

Council

25 October 2011

Minutes

Present: Ms J Evans (Chair)
Mr A Bicknell
Mr M Draper
Professor P Hughes
Professor A Johnstone
Dr A Kent
Professor P Kopelman
Mr K Lewis
Mr C North
Ms C Swarbrick
Mr G Turner
Mr L Turner
Professor J Weinberg
Ms C Wilson
Professor Sir Nicholas Wright

In attendance: Mr M Bery, Director of Finance and Resources
Mrs S Bowen, Secretary and Academic Registrar
Ms Marina Malorgio, Deputy Director of Human Resources (Minute 6)
Mr Ken Morrison, Legal Advisor (Minute 12)
Ms S Trubshaw, Clerk to Council and Head of Secretariat

Apologies were received from: Mrs Naaz Coker, Professor Richard Smith, Mr Mike Stevens and Mrs Susan Thomas

1. Remarks from the Chair

Reported:

That the Chair had undertaken the appraisals of seven independent members of Council and a number of recommendations had been made. Action to implement the recommendations was underway, for instance, the Principal had provided a written report, the Council agenda had been restructured, and the Strategic Plan had been reissued. The Principal had structured his report around the Strategic Plan, and cover sheets for discussion items now referenced the relevant strategic aim and associated risk. It had been suggested that CVs of Council members could be circulated if members were agreeable.

Paper Council/1/A

2. Minutes

Received and approved:

Minutes of the meeting held on 5 July 2011.

Paper Council/1/B

3. Matters arising from the Minutes

There were no matters arising from the Minutes.

Health and Safety

4. Health and Safety Issues

Received:

- (i) The Annual Report from the Safety Management Committee. **Paper Council/1/C**
- (ii) A report from the Safety Management Committee, and any issues that had arisen since the meeting of Council held on 5 July 2011. **Paper Council/1/D**

Reported:

- (i) That a review of the structure of the Safety, Health and Environment (SHE) functions had been undertaken. It had been recommended that line management for the SHE function should remain within Estates and Facilities, and that the SHE Manager should also retain a direct reporting line to the Principal. This had been approved by the Safety Management Committee (SMC) and the arrangements would be reviewed annually to safeguard any potential conflicts of interest for SGUL.
- (ii) That the SMC also monitored accidents within the institution. There was generally a low level of accidents. There had been one significant incident during the roof refurbishment of Jenner Wing. A number of staff had been affected by fumes. Building works had been suspended while an investigation had been carried out.
- (iii) That there had been two visits from the Health and Safety Executive and the Environment Agency. No areas of non-compliance had been identified.

Further reported:

That it was noted that the average attendance at each meeting was c14-15 out of a membership of 18 plus three attendees and an additional representative from among the Divisional/Faculty Managers. It was suggested that members should be encouraged to attend more regularly, and that consideration should be given to a student representative on the Committee.

Agreed:

That membership of the Safety Management Committee should be reviewed and members encouraged to attend on a regular basis.

Principal's Report

5. Report from the Principal

Received:

A report from the Principal.

Reported:

- (i) That Barts and The London School of Medicine and Dentistry, QMUL had joined UCL Partners, an Academic Health Science Centre (AHSC). Further consideration would be given to the SGUL/SGHT position with regard to joining an AHSC.
- (ii) That a new Chief Executive and Chair of the Trust Board had been appointed, namely Mr Miles Scott and Mr Christopher Smallwood respectively. Both would

take up their appointments on 1 November 2011. Mr Scott had previously been Chief Executive of Bradford Teaching Hospital Foundation Trust.

- (iii) That the HEFCE Board had announced its decisions on the implementation of student number control policies for 2012-2013. Modelling had been undertaken which appeared to show that the changes would have little effect on SGUL. There would be an appeal with regard to the healthcare science student numbers as they were awarded as part of a Department of Health commissioning process. Universities would not be notified of their final student numbers until February 2012.
- (iv) That there had been a decrease of 9% nationally in applications for university. Although applications to SGUL for entry in 2012, when higher fees would be introduced, had reduced in comparison to the previous year (entry in September 2011) which had been an exceptional year, they had increased when compared to the numbers for entry in September 2010.

Paper Council/1/E

Strategic Development

6. Salary Cost Reduction Programme

Considered:

A paper on the Salary Cost Reduction Programme.

Reported:

Council had established a Compulsory Redundancy Committee in January 2011 at an extra-ordinary meeting of Council held on 25 January 2011. This had been in anticipation of the expected cuts to the HEFCE budget of 15%. It had been agreed that savings of 15% on the current HEFCE budget of £45 million should be made and a target of £6.1 million had been set. Two voluntary severance and salary savings programmes had been completed. To date £5.5 million in recurrent savings had been achieved with £600,000 outstanding. The forecast outturn for 2011-2012 was £1 million in deficit.

At the same time SGUL was also investing for the future. A limited number of investment bids had been funded, where they had supported the strategic aims of the Institution.

Reviews of all administrative areas were underway. SGUL was also exploring the possibility of shared services, although it was noted that savings from this initiative would take some years to accrue. There were also issues around VAT which would need to be resolved.

Finance Committee had discussed the matter at its meeting on 29 September 2011 and it had been recommended that SGUL should launch a compulsory redundancy programme. The timetable for the compulsory redundancy programme had been considered at the meeting of the Staffing Review Committee (SRC) on 3 October 2011 and at the Strategy, Planning and Resources Committee (SPARC) on 19 October 2011.

The paper presented to Council provided two timetabling options for this process. SPARC had recommended Option 1, which although it would delay the process by a month it would ensure that there time to assess any alternative to redundancy and to ensure that the business case for identifying posts at risk of redundancy was robust and fully informed.

It was suggested that taking longer over the process might lower staff morale and it that an amalgamation of the two options might be preferable, ensuring that the consultation period of 30 days was completed by the end of February 2012.

Agreed:

That consideration would be given to a third timetabling option as set out above, and a report would be made to the meeting of Council on 22 November 2011.

Paper Council/1/F

7. Shared Services

Received and noted:

A report on progress with the scoping exercise for a closer working relationship with St George's Healthcare NHS Trust.

Reported:

- (i) That the proposals for the merger of SGHT and St Helier were noted. It was not clear if this would impact on the proposals for shared services .
- (ii) That it was noted that VAT was an on-going issue. There were ways to structure services to mitigate the impact of VAT. For instance if staff were employed by SGUL salaries would be recharged to the Trust including VAT. The Trust could subsequently reclaim the VAT. This would significantly increase the size and nature of SGUL as a business.
- (iii) That it had been proposed that a subsidiary company should be set up as an operating centre, with SGUL and SGHT as shareholders. This option was being explored further.
- (iv) That the St George's Joint Steering Executive Group (SGSEG) would be considering all the various models and the implications of these models. A decision would be taken by SGSEG by the end of November with regard to the continuation of the Shares Services project.

Paper Council/1/G

8. INTO

Received:

A report on progress.

Reported:

Student Recruitment

That 12 students had been recruited in 2011 to the Foundation in Medical, Biomedical and Health Care Sciences programme. This was lower than target and was attributed to the lateness to market, and some uncertainty about exit routes from the foundation programme.

Mr David Bartholomew had recently been appointed by INTO as the worldwide Medical Sales and Marketing Director. A full Sales and Marketing plan for September 2012 entry would be presented to the INTO SGUL Board meeting on 26 October 2011.

Clinical Placements

Dr Andy Kent, Dean of Education, and Dr Jade Chow, Associate Dean, Medical and Biomedical Science, had recently visited the USA to look at clinical sites for placements. They had visited the Washington Adventist University. The hospital was highly resourced and covered most specialties except for Paediatrics. There were other Adventist hospitals in the group which could be also considered alongside other possible sites, such as the University of Southern Florida.

Accreditation

The GMC had indicated that they would now quality assure the medical programmes. They had now been designated as MBBS (International) programmes with the consent of the GMC.

Governance

Detailed proposals relating to the governance of the joint venture would be considered by the INTO SGUL Board on 26 October 2011.

Agreed:

That a further report on developments with INTO, particularly with regard to recruitment and governance would be made to the meeting of Council to be held on 13 December 2011.

Paper Council/1/H

9. Finance Report and Bank Loan Authorisation

Received:

The Finance Committee Report.

Reported:

That Mills and Reeve had advised on the bank loan negotiations.

Agreed:

- (i) That the following recommendations be approved
 1. Approve the final form of the facility agreement.
 2. Authorise the Director of Finance and Resources and/or the Principal to execute the facility agreement.
 3. Authorise any two of the Director of Finance and Resources, the Principal and the deputy Director of Finance and Resources to negotiate, approve and enter into any other document connected with the Santander loan facilities
 4. Approve the exercise of the fixed rate option to prudently manage SGUL's interest rate risk and to have certainty of borrowing costs over the life of the facilities.
 5. Authorise the entry by SGUL into the letter of consent and letter of variation and approve the payment of the £50,000 consent fee
- (ii) That the draft minute for Council be approved as set out below:

Extract from the minutes of a meeting of the Council of St George's Hospital Medical School ("SGUL") held on 25 October 2011

Received

- 1 A report from the Finance Committee which included, among other things, a report on the proposed loan facilities with Santander UK PLC to fund the following projects in the following amounts:

- (a) Horton Halls 2 for £8,000,000 for a term of 25 years; and
 - (b) the refurbishment of Jenner D Block for £5,000,000 for a term of 12 years.
- 2 A copy of the facility agreement with Santander which has been negotiated by the Director of Finance and Resources and the Deputy Director of Finance and is now in agreed form.
 - 3 A letter of consent from Barclays Bank plc whereby Barclays would provide its consent to the Santander facility agreement subject to the payment by SGUL of a consent fee of £50,000 (which has been paid);
 - 4 A letter of variation, from Barclays Bank plc amending the existing £16,500,000 facility agreement with Barclays to replace Barclays' requirement for security in certain circumstances with a "negative pledge" which would prevent SGUL granting security without the prior written consent of Barclays (such consent not to be unreasonably withheld) (together, documents 2, 3 and 4 are the "**Banking Documents**");
 - 5 a letter of advice from Mills & Reeve LLP dated 17 October 2011 and referred to in the Finance Committee report, in relation to the ability of SGUL to enter into embedded fixed rates.

Noted

- 1 That the meeting had been properly convened and a quorum was present.
- 2 That no member of the Council at the meeting had, directly or indirectly, any interest in the transactions contemplated by the documents referred to above which she or he was required by the Statutes of SGUL, the Standing Orders of Council or by statute or otherwise to disclose or was for any reason disqualified from voting at the meeting or forming part of the quorum.

Reported

That embedded within the Santander facility agreement is the option to fix the interest rate of each of the facilities. As such, the interest rate fixes could be up to 25 and 12 years respectively and the advantages and disadvantages of long-term fixed rates were outlined. It was noted that SGUL would be exposing itself to high breakage costs in the circumstances that it entered into a long fixed rate period and then wished to prepay or repay the Santander facilities before their respective final repayment dates. However, against this, long-term fixed rates would give SGUL certainty of cashflow for the duration of the fixed-term periods and would avoid the risk and uncertainty of future interest rate movements.

Agreed

That after full and careful consideration of the nature and scale of the liabilities to be undertaken pursuant to the Banking Documents and the commercial and financial consequences, direct and indirect, of the execution of the Banking Documents, the Council approved the execution and delivery of the Banking Documents and the exercise of its rights and performance of its obligations thereunder as in the best interests of SGUL and that it would assist in furthering the objects of SGUL. The following resolutions were approved:

Resolved

- 1 That the transactions contemplated by the Banking Documents are approved;

- 2 That the terms and conditions of the Banking Documents and the execution and delivery by or on behalf of SGUL of the Banking Documents (in such form and with such amendments as the Director of Finance and Resources and/or the Principal may in his or their absolute discretion see fit) and the exercise by SGUL of its obligations thereunder be approved;
- 3 That the Director of Finance and Resources and/or the Principal be and are hereby authorised to sign and deliver the Banking Documents on behalf of SGUL;
- 4 That any two of the Director of Finance and Resources, the Principal and the Deputy Director of Finance (the **“Authorised Officers”**) be and are hereby authorised:
 - (a) to agree, on behalf of SGUL to enter into the embedded fixed rate option set out in the Santander facility agreement in such amounts and for such periods as the Authorised Officers consider to be in the best interests of SGUL and to agree, on behalf of SGUL, to such terms that will bind SGUL for up to the respective terms of the facilities;
 - (b) to negotiate and approve the terms of any other document connected with the Santander facilities including the Interest Strategy Letter (as such term is defined in the Santander facility agreement) (the **“Finance Documents”**);
 - (c) to execute the Finance Documents with any amendments that the Authorised Officers think fit (the approval of the Authorised Officers in any such case to be conclusively determined by their signing of such documents) and that such documents be dated and delivered to the other parties thereto;
 - (d) (either alone or with one another) on behalf of SGUL to execute and do all such acts, deeds, documents, certificates and notices (including notices of drawdown) and give such instructions to the Santander as such Authorised Officers may consider expedient or desirable in connection with the execution or performance by SGUL of each of the Finance Documents or any other document or agreement connected therewith.

I certify that this is a true and complete minute extracted from the minutes of a meeting of the Council of SGUL referred to above, that the meeting was duly convened and quorate and that the resolutions referred to above remain in full force and effect. I also certify that the individuals named below have set their usual signature beside their name and office.

Dated 2011

.....
Judith Evans, Chair of Council

Mark Bery being Director of Finance and Resources of St George’s, Peter Kopelman, being Principal of St George’s and Mike Smith being Deputy Director of Finance of St George’s as Authorised Officers of St George’s set out their specimen signatures below:

Signature:
Name:
Date:

Signature: Name: Date:
Signature: Name: Date:

Paper Council/1/I

10. Research Excellence Framework 2014

Received:

A paper on current preparations for the Research Excellence Framework 2014.

Reported:

- (i) That preparations were more advanced than on previous occasions.
- (ii) That the information systems which would be used for the REF were being tested.
- (iii) That the 'Impact' case studies were being developed, 20 potential cases had been identified of which 10-11 would be submitted.
- (iv) That research publications had been captured on the Current Research Information System (CRIS). Selection of publications was underway.
- (v) That the post of Dean of Research had been advertised on 6 October 2011. There had been three good applications to date.

Further reported:

That it was suggested more than one mock REF should be conducted, using external experts. It was also suggested that contracts of employment should be scrutinised to ensure consistency of reporting between HESA data and the REF. It was noted that the Research brochure was primarily for lay circulation and that the development of the REF website for the internet and intranet was a higher priority.

Paper Council/1/J

11. National Student Survey (NSS) 2011/SGUL Student Experience Survey (SES) 2011

Received:

A paper on the NSS and SES results, setting out the follow-up actions and next steps.

Reported:

That the two data sets from the NSS and SES had been provided together to Course Directors to enable satisfaction with the whole programme/experience at SGUL to be reviewed. There had been a good response rate to both surveys. Disappointingly SGUL's overall score for satisfaction had gone down from 4.0 to 3.9. The response rate had risen from 68% to 72%. Steps were being taken to identify any problems and to understand why the score had decreased. This information would be reported to the Quality Assurance and Education Committee, and would also feed into the Annual Monitoring programme. It was noted that there had been a significant improvement in the overall mean score for Paramedic Science from 2.6 to 3.6.

It was noted that data from the NSS would be used in the Key Indicator Set (KIS), and it was important to try and identify any areas of dissatisfaction and to put appropriate remedies in place. It was felt that SGUL should be responsive to problems but it was also noted that changes could take some time to take effect.

Additionally it was noted that it was difficult to benchmark the scores against other universities because of the specialist nature of SGUL.

Paper Council/1/K

12. Bribery Act 2010

Received:

A paper detailing the requirements for compliance with the Bribery Act 2010.

Reported:

That the Bribery Act 2010 came into force on 1 July 2011. In response to the Act SGUL needed to ensure that Council members, senior staff, line manager and those whose jobs touch on Bribery Act sensitive areas (eg hospitality, student recruitment, international relations) were familiar with and had taken action to meet, their obligations under the Bribery Act as the penalties for breaching the act were severe. SGUL would need to ensure that it had adequate procedures in place to prevent bribery.

Based on the guidance from the Department of Justice there were a number of actions that SGUL needed to take including:

- Demonstrable top-level commitment towards compliance with the Bribery Act;
- The publication of an Anti-Bribery policy and a review of existing related policies and procedures to ensure consistency;
- A review existing disciplinary procedures;
- The establishment of a training programme.

With regard to disciplinary procedures work would be undertaken with Human Resources to ensure that they were appropriate and reflected the changes in the legislation. It was suggested that all staff should be trained throughout the organisation.

It was noted that SGUL had a register of gifts which was used within the administration, and that any gift over £15.00 was recorded. It was suggested that a similar register should be kept to record hospitality. It was also felt that all purchasing should be made through the purchasing system as an additional safeguard against accusations of bribery. It was noted that under the Act, organisations were also liable for third parties. This had been included in the proposed statement for publication. Specific provisions had been built into the INTO and University of Nicosia agreements to ensure compliance with the act.

Additionally it was noted that the SGUL policy should also have regard to the policies of NHS partners. The Kingston University statement and policy was very similar to those proposed for SGUL, and this would be helpful for staff in the Faculty of Health and Social Care Sciences.

Agreed:

- (i) The Statement and Anti-Bribery Policy were approved for publication.
- (ii) That a training programme should be established.
- (iii) That a review should be undertaken in six months to assess compliance with the Bribery Act.

Paper Council/1/L

Partnerships

13. Joint Trust Board/SGUL Council Meeting

Received:

A report of the meeting held on 27 September 2011.

Paper Council/1/M

14. Joint SGUL Council/Kingston University Meeting

Reported:

That the meeting had been enlightening with regard to the future positioning and potential of the Faculty of Health and Social Care Sciences. At the same time it was recognised that there were serious challenges ahead. A further meeting would be held once the outcome of the tenders for adult nursing and physiotherapy were known.

Appointments and Promotions

15. Council Membership

Considered and approved:

On the recommendation of the Chair, acting on behalf of the Nominations and Honorary Awards Committee the appointment of Mr Christopher Smallwood, Chair of the St George's Healthcare NHS Trust, with effect from 1 November 2011.

16. Membership of other Committees

Considered and approved:

On the recommendation of the Chair, acting on behalf of the Nominations and Honorary Awards Committee the nomination of Ms Anne Fillis to become a member of the Audit Committee with effect from 1 November 2011.

17. Academic Promotions

Reported:

The following conferment of titles:

Name	Division	Title	With Effect from
Dr Deborah Bowman	Population Health Sciences and Education	Professor of Bioethics, Clinical Ethics and Law	1 August 2011
Dr Paul Heath	Clinical Sciences	Professor of Paediatric Infectious Diseases	1 August 2011
Dr Helen Mason	Biomedical Sciences	Professor Reproductive Endocrinology	1 August 2011

18. Report from the Remuneration Committee

Received:

A report from the Remuneration Committee meeting held on 5 July 2011.

Paper Council/1/N

19. Terms of Reference of Committees of Council 20911-2012

Reported:

That it had been agreed that the Remuneration Committee should consider succession planning as part of its terms of reference. The Terms of Reference would be amended in the light of this decision.

Agreed:

- (i) That the Terms of Reference for the following committees be approved:
 - (a) Audit Committee
 - (b) Nominations and Honorary Awards Committee
- (ii) That the Terms of Reference for the Remuneration Committee be amended in accordance with the foregoing report and be resubmitted for approval at Council at the meeting to be held on 22 November 2011.

Paper Council/1/O

STATUTORY DUTIES

Students' Union Issues

20. Students' Union Report

Reported:

- (i) That the Student Union had now completed its registration with the Charity Commission.
- (ii) That all of the programmes had started on the same day this year. There had been good feedback from the first year students.
- (iii) That the SU was also looking at the results of the NSS and SES to try and identify any problem areas.
- (iv) That the website was being updated and it was hoped that it would be completed by January 2012.
- (v) That St George's students had won the inaugural national Bhangra Wars dance competition. The competition raised money for the charities Khalso Aid UK and Focus Punjab.

Audit Issues

21. Audit Committee

Received:

A report from the Chair of the Audit Committee.

Paper Council/1/P

Risk Management

22. Risk Management

Received:

- (i) The Summary Risk Register

- (ii) The Key Risk Indicator Table and commentary on changes to the risk scores since the meeting of Council on 5 July 2011.

Paper Council/1/Q

Estates

23. Estates Committee

Received:

A report from the Chair of the Estates Committee.

Paper Council/1/R

Human Resources

24. Human Resources Committee

Received:

A report from the Chair of the Human Resources Committee.

Paper Council/1/S

Equality and Diversity

25. Equality and Diversity

Received:

- (i) A report from the Equality and Diversity Committee.

Paper Council/1/T

- (ii) Information Sharing Protocol

Paper Council/1/U

HEFCE and other External Matters

26. HEFCE Letters and Consultations and other External Consultations for Information

Received:

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

Paper Council/1/V

Matters for Report

27. Minutes of Meetings

Committee	Date of Meeting	Available from:
Audit Committee	11 October 2011	By email from s.trubshaw@sgul.ac.uk
Risk Management Committee	3 October 2011	By email from s.durkin@sgul.ac.uk
Finance Committee	29 September 2011	CONFIDENTIAL Paper Council/1/W
SPARC	20 July 2011 19 October 2011	By email from s.trubshaw@sgul.ac.uk
Senate	N/A	By email from d.baldwinson@sgul.ac.uk
Human Resources Committee	21 September 2011	By email from jmaughan@sgul.ac.uk

28. Actions by the Chair

The Chair had not taken action since the meeting of Council on 5 July 2011.

29. Dates of meetings 2011-2014

Tuesday 22 November 2011
Tuesday 13 December 2011
Tuesday 13 March 2012
Tuesday 3 July 2012
Tuesday 23 October 2012
Tuesday 20 November 2012
Tuesday 11 December 2012
Tuesday 12 March 2013
Tuesday 9 July 2013
Tuesday 22 October 2013
Tuesday 26 November 2013
Tuesday 17 December 2013
Tuesday 18 March 2014
Tuesday 8 July 2014
Tuesday 21 October 2014
Tuesday 25 November 2014
Tuesday 16 December 2014

ST/27 October 2011