

Council

26 November 2013

Minutes

Present: Professor M Spyer (Chair)
Mr M Amer
Mr A Bicknell
Mr M Draper
Professor A Clark
Professor B Gusterson
Ms K Horvers
Professor P Hughes
Mr D Kennedy
Professor P Kopelman
Mr C North
Professor F Ross
Mr M Stevens
Ms C Swarbrick
Mr G Turner
Professor Julius Weinberg
Professor Sir Nicholas Wright

IN attendance: Mr M Bery, Chief Operating Officer
Mrs S Bowen, Secretary and Academic Registrar
Mrs W Brewer, Joint Director of Human Resources (for Minutes 35-38)
Ms S Trubshaw, Clerk to Council
Mr J Unsworth, Financial and Commercial Director

Apologies for absence were received from Professor Andy Kent, Mr Christopher Smallwood and Ms Lauren Wellburn.

35. Remarks from the Chair

Reported:

That Mrs Cathy Wilson had resigned from Council. The Chair thanked Mrs Wilson for her hard work and contribution to SGUL, in particular for her work as a member of the Audit Committee, and latterly acting as Chair of the Nominations and Honorary Awards Committee for the appointment of the Chair of Council. It was noted that Mrs Wilson had been actively engaged in the life of SGUL, and would be missed from amongst the members of Council.

36. Minutes

Received and approved:

Minutes of the Meeting held on 22 October 2013.

Paper Council/2/A

37. Matters arising from the Minutes

(i) Minute 94: Scheme and Statutes

Reported:

That the University of London had approved the revised Scheme and Statutes on 25 November 2013.

(ii) Minute 96: Memorandum of Understanding with King's Health Partners

Reported:

That a communication had been counter signed by the Chief Executive of St George's Healthcare NHS Trust, limiting SGUL's commitment to the KHP partnership to £50,000 per annum. It was envisaged that it was likely to be less than this as majority of SGUL's contribution would be in kind.

A member of Council noted that the letter did not specify the commitment from SGHT. An email from SGHT's Chief Executive confirming this had been circulated to Council subsequent to the meeting.

Tabled paper

(iii) Minute 10: Branding Review

Reported:

That the review and updating of the website would continue, as would the promotion of the messages that had been developed in conjunction with Adrian Day Associates. Further consideration would be given to the visual image once the Education and Research Institute strategies had been established.

(iv) Minute 17: Financial Regulations

Reported:

That it was noted that some sections had been excluded from the Financial Regulations (as set out in **Paper L: Minutes of the Finance Committee - 2 October 2012 - Minute 5 (a)**), and that these sections had not been approved by Council.

38. Report from the Principal

Received:

A report from the Principal.

Reported:

Trade Union Action

That it was noted that there would be a further day of action on 3 December 2013. It was also noted that pay was deducted from TU members who took strike action. Action short of a strike had not caused difficulties to date, and that SGUL had well developed plans for dealing both with strike action, and action short of a strike.

Research Excellence Framework

Fifty seven FTE (full time equivalent) academic staff members would be submitted to the REF. The total staff submitted presented just over 50% of eligible staff.

Paper Council/2/B

Annual Accountability Return – Key Item of Business

39. Annual Accountability Return

Noted: The Annual Accountability Return timetable.

Paper Council/2/C

Finance

(i) Annual Financial Statements (Annual Accountability Return)

Reported:

Page 13 - Transfer from accumulated income in endowment funds

That this item referred to the net expenditure on endowment funds.

Approved for submission to HEFCE:

The Financial Statements for the year ended 31 July 2013.

Paper Council/2/D

(ii) **Commentary: explanation of significant variances for 2012-2013 between the current and July 2013 submissions.**

Reported:

That the difference in the forecast surplus and the actual surplus was £300k. It was noted that this difference was relatively small in the context of a turnover of £83 million.

Approved for submission to HEFCE:

The Commentary explaining significant variances for 2012-2013 between the current and July 2013 submissions.

Paper Council/2/E

Audit

(iii) External Auditors' Report (Annual Accountability Return)

Reported:

(a) That it was requested that Council be provided with more information in relation to research accounts. It was noted that a detailed review of Research Award Management had been undertaken by the Internal Auditors (detailed in **Paper G, Page 4**), and that the Audit Committee had requested periodic reviews throughout the year to be timed prior to each meeting of Audit Committee, in order for the Audit Committee to keep this area under review. The Audit Committee would report back to Council at each meeting.

(b) That it was suggested that St George's Enterprises and St George's Global partners (**Paper F, Page 2**) might be able to provide an increased revenue source. Further consideration would be given to the matter and a report made to Council at a future meeting.

Approved for submission to HEFCE:

The Audit Highlights Memorandum and the Management Letter issued by the External Auditors in respect of the Financial Statements for 2012-13.

Paper Council/2/F

(iv) Internal Auditors' Annual Report (Annual Accountability Return)

Reported:

That it was noted that the Human Resources review had focussed on recruitment. It had been agreed not to undertake a review of performance management at that stage, as the Strategic Futures project had commenced and arrangements for performance management were likely to change as part of the project.

Approved for submission to HEFCE:

The Internal Auditors' Annual Report for 2012-13.

Paper Council/2/G

(v) Annual Report from the Audit Committee (Annual Accountability Return)

Reported:

(a) That the Internal Auditors opinion was given on Page 3 of the report.

(b) That the number of older outstanding internal audit recommendations had been greatly reduced as a result of a continuous follow-up programme by Deloitte.

Approved for submission to HEFCE:

The Annual Report of the Audit Committee for 2012-13.

Paper Council/2/H

Corporate Planning

(vi) Annual Monitoring Statement (Annual Accountability Return)

Received and noted:

The Annual Monitoring Statement responses. A revised updated version was circulated at the meeting.

Paper Council/2/I

40. Letter of Representation

Approved:

The Letter of Representation to be sent to the External Auditors on behalf of Council.

Paper Council/2/J

Statutory Duties

41. Finance Committee Report

Received:

(i) A report from the Chair of the Finance Committee of the meeting held on 7 November 2013.

Paper Council/2/K

(ii) The minutes of the Finance Committee held on 7 November 2013 and on 2 October 2013.

Paper Council/2/L

Reported:

(a) Analytical Services Ltd (Analytical Unit)

That the Finance Committee had noted the write off of a debit balance in connection with the Analytical Services Ltd (ASL), previously known as the Analytical Unit. The issue of the Analytical unit had been raised by the Director of Finance a number of years ago, and an internal audit review had been commissioned and undertaken by Mazars in 2010-2011. The review had made a number of recommendations, and these had been implemented. The activities of the Analytical Unit and further liabilities were transferred to ASL and a formal lease with rent and service charges of £50,000 per annum had been agreed and this was being paid regularly and was up to date. ASL had been asked to contribute to the debtor balance, but neither was the debit balance agreed nor did ASL have sufficient funds at the time to meet SGUL's request. The situation had been noted by the External Auditors in the Management Letter published in 2012.

During the 2013 audit a decision was taken to write-off the debit balance rather than a continuous write off utilising the rental payments over a number of years. A more detailed background paper had been circulated to Finance Committee explaining the background of the company which had been established in 1989.

It had been proposed by the Chair of the Audit Committee, that Deloitte, be asked to conduct a follow-up review of the matter and this would be discussed with the Chair of the Finance Committee.

(b) Minutes of the Finance Committee Meeting - 7 November 2013

Reported:

(1) **Minute 2.2 - Wellcome Trust**

That it had been agreed by the Finance Committee that SGUL should not invest further if Wellcome Trust funding ceased in relation to a patent portfolio. Currently The Wellcome Trust reimbursed SGUL each year. A full business case would be presented to the Finance Committee at its meeting to be held on 27 February 2014.

(2) **Minute 2.6 - INTO Joint Venture**

That the letter of support noted in the minutes had not yet been circulated to Finance Committee.

(3) **Minute 2.9 - Endowments Investments**

That Cazenove had recommended that SGUL should invest more of its cash resources. Further consideration would be given to this matter following a review of cash flow to ensure that further investment would not put the cash flow at risk.

42. Audit Committee Report

Received:

A report from the Chair of the Audit Committee of the meeting held on 12 November 2013.

Reported:

That the majority of the Audit Committee meeting had been devoted to the review of the returns required as part of the Annual Accountability Return to HEFCE.

The External Auditors had been present at the meeting and they had noted that there had been a year on year improvement in financial management and that this had continued in 2013.

Paper Council/2/M

43. Risk Management and Efficiency

Received:

- (i) The Summary Risk Register
- (ii) The Key Risk Indicator Table

Previously reported to Council on 22 October 2013 and provided again for information.

Paper Council/2/N

Matters for Approval

44. Award of Honorary Titles

Considered and approved:

On the recommendation of Senate the award of the following titles:

- (i) The appointment of Dr Anthony Ffoulkes Williams as emeritus reader in Child Nutrition with effect from 31 July 2013.
- (ii) The appointment of Professor Brian Austen as Emeritus Professor of Protein Science with effect from 4 October 2013.

Matters for Report

45. Any Other Business

46. Dates of Meetings

All meetings commence at 5.00 pm, in Boardrooms 1 & 2

Tuesday 17 December 2013
Tuesday 18 March 2014
Friday 11 April 2014 – Away Day – Venue to be confirmed
Tuesday 8 July 2014
Tuesday 21 October 2014
Tuesday 25 November 2014
Tuesday 16 December 2014

SJT/30 November 2012