

MINUTES OF THE PROCEEDINGS

at the

Fifth Meeting of the

COURT

of the

IMPERIAL COLLEGE OF SCIENCE, TECHNOLOGY AND MEDICINE

The Fifth Meeting of the Court was held in the Great Hall, Sherfield Building at 2:15 p.m. on Friday, 12th April 2002, when there were present 65 members of whom 49 were lay members.

Apologies

Apologies for absence were received from:

Mr. G. Able, Cllr. A. Allum, Mr. M. Arif, Professor J. Barber, Professor R. Batchelor, Sir Neil Chalmers, Dr. J. Cox, Professor Sir David Davies, Mr. S. de Grey CBE, Professor P. Dowling, Mr. D. Elleray, Dr. T. J. Evans, Mr. C. Fairweather, Professor Sir Christopher Frayling, Dr. D. Giachardi, Professor F. M. Gotch, Mr. M. Green, Ms. D. Griffiths, Dr. J.D.G. Groom, Mr. B. Hawkins, Professor A.B. Kay, Mr. S. Leathes, Mr. I.E. Linaker, Sir Stuart Lipton, Professor V. Lund, Mr. R.J. Margetts, Miss J. Mayhew, Rear Admiral J.P.W. Middleton, Professor G.H.C. New, Professor P. Poole-Wilson, Lady Rees Mogg, Eur. Ing. A.D. Roche, Miss S. Ross, Dr. A.W. Rudge, Professor R.J. Shaw, Dr. M. Shears, Mr. A.W. Smith, Mr. C. Soley MP, Dame Rosemary Spencer, Professor H. Thomas, Dr. L.V. White and the Deputy Rector.

Welcome

The Chairman reported that no less than 31 new members had joined the Court over the past year - too many to mention all by name - but he extended an especially warm welcome to all of those who were present for their first meeting of the Court.

MINUTES

1. The Minutes of the Fourth Meeting of the Court, held on 30th March 2001 were taken as read, confirmed and signed.

MATTERS ARISING

2. There were no matters arising as such. However, the Chairman was asked if it would be possible to record the names of those members attending the Court in the Minutes as well as those who had sent their apologies. Although it would not be possible to do so for the Minutes of this meeting, the Clerk undertook to record members' attendance in the Minutes of future Court meetings.

REPORT BY THE CHAIRMAN

3. The Chairman opened his Report by reminding members that, at the last meeting of the Court in March 2001, the Rector, Sir Richard Sykes, who at the time had only been in post for a few weeks, had given an important presentation on his vision for the College and how Imperial needed to change and develop if it was to meet the challenges of the Twenty-first Century. It would, he said, come as no surprise then, to hear that these last twelve months had seen considerable change for Imperial. The most significant development had been the introduction of a new Faculty structure within the College. The four Faculties - Engineering, Life Sciences, Medicine and Physical Sciences – were now being developed and would become fully operational on 1st August this year. Meanwhile, they were all now represented on the Court and the Council through their Principals.
4. Within the Council and the Court there had also been considerable change. In May 2001 the Honorary Treasurer, Mr. Lawrence Banks, had resigned and the Chairman was very grateful that Dr. Martin Knight had been able, at short notice, to take over this important position. Most recently, the Deputy Chairman, the Hon. Mrs. Sara Morrison had also had to stand down, having completed no less than 16 years of distinguished service to the College. The Chairman was therefore pleased to announce that, following the agreement of the Court out of committee, Dr. Eileen Buttle's appointment as her successor had been confirmed. He was sure that Dr. Buttle would prove to be an excellent choice and, on the Court's behalf, the Chairman welcomed her to her new post, thanked her for accepting it and wished her well in taking it forward.
5. This year, the Chairman continued, the College had also continued with its extensive programme of works. Having already seen over the past few years the completion of several major projects, Imperial was now embarking on its most ambitious capital programme ever. Much of this stemmed from the Government's Science Research Infrastructure Fund (SRIF), from which the College had been allocated £46.1M. This would be used to fund 10 major projects, which, together with the College's contribution, would have a total value of £67M over the next three years. In the present year alone Imperial was undertaking SRIF and other projects with a combined estimated cost of some £61M, a scale of works which represented a considerable challenge.
6. The Chairman then said that, although the Rector would shortly be expanding on some of these developments in his presentation to the Court, he wanted himself to note a few highlights:

- a. He reminded the Court that a year ago he had informed them of a new Obstetrics and Gynaecology Building, which was under construction at the Hammersmith Campus. He was therefore pleased to be able to report that the Prime Minister, Tony Blair, had now opened it, as the Wolfson and Weston Research Centre for Family Health. This purpose-built Centre, which had been funded almost entirely from a very successful appeal sponsored by Professor Lord Winston, would also house the Institute of Reproductive and Developmental Biology (IRDB), which had been established in 2001.
 - b. At the last Meeting, he had also reported on progress with the refurbishment of the Beit Quadrangle. Although this Project had been delayed because the main contractors had gone into receivership, he was glad to report that it had been completed in June of last year. The refurbished Hall of Residence now provided 314 bedspaces affording a high standard of accommodation for students during term time and a valuable source of revenue for the College when these rooms were let out for conferences and other purposes during the vacations. Furthermore, in the basements the Students' Union now had additional space for its clubs and societies.
 - c. Turning to the third project he had mentioned at the last Meeting of the Court, the Chairman said that members could not fail to have noticed that demolition work had started on the Exhibition Road side of the South Kensington Campus. This was the first stage of the exciting new Entrance and Business School, which was being so generously funded by Dr Gary Tanaka.
7. All of this had, of course, to be paid for and the Council had, and would continue to have, due regard for the finely balanced state of the College's finances, especially as the College had no large endowments to call upon. He reminded the Court that the previous year had been a difficult one for the College financially. In consequence, the Council had reviewed its own governance arrangements and, as he had reported last year, agreed that there was a need for a new committee to advise the Council on the College's Strategic Plan and its financial implications and to watch more closely the College's financial performance. Accordingly, from the beginning of this year a new Finance Committee had been introduced under the chairmanship of Martin Knight, the Honorary Treasurer. As well as monitoring financial performance, the Committee had also taken responsibility for reviewing capital project proposals and recommending them for approval to the Council.
 8. Although the details of this year's accounts would be dealt with later in the Meeting by the Chairman of the Audit Committee in his Report, the Chairman was pleased to say that the audit of last year's annual accounts had been much more positive than that of the previous year. There was still much work to be done, particularly in relation to debt recovery, but this was now coming slowly under control and he believed that the College was now on a much firmer footing to take forward the Rector's plans for the future. To this end two lay members of the Audit Committee, Mr Donald Hearn (its Chairman) and Dr. David Wilbraham, had been brought onto the Council to ensure that the governing body had the closest possible oversight of progress in this field.

9. A major part of Imperial's income was, the Chairman continued, related to its research performance. The results of the Research Assessment Exercise (RAE) - an exercise which measured the quality of UK universities' research every five years, and affected a major part of the Government funding which each university would then receive for the next five years – had therefore been eagerly anticipated. He was pleased to say that Imperial had performed very well indeed and had improved on its already excellent performance in the previous RAE in 1996. Eleven of the 22 units in which the College made submissions in 2001 had improved their 1996 rating and no unit had received a lower rating than in 1996. Furthermore, some 75% of the College's assessed staff now worked in 5* rated units – the highest possible category. This was a higher proportion than any other university in the Country. (Cambridge had 73%, Oxford 63% and LSE 50%). The College's weighted average score of 6.68 was second, just 0.01 of a point behind Cambridge which had scored 6.69. In 1996, using the same measure, Imperial had been 5th. This was a tremendous achievement and he asked members of the Court to join him in congratulating all the staff in the College who had contributed to it so successfully.

10. All of this denoted positive and significant progress. Regrettably, the Chairman said, there had also been setbacks in the past year. At the previous Meeting last year he had reported on the prosecution of the College by the Health and Safety Executive for a breach of Health and Safety legislation and had warned the Court that another HSE prosecution was pending. This had taken place last April for inter-related breaches of the Health and Safety at Work Act, the Management of Health and Safety at Work Regulations and the Genetic Modifications (Contained Use) Regulations at the St Mary's Campus in 1998.

11. Both this case, and the earlier one, related to work conducted on the medical campuses very soon after they had merged with the College and before they had been integrated fully into the College's safety procedures and culture. There had, he assured the Court, been significant improvements all round since then, but there was no place for complacency and the Council took its responsibilities for health and safety very seriously. Consequently, it had been decided that the membership of the Health and Safety Audit Committee, a committee of the Council, should be increased from four to six lay members. Its Chairman, Eur. Ing. Tony Roche, had also been brought onto the Council and, whereas the Committee had previously reported to Council once a year, it now had to provide a report to the Council after each of its meetings. In this way the governing body had signalled that effective compliance with health and safety legislation had to be at the heart of everything the College did.

12. Bringing his Report to a conclusion, the Chairman said that he would rather not close on a sombre note, and would therefore end with a brief summary of some of the Council's other work in the past year:
 - a. In October an induction programme had been provided for new members of the Council. All those who attended had agreed that the programme was useful and informative and it would now be repeated in future years.

 - b. In June the Council had approved a revised Capital Investment Plan, some of

the details of which the Chairman had already touched on, and in December, the Rector had presented the College's new Strategic Plan for approval, about which Sir Richard would be saying more shortly.

- c. And finally, just that morning, the Council had agreed some further changes to the College's Statutes to be submitted to the Privy Council in relation to the introduction of the new Faculties.
13. This last brought the Chairman to his final point of information. He reminded the Court that two years' ago, as a result of the College's mergers with Wye College and the Kennedy Institute of Rheumatology, Imperial had taken the opportunity to review the College's Charter and Statutes and had made a number of proposals for changes, which the Court had approved at its meeting in March 2000. As he had reported a year ago, these changes had to be approved formally by the Privy Council before they could take effect, and this approval had not then - and still had not yet - been forthcoming.
14. The Chairman suspected, however, that the reason for this still further prolonged delay was that last year the College had also applied to the Privy Council for the reserved power to grant its own degrees. As a result of this the College had received a visitation in January from a team nominated by the Quality Assurance Agency. This group, in addition to conducting a Continuation Audit of Imperial's academic standards, had to consider whether or not these were such that it should be permitted to have degree-awarding powers. The Chairman said that their verdict was not yet known as their recommendation had not yet been reported to the Privy Council. He hoped, though, that the outcome would be known by the Autumn, that it would be positive, and that it would, at long last, be accompanied by approval of all the other amendments to the Charter and Statutes that the College had proposed. Clearly, he said, any decision actually to exercise the power to award its own degrees, if and when this was granted, would be a matter for very careful consideration by the College and for resolution by the Council.
15. In conclusion then, he said, he had to report – as he had done each year for the last four years - that there had been far-reaching developments in the College. If anything, the rate of change was increasing, with a very important reorganisation now under way and other longer-term strategic opportunities in prospect. With an annual turnover of nearly £400M – and less than thirty percent of that from the HEFCE - Imperial was now one of the largest university operations in the Country. It had multiple campuses and had to work closely with not one, but several, NHS Trusts. The College had continued with its major programme of building and refurbishment that would progress for several years to come and, most significant of all, the College had consolidated still further its position as one of the leading higher education institutions and as a world-class research establishment. In this regard, it was also significant that two of Imperial's senior academic staff had taken up vice-chancellorships of well known universities in the last year, making a total of five universities in this country which were led today by former distinguished members of Imperial.

16. Before handing over to the Rector so that he could present his Strategic Plan for Imperial's future, which had been approved by the Council in December, the Chairman ended his Report by once again paying tribute to the skill and hard work under the Rector's leadership of both the staff and students of Imperial, without whom this level of success and recognition could not have been achieved.

REPORT BY THE RECTOR

17. The Rector opened his Report by giving a presentation on the College's Strategic Plan, a copy of which is attached as an Annex to these Minutes, together with a summary of the Strategic Plan.
18. After completing his presentation, the Rector responded to questions from members of the Court. As he had given considerable emphasis to the need to raise funds for the College, he was asked about the ethical dimension to fund-raising and whether there were any companies or individuals from whom the College would not accept money. He replied that each case would have to be considered on its merits, but donations should only be refused where there were very clear reasons for doing so, money from tobacco companies being a possible case in point.
19. Expanding on this theme, the Rector said that it was clear that the College would not receive public funding for all the things it wanted to do. This was, he said, partly because the funding of Higher Education was considered not on the basis of the comparative value of teaching and research at different institutions, but rather, so far as Government funding was concerned, was formulaic. Furthermore, the funding of research by Government, by charities and by industry was inadequate and fell significantly short of meeting the full cost of conducting that research. The challenge was, he said, to change that culture and ensure that the real costs of delivering world-class teaching and research were met.
20. The Rector was then asked about the College's application for degree-awarding powers and its importance in establishing the Imperial 'brand', particularly overseas. He noted that, as yet, the College had only applied for the reserve power to award degrees and that a decision to exercise that power had not been taken. But he agreed that when and if that decision was taken the issue of 'branding' would be crucial. The University of London was recognised worldwide, but was, in fact, a conglomeration of individual colleges of varying quality. He felt that, if Imperial was to achieve the international standing it deserved, it would have to do so in its own right and not simply as part of the University of London.

ANNUAL ACCOUNTS – COMMENTS OF THE AUDIT COMMITTEE (Paper A)

21. The Chairman of the Audit Committee, Mr. Donald Hearn, introduced Paper A, saying that the Committee had reviewed the College's Accounts in detailed discussions with the External Auditors, PricewaterhouseCoopers (PwC) and the College's financial management. Court members would see from the Accounts that the College had made a surplus of £16M in the financial year 2000/01. However, if

the disposal of land and other assets, was stripped out a loss of £1M resulted. This was the true measure of the very tight financial conditions in which the College had to operate.

22. The selling of assets might, he said, not be considered as an ideal way forward and this would be correct. However, as the Rector had just explained, the College was very busy creating new assets through its creation of spin-out companies, although the real value of all this hard work could not be seen in the accounts just yet. The other good news that could not be seen in the accounts was the very real improvement in the College's internal financial systems. In 1999, he reminded the Court, the College had had to change its central accounting systems in a hurry because of fears of the 'Millennium Bug'. The launch of the new software without time for full preparation and testing had caused considerable pain and problems in the Finance Division. Throughout the following year the Division had, frankly, been in intensive care and it had spent the last year fighting its way back in the recovery ward.
23. Mr. Hearn then thanked the Director of Finance, Mr. Cannon, and his team for the way they had stuck to a thankless task. The evidence that the tide had now turned could be seen in the way that the College's very old debts were now being reduced. Although it would probably take another year to sort out all the remaining problems, the Finance Division was now ready to take on the latest version of the software to help it in this task. That it was able to do so was in itself, Mr. Hearn said, a sign of the positive progress that had been made. By this time next year he expected the College's internal systems to be able to face the considerable challenges that were fast approaching.
24. Concluding his Report, Mr. Hearn said that he was pleased, on behalf of the Audit Committee, to commend the College's Annual Accounts for 2000-01 to the Court.

MEMBERSHIP OF THE COURT AND COUNCIL (Paper B)

25. The Clerk to the Court and Council introduced Paper B, noting that, although the Nominations Committee had made recommendations for appointment to all the vacancies on the Court, a few of these vacancies remained to be confirmed because not all of those concerned had yet responded. Confirmation would be provided in due course.

Resolved: That the new appointments to the Court, as detailed in Paper B, be approved.

DATE OF NEXT MEETING

26. The Chairman informed members that the next meeting of the Court would be on Friday, 28th March 2003 at 2:15 p.m.

ANY OTHER BUSINESS

27. There was no other business.

VALETE

28. On behalf of the Court the Chairman thanked two retiring members of the Court, the Hon. Mrs. Sara Morrison and Sir Stuart Lipton, for their distinguished service to the College.

PRESENTATION

29. Following the formal business of the meeting, the Court received a fascinating presentation by Professor John Burland on his contribution to the project to save the Leaning Tower of Pisa from collapse.