attendance of the President of Cyprus and the Ministers of Health and Education amongst a host of other dignitaries including the British High Commissioner. The ceremony was a memorable occasion and an important day for Cyprus and SGUL.

85. Minutes

Received and approved:

- (i) Minutes of the meeting held on 23 March 2015.
- (ii) Minutes of the Extraordinary Meeting held on 24 April 2015.

Paper Council/5/A

Paper Council/5/B

86. Matters arising from the Minutes

(i) Minute 59 (iii): Health and Safety Issues

Reported:

That the remedial work had been completed with regard to the incident involving the switch-back from the stand-by generators to the main generator. A further package of remedial works would take place during the summer vacation. This would reduce the risk of a similar incident arising in the future. Provision for proper maintenance of the switches had been put in place.

(ii) Minute 60 (2): Principal's Report

Reported:

That following the stakeholder consultation by Health Education England (HEE), it appeared unlikely that the proposal for full registration at the time of graduation would be pursued at the present time given the significant disadvantages of the proposal that the stakeholder consultation had highlighted.

(iii) Minute 61: Students' Union Report

Reported:

That Council wished to congratulate the Students' Union on the nomination for the 'What University Student Award Choice awards'. The results were:

- 6th for Job Prospects
- 14th for the Students' Union
- 18th for Student Support

Mr Dheemal Patel was congratulated on his stewardship of the Students' Union during 2014-2015.

(iv) Minute 65: Research Excellence Framework

Reported:

That as forecast SGUL's QR grant from HEFCE had been reduced as a result of the outturn of the Research Excellence Framework.

(v) Minute 67: St George's Joint Implementation Board – Clinical Academic Group in Cardiology

Reported:

That SGUL had agreed a modest contribution to the Clinical Academic Group in Cardiology in the first year. SGUL would fund 2.5 PAs for the Chief of Cardiology post and 50% of a project manager.

(vi) Minute 68 (iii) Discretionary Accounts

Received:

A report from the Director of Finance and Corporate Services.

Reported;

That the Policy on Discretionary Accounts had been drafted, and advice on tax implications was being sought from KPMG. The draft policy would be considered by Finance Committee at its meeting on 11 June 2015.

Paper Council/5/C

(vii) Minute 72 : Athena Swan

Received:

A report on the Athena Swan Silver Award Submission.

Reported:

That the Athena Swan Silver Award submission had been delayed until November on the advice of an external consultant who had reviewed the Bronze submission and the progress made towards the Silver award.

As there had been a fairly short period of time between the Bronze Award and the proposed Silver submission it had been difficult to gather an appropriate amount of data to demonstrate the successful implementation of the plan arising from the Bronze award. A submission in November would allow for a more substantive data set to be provided.

Paper Council/5/D

87. Principal's Report

Received:

A report from the Principal.

Complete University Guide 2016

Reported:

That the Complete University Guide had recently been published and SGUL had climbed two places nationally. For career prospects SGUL was ranked second ahead of Oxford and Cambridge who were third and seventh respectively. Disappointingly SGUL had slipped from 24th to 33rd for medicine. This reflected SGUL's REF result, and the entry tariff metric which together reduced the overall score. An analysis of the entry tariff metric was being undertaken to understand better the impact of the widening access strategy.

Paper Council/5/E

88. Students' Union Report

Reported:

- (1) That the SU showcase had gone ahead. As a result of the number of entries auditions had been held before selecting the final acts. The money raised would be used to refurbish the games room.
- (2) That the men's hockey team had lost their final to GKT on penalties
- (3) That the Summer Ball had been cancelled as a result of significant financial losses experienced over previous years. This had been approved by the SU Board of Trustees. This was disappointing for the students.
- (4) That the SU elections were underway, and the results would be announced on 19 June 2015.
- (5) That the annual Student Awards evening would be held at the end of June 2015. There had been 114 nominations for 40 awards.

Governance

89. Appointment of the Principal

Received:

A report from the Chair on progress with the Appointment of the Principal.

Reported:

- (i) That the Remuneration Committee had met prior to Council and had agreed a salary package for the Principal. This allowed the Chair some room for negotiation with the preferred candidate.
- (ii) That the interviews would take place on 18 June 2015. Pre-interview arrangements to meet with groups of staff, students and Council members had been put in place.
- (iii) That Council would be asked to approve the appointment at its meeting on 7 July 2015.

Paper Council/5/F

90. Higher Education Code of Governance

Received:

A report from the Clerk to Council following the Internal Audit on Governance.

Reported:

- (i) That it was reported that the Code of Governance had been developed as the basis of governance to underpin a new Higher Education Act. This had not been announced in the Queen's speech and it appeared unlikely that a Higher Education Bill would be brought forward during this Parliament.
- (ii) That an internal audit on Governance arrangements had been undertaken and had received 'substantial assurance'. The internal audit had considered both current arrangements and also compliance with the Code of Practice which had been introduced in December 2014. The Internal Audit Report would be considered by the Audit Committee at its meeting on 9 June 2015.
- (iii) That the Clerk to Council, in accordance with the recommendation from the report had undertaken an in-depth review of the provisions of the Code and had mapped these against current practice. The report had been circulated to Council. A number of further actions had been identified to further improve compliance with the Code, and an implementation plan would be presented to the next meeting of Council on 7 July 2015.

Agreed:

That any further comments on the report and recommendations should be submitted to the Clerk to Council.

Paper Council/5/G

Strategic Planning

91. Council Away Day

Received:

Notes of the Council Away Day held on 24 April 2015.

Reported:

That the Council Away Day had been well received, and there had been some excellent presentations containing a great deal of material. Discussions and comments from Council Members had been helpful to the Executive team, and would be useful in the development of the Implementation Plan which would underpin the new Strategic Plan 2015-2020.

Further consideration was also being given to the development of a new set of Key Performance Indicators which would also underpin the Strategic Plan. The Financial Performance and Planning Group was leading on the development of the KPIs to ensure that that future plans were affordable.

Partnerships and Collaborations

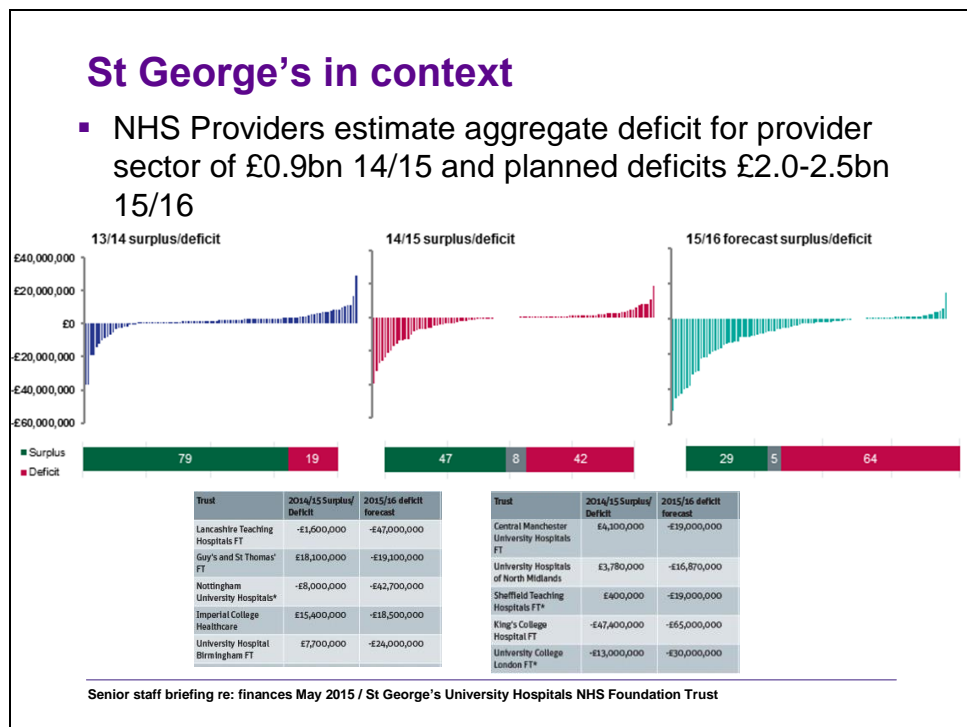
92. St George's University Hospitals NHS Foundation Trust

Received:

A report on the financial position of the St George's University Hospitals NHS Foundation Trust (SGFT) from the Chief Executive, Miles Scott.

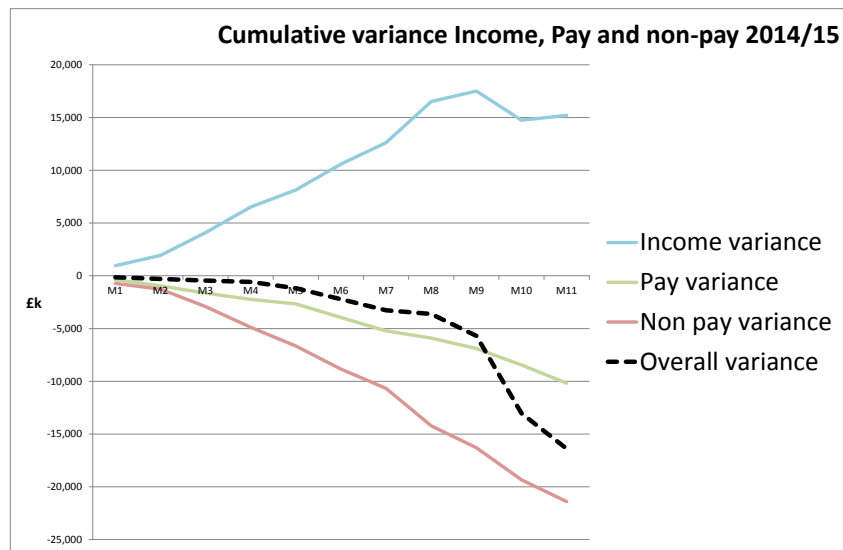
Reported:

- (1) That the financial posit of SGFT was reflective of the sector, which nationally found itself in a deficit position. The aggregate deficit for 2014-2015 was £0.9 billion, with planned deficits of £2.0 – £2.5 billion in 2015-2016.



- (2) That SGFT had forecast a breakeven position for 2014-2015 but had been hit by a range of system pressures which had affected SGFT both operationally and financially including:
 - Rising demand for emergency care, especially for the over 70s
 - Increased staffing costs to cover peaks in demand
 - Income lost from planned activity that was cancelled
 - Costs from procedures carried out elsewhere
 - Shortfall in cost improvement plans (especially capacity related)
 - Lack of control over spending
 - Failure to take enough remedial action
- (3) That the impact of these factors had had a dramatic effect on SGFT finances between December 2014 and the year end of 30 March 2015.
- (4) That the variances were related to both pay and non-pay.

What drove the deficit?



- (5) That the outturn for 2014-2015 would be a deficit of £16 million.
- (6) That a range of measures would be put in place to ensure that SGFT was able to meet its financial plan in 2015-2016. Similar to other Trusts this would be a deficit plan and it was expected that a deficit of £43 million would be the outturn for 2015-2016.
- (7) That as a result of the dramatic change in position between February and March Monitor had opened an investigation as set out below:

Monitor investigation – where we stand

Reviews FY15:

- Internal – Finance team are currently working on completing the narrative
- Monitor – Monitor team are preparing an analysis of trust finances for David Bennett, CEO
- PwC – appointed 20th May to conduct Independent Accounting Review. Full review will take 6 weeks in total.

Turnaround Support:

- 27th May – held interviews for Turnaround Directors and advisory support. KPMG appointed.
- Turnaround Director: will be the programme director for service review work
- KPMG: will provide advisory support. Their resources will be used to assist IBP/LTFM workstreams

1, 2, and 5 year plans

- Turnaround work will result in plans to complete turnaround, covering 1, 2 and 5 year horizons

Senior staff briefing re: finances May 2015 / St George's University Hospitals NHS Foundation Trust

- (8) That maintaining quality and safety were paramount and measures had been put in place to secure both.

- (9) That in order to improve its position SGFT would need to undertake some restructuring and it may have to cease to offer some services. This would be difficult as SGFT was a major trauma centre and required a range of underpinning services.
- (10) That the Turnaround Plan and associated actions were not expected to impact on SGUL directly, but it was felt that the more the that could be undertaken together the more beneficial this would be to both institutions.

Agreed:

- (i) That the Chief Executive was thanked for his candour and clear explanation of the current SGFT financial position.
- (ii) That there would be further discussions at the Joint Implementation Board and further periodic reports to Council during the year.

Paper Council/5/I

Finance and Audit

93. Financial Results

Received:

The Financial Results to 30 April 2015.

Reported:

- (i) That the Q3 results showed a cumulative surplus of £3.4 million. It was expected that this would reduce and the budget forecast had been held at £1.9 million. This was substantially ahead of the agreed budget forecast of £0.5 million.
- (ii) That SGUL had cash balances of £12.1 million at 30 April 2015. This was an increase of £1.2 million compared to March 2015. The yearend was now forecast at £10 million, including capital spend of £2.7 million and lender repayments (inclusive of interest) of £2.9 million.
- (iii) That the Debtor balance stood at £9.58 million, a reduction of £3.2 million from the end of March. The reduced balance was mainly due to payment of student fees, research grant income, and payments from SGFT and INTO.
- (iv) That the budget for 2015-2016 would be considered at Finance Committee on 11 June 2015. Currently a surplus of £1.5 million was proposed for 2015-2016. Modelling had been undertaken for future years on the basis of achieving a 3% surplus. Further cost improvements would be needed to achieve this level of surplus.
- (v) That in the light of SGFT's outturn for 2014-2015 there was some concern that the current outstanding debt owed by SGFT would not be paid. The total debt owed by SGFT was £2.2 million of which £1.6 million was current and £0.5 million was over 90 days.

Paper Council/5/J

94. Membership of Council

Considered and approved:

The recommendation that the following members of Council be appointed for a further term of office as set out below:

- Mr Anthony Bicknell (1 October 2015 – 30 September 2018) (Final Term)
- Mr Michael Draper (1 October 2015 – 30 September 2018) (Final Term)
- Professor Barry Gusterson (1 October 2015 – 30 September 2018) (Second Term)

- Mr Mike Stevens (1 October 2015 – 30 September 2016) (For one year only)

Reported:

- (i) That the following Council members would be stepping down from Council:
 - Mr Chris North (30 September 2015)
 - Professor Sir Nicholas Wright (31 December 2015)
 - Mr Mike Stevens (30 September 2016)
- (ii) That a recruitment process would be undertaken by the Nominations and Honorary Awards Committee to find new members of Council.
- (iii) That a skills survey of Council would be undertaken to inform the recruitment process taking into account of the strategic requirements for SGUL over the next five years.

Matters for Report

Actions by the Chair

*95. Student Cases

Reported:

That the Chair had considered an appeal against the outcome of a Fitness to Practise Hearing, where the student had been expelled from SGUL. The Chair did not find any grounds for upholding the appeal. It was now open to the student to appeal to the Office of the Independent Adjudicator.

*96. Award of Title

Reported:

That the Chair has taken the following action on behalf of Council:

The award of the title of Emeritus Professor to Professor Pat Hughes, who retired in 2014.

Further reported:

That the emeritus title permitted staff to continue to use the title of 'Professor' and allowed access to the library and the continued use of an SGUL email address. Emeritus Professors could currently retain Discretionary Accounts but they could not add further funds. The new Discretionary Accounts Policy would address this issue and there would be a time limit for the retention of Discretionary accounts post-retirement.

Other Matters

*97. Minutes of Meetings

Committee	Date of Meeting	Available from:
Audit Committee	24 February 2015	strubsha@sgul.ac.uk
Risk Management & Efficiency Committee	16 February 2015	sdurkin@sgul.ac.uk
Finance Committee	28 January 2015 23 February 2015	Minutes previously circulated to Council
SPARC	29 April 2015 21 May 2015	strubsha@sgul.ac.uk
Senate	25 February 2015	dbaldwin@sgul.ac.uk
Human Resources Committee	TBA	tba

HEFCE and other External Matters

***98. HEFCE Letters and Consultations and other External Consultations for Information**

Received:

A report on HEFCE letters and consultations and other external consultations, with responses to date.

Paper Council/5/K

***99. Any other business**

***100. Dates of meetings 2015-2016**

Tuesday 7 July 2015
Tuesday 20 October 2015
Tuesday 24 November 2015
Tuesday 15 December 2015
Tuesday 15 March 2016
Friday 22 April 2016 – Away Day
Tuesday 5 July 2016
Tuesday 18 October 2016
Tuesday 22 November 2016
Tuesday 13 December 2016

New dates to 2018

Tuesday 14 March 2017
Friday 21 April 2017
Tuesday 4 July 2017
Tuesday 17 October 2017
Tuesday 21 November 2017
Tuesday 12 December 2017
Tuesday 13 March 2018
Friday 20 April 2018
Tuesday 3
July 2018
Tuesday 16 October 2018
Tuesday 20 November 2018
Tuesday 11 December 2018

ST/16 June 2015