



ORDERS OF COUNCIL

ORDERS APPROVED BY THE LORDS OF HIS MAJESTY'S MOST
HONOURABLE PRIVY COUNCIL DURING APRIL 2024

PUBLISHED BY THE PRIVY COUNCIL OFFICE ON 8TH MAY 2024

ORDERS APPROVED

1. **THE CARNEGIE TRUST FOR THE UNIVERSITIES OF SCOTLAND** [PAGE 3](#)
2. **THE UNIVERSITY OF LONDON** [PAGE 6](#)



At the Council Chamber, Whitehall

THE 10th DAY OF APRIL 2024

BY THE LORDS OF HIS MAJESTY'S MOST HONOURABLE
PRIVY COUNCIL

The Privy Council has approved the principles, rules and miscellaneous provisions to be followed by The Carnegie Trust for the Universities of Scotland in the adoption and operation of a total return policy, as set out in the Schedule to this Order.

Richard Tilbrook, CVO

SCHEDULE

PRINCIPLES AND RULES AND MISCELLANEOUS PROVISIONS TO BE FOLLOWED BY THE CARNEGIE TRUST FOR THE UNIVERSITIES OF SCOTLAND IN THE ADOPTION AND OPERATION OF A TOTAL RETURN POLICY

Guiding principle

1. The guiding principle in the operation of a total return policy following the passing of a total return resolution under Article 27 of this Our Charter is that the permanency of the Trustor's endowment should be respected and that the Trust funds be invested with the aim of enhancing the real capital value of the funds while allowing the income return on the funds to be supplemented by an element of capital gain.

Initial steps

2. If a total return resolution is adopted, the Trustees shall first record the value of the Trust funds at a date to be selected by them being a date on or before the date on which the resolution is to take effect.
3. Should the date thus selected be earlier than the date on which the resolution is to take effect, the Trustees shall adjust the value to take account of price inflation by applying an appropriate inflation index to produce a value of the Trust funds adjusted for inflation as at the date on which the resolution is to take effect. The value of the Trust funds as so adjusted, if need be, for inflation shall constitute a fund, hereinafter referred to as the "Core Investment Fund"
4. An appropriate inflation index includes the Retail Prices Index, the Consumer Prices Index or such other prices index published by The Office for National Statistics or any other successor government ministry, department or agency as the Trustees may select.

5. The difference between (a) the value of the Trust funds as at the date on which the resolution takes effect and (b) the amount of the Core Investment Fund, plus (c) any accrued income, shall constitute the Unapplied Total Return as at that date.
6. In paragraphs (2) to (5) above and in paragraph (13) below “Trust funds” excludes any moneys held by the Trustees on separate account in terms of Article 25(c) of this Our Charter.

Management of the Unapplied Total Return

7. At the end of each financial accounting period after the resolution has taken effect, the Trustees shall adjust the amount of the Unapplied Total Return by adding to it (a) the income from all sources received in that period and (b) all forms of capital gain resulting on or from the disposal, redemption or revaluation of the Trust’s investment assets and by deducting any capital losses resulting on or from the disposal, redemption or revaluation of the Trust’s investment assets. The amount of the Unapplied Total Return as thus adjusted, and under deduction of the amount of any allocations made to the Disbursement Fund or the Core Investment Fund pursuant to paragraph 8 of this Schedule, shall be carried forward to the next financial accounting period.
8. The Trustees may decide at any time and from time to time (a) what part of the Unapplied Total Return shall be allocated to a Disbursement Fund, being the fund from which moneys may be expended on the Trust purposes and on the expenses of managing the Trust and (b) subject to the proviso set out in the immediately succeeding paragraph of this Schedule, what part of the Unapplied Total Return shall be allocated to the Core Investment Fund.
9. The proviso referred to in the immediately preceding paragraph is that the amount to be allocated to the Core Investment Fund should not be greater than the amount required to restore the real value of that fund in light of inflation as measured by an appropriate inflation index since the date of the last occasion on which an allocation was made of funds from the Unapplied Total Return to the Core Investment Fund; or, if no such allocation has been made, from the date upon which the resolution took effect.
10. For the avoidance of doubt, (i) the funds allocated to the Disbursement Fund shall be treated as “income” for the purposes of Article 26 of this Our Charter; (ii) any unconditional bequest or gift to and accepted by the Trust in accordance with Article 25 (a) and (b) shall be ascribed to the Core Investment Fund; and (iii) without prejudice to Article 25 (d), the funds held in the Core Investment Fund, The Disbursement Fund and as Unapplied Total Return may be managed and administered for investment purposes on a consolidated basis.

Allocation from the Core Investment Fund

11. If circumstances occur in which it becomes expedient to do so, the Trustees may transfer moneys from the Core Investment Fund to the Disbursement Fund but only subject to the following conditions -

The first condition is that the Trustees shall arrange for recoupment of the moneys so transferred over a period reasonably to be decided by them.

The second condition is that the amount which may be thus transferred to the Disbursement Fund shall not exceed 10% of the value of the Core Investment Fund as at the date of the first such transfer which remains subject to recoupment.

The third condition is that, consonant with the principle set out in paragraph 1, the Trustees must be satisfied that the transfer will not prejudice the ability of the Trust to fulfil and further its purposes in the future.

Revocation of the Total Return Resolution

- 12 If, at the time at which the Trustees wish to revoke the Total Return Resolution, the amount of the Unapplied Total Return is negative (that is to say, at an amount less than nil) the Trustees shall, before passing the resolution, make provision for the payment to the Trust moneys in respect to which the Total Return Resolution took effect of the following –
- (i) an amount equivalent to the negative Unapplied Total Return; and
 - (ii) such additional amount as the Trustees may consider to be reasonable to take account of price inflation on the Core Investment Fund since the taking effect of the Total Return Resolution.

Those payments may be spread over a period not exceeding ten years.

13. In other circumstances, before passing the resolution the Trustees shall consider what part of the Unapplied Total Return should be returned as capital to the Trust funds and what part should be held for disbursement on the Trust purposes as income under Article 26 of this Our Charter.



At the Council Chamber, Whitehall

THE 19th DAY OF APRIL 2024

BY THE LORDS OF HIS MAJESTY'S MOST HONOURABLE
PRIVY COUNCIL

The University of London has, under the provisions of the University of London Act 2018, on the 24th day of January 2024 made a Statute revising its Statutes.

The Privy Council has approved the revisions made to the Statutes, as set out in the Schedule to this Order.

Richard Tilbrook CVO

SCHEDULE

REVISED STATUTES OF THE UNIVERSITY OF LONDON

1. PRELIMINARY

- 1.1 The University of London is an incorporated body with a legal identity separate from that of the Member Institutions.
- 1.2 In these Statutes it is called "the University" and is distinct from "the University Federation" which refers to the University and the Member Institutions collectively.
- 1.3 In these Statutes, unless the context otherwise requires:
 - 1.3.1 "the Act" means the University of London Act 2018; and
 - 1.3.2 "Member Institution" means an educational, academic or research institution listed in the Ordinances which is a constituent member of the University (and which may also be referred to by the University as a "Federation Member" or such other term as may be determined from time to time by the Board of Trustees) which has, for the time being, the legal status either as a university or another form of educational, academic or research institution.
- 1.4 Words in the singular include the plural and vice versa.

1.5 Words defined in these Statutes shall have the same meaning in Ordinances and Regulations of the University.

2. OBJECTS OF THE UNIVERSITY

2.1 The objects of the University are to promote education of a university standard and the advancement of knowledge and learning by teaching and research; and to encourage the achievement and maintenance of the highest academic standards for the public benefit.

2.2 In pursuit of these objects, the University will serve and support the interests of the Member Institutions.

3. POWERS OF THE UNIVERSITY

3.1 The University has the power to grant degrees and other awards and to do all things permitted by law which are necessary or desirable to promote its objects.

3.2 In pursuit of its objects and in carrying out its functions, the University may act alone or in co-operation with other bodies whether based in the United Kingdom or abroad.

3.3 In the exercise of its powers, the income and property of the University shall be applied solely towards the promotion of its objects as set out in these Statutes.

3.4 As a chartered corporation, the University has the general power to make any form of investment and enter into any form of borrowing, and it shall in addition have the authority to enter into any financial instrument which is ancillary to the exercise of such investment or borrowing powers.

3.5 The University shall have the power to pay remuneration to a member or members of the Board of Trustees in respect of his, her or their services pursuant to current charity law or other applicable legislation.

4. MEMBERS

4.1 The members of the University shall be the Chancellor, the members of the Board of Trustees, all staff employed by the University and the Member Institutions, and all students, graduates, Emeritus Professors and Readers of the University and the Member Institutions.

5. VISITOR

5.1 There shall be a Visitor of the University who shall be appointed by the Privy Council, on the nomination of the Board of Trustees.

6. CHANCELLOR

6.1 There shall be a Chancellor of the University, appointed by the Board of Trustees who shall be the Head of the University.

7. VICE-CHANCELLOR

7.1 There shall be a Vice-Chancellor of the University who shall assume the role of principal officer of the University.

7.2 The Vice-Chancellor shall be responsible to the Board of Trustees for the organisation and conduct of the business of the University.

7.3 The Vice-Chancellor's duties may be delegated, with the approval of the Board of Trustees.

8. BOARD OF TRUSTEES

8.1 There shall be a Board of Trustees of the University.

8.2 The Board of Trustees shall be the governing body of the University. It shall promote the objects of the University and shall have general control over the conduct of its affairs. It shall have no powers and duties in respect of the affairs of the Member Institutions save as specifically provided in these Statutes.

8.3 The membership of the Board of Trustees will be prescribed in the Ordinances of the University providing always that there shall be a majority of Independent members (meaning members who are neither employed by nor students of either the University or a Member Institution).

8.4 The members of the Board of Trustees shall have such terms of office as shall be prescribed in the Ordinances.

8.5 The protocols for decision making by the Board of Trustees will be prescribed in the Ordinances.

8.6 The quorum for conducting business of the Board of Trustees shall be 40% of the members (rounded up to the nearest whole number). The quorum shall be made up of those attending in person, by telephone or such other electronic or virtual means in which all participants may communicate simultaneously with all other participants.

8.7 Subject to any conditions prescribed in the Ordinances, resolutions of the Board of Trustees approved in writing or by email shall be as valid as a resolution actually passed at a meeting of the Board of Trustees.

8.8 The functions of the Board of Trustees shall be prescribed in the Ordinances. The functions which it may not delegate shall be:

8.8.1 to consider and approve the strategic direction of the University, and a plan for its implementation, having received the advice of the Collegiate Council;

8.8.2 to exercise guardianship over and ensure the effective management, control

and use of the University's assets and resources;

8.8.3 to appoint the Chancellor;

8.8.4 to appoint the Vice-Chancellor;

8.8.5 to appoint the Deputy Vice-Chancellor;

8.8.6 to ensure that financial accounts are kept and that an annual statement of the University's finances is prepared, audited and approved;

8.8.7 to appoint the University's auditors;

8.8.8 to consider and approve the admission of Member Institutions and their continuing status as Member Institutions; and

8.8.9 to make or amend Statutes and Ordinances.

9. THE COLLEGIATE COUNCIL

9.1. There shall be a Collegiate Council of the University.

9.2. The Collegiate Council shall be the body responsible for determining and advising the Board of Trustees of the collective view of the Member Institutions in respect of all matters concerning the University including its strategic direction.

9.3. The membership of the Collegiate Council shall be prescribed in the Ordinances.

9.4. The functions and responsibilities of the Collegiate Council shall be prescribed in the Ordinances.

10. COMMITTEES OF THE BOARD OF TRUSTEES AND OF THE COLLEGIATE COUNCIL

10.1. There shall be a committee of the Board of Trustees with responsibility for audit and risk.

10.2. There shall be a committee of the Board of Trustees with responsibility for academic affairs.

10.3. The Board of Trustees and the Collegiate Council may from time to time establish additional standing, special and advisory committees, sub-committees or boards.

11. AUDITORS

11.1. The Board of Trustees shall appoint an auditor or auditors of the University. Every such auditor shall be a member of a recognised supervisory body and eligible for appointment under the rules of that body.

12. MEMBER INSTITUTIONS

- 12.1 Each Member Institution is a self-governing incorporated body with its own legal identity separate from that of the University and the other Member Institutions.
- 12.2 Subject to any protocols established by the Board of Trustees, each Member Institution shall be entitled to award degrees of the University.
- 12.3 Procedures relating to the admission or withdrawal of Member Institutions shall be prescribed in the Ordinances.

13. STRUCTURE OF THE UNIVERSITY

- 13.1 Protocols for determining the academic and operational structure of the University shall be prescribed in the Ordinances.

14. STUDENTS

- 14.1 The Board of Trustees shall ensure that there are in place procedures for dealing with disciplinary matters, academic appeals and complaints in relation to students registered with the University itself.
- 14.2 Each Member Institution shall have responsibility for all matters in relation to students registered with it.

15. STAFF OF THE UNIVERSITY

- 15.1 The Board of Trustees shall be responsible for prescribing the conditions of service of staff employed by the University.
- 15.2 In relation to staff of the University, the Board of Trustees shall ensure that there are in place procedures for the management of performance, for dealing with discipline and dismissal, and for hearing grievances.
- 15.3 The Board of Trustees shall have no role in relation to staff employed by the Member Institutions.

16. ACADEMIC FREEDOM

- 16.1 Academic staff employed by the University shall have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their jobs or privileges.
- 16.2 The University will have due regard for and take reasonably practical steps to secure freedom of speech within the law for its staff, students, members and visitors.

17. EQUAL OPPORTUNITIES

- 17.1 The University shall have due regard to the need, to

- 17.1.1 eliminate unlawful discrimination, harassment;
- 17.1.2 advance equality of opportunity; and
- 17.1.3 foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

18. AMENDMENTS TO THE STATUTES, ORDINANCES AND REGULATIONS

- 18.1 The Board of Trustees may make new Statutes in accordance with the Act;
- 18.2 The Board of Trustees, may make and revise Ordinances and Regulations on such matters as it considers necessary or desirable.



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Any enquiries regarding this publication should be sent to enquiries@pco.gov.uk or in writing to the Privy Council Office, Room G/04, 1 Horse Guards Road, London, SW1A 2HQ.