

AR/2004/1109

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 1 October 2004

PRESENT: Mr B. Gray (in the chair), Vice-Chancellor, Councillor A. C. Bryning, Mr A. Dick, Mr P. R. Elliott, Mr R. Emslie, Mr M. Freeman, Mr M. Hart, Professor S. Henig, Mrs C. T. Hensman, Mr S. Hogarth, Mr G. Johnson, Mr A. Jubb, Professor M. W. Kirby, Dr M. M. Lee, Mr S. A. J. Leyton, Mr G. Middlebrook, Mr H. Morris, Mr R. A. Neal, Dr C. C. Park, Professor P. Rowe, Mr K. Royales, Professor D. B. Smith, Mr B. Sneddon, Professor K. J. Stringer, Mr R. Turner.

IN ATTENDANCE: Miss F. M. Aiken, Ms B. Broomby, Mrs M. E. McClintock, Professor R. Macdonald, Professor R. D. McKinlay, Mr A. C. Neal, Ms V. Robertshaw, Mr M. Swindlehurst, Ms V. C. Walshe, Mr A. Whitaker.

APOLOGIES FOR ABSENCE: Mr D. Barcroft, Mr D. Brockbank, Professor C. Cooper, Mr H. Dawson, Mr J. C. Dunning, Mr R. O'Brien.

CO.2004/49 Welcome to new members

The Pro-Chancellor, on behalf of the Council, welcomed the following student members to their first meeting:

Mr Andrew Jubb
Mr Ben Sneddon

and Mr Dan Barcroft (in attendance).

CO.2004/50 Minutes

Document: AR/2004/1046

The minutes of the meeting held on 18 June 2004 were confirmed.

CO.2004/51 Matters arising and rolling schedule of business

Documents: AR/2004/1053; AR/2004/1038

CO.2004/40: Health and Safety: annual report

The chairman of the Health and Safety Committee drew attention to the need for improved management information and increased observance by staff of the regulations and procedures put in place. He reported that work on stress in the workplace would be undertaken by the committee and thence referred to the Vice-Chancellor or his nominee.

THE COUNCIL RESOLVED:

- (i) to note the action in hand on matters arising;
- (ii) to note the rolling schedule of Council business as at September 2004.

CO.2004/52 Vice-Chancellor's report

Document: VC/04/R210; AR/2004/1054

1. The Vice-Chancellor drew attention to his written report and added to it as follows.

(a) Deputy Vice-Chancellor

The Vice-Chancellor had invited Professor Macdonald to become Deputy Vice-Chancellor with immediate effect.

(b) Academic year 2004-05

The commencement of the academic year had been a success, and this was a testament to the hard work and commitment of many students and staff across the university.

(c) QAA institutional audit

The final text of the report of the visit in June had now arrived, and the highest level of broad confidence confirmed. Professor McKinlay would give an oral report to the Senate on 6 October about the areas of future work that arose from the report.

(d) Higher Education Innovation Fund

The original award of £2.4 million had been enhanced by the addition of £2 million from the Northwest Development Agency, for which the university was grateful. The total sum placed the university's business and commercialisation group in a strong position to engage with regional issues.

(e) Medical education

The Vice-Chancellor had opened a new medical education centre at the Royal Lancaster Infirmary the day before. This centre would be complementary to capital expenditure by Lancaster in this area in the event that additional student numbers are allocated to the Liverpool:Lancaster joint venture. Already an agreement had been put in place by Professor McMillan and his colleagues between Lancaster and Liverpool, to enable up to ten students a year to take Part I Biomedicine and, if successful, to proceed to medical school at Liverpool.

(f) UUK conference at Oxford, 14-16 September

(A) The spending review allocations will allow additional student numbers to be made available, not all of them for Foundation Degree places, and hence there was scope for Lancaster to bid for extra student numbers.

(B) QR funding was also to be increased, thus emphasising the continuing importance in the Government's eyes of the dual support system for research funding.

(C) The Secretary of State for Education, in a brief, appearance, had emphasised universities regional and outreach roles, and their global involvement in the generation of income for the UK in the education of overseas students. It was no surprise that North American universities were planning to open up additional sites in Britain, which would further increase the competitiveness of the market. Mr Clarke had commented on the work of Stephen Schwartz on PQA and had, also, endorsed the support of government for academic disciplines facing market failure, a position that resonated with Lancaster's policies. He had emphasised the importance of collaboration on research between

institutions, and had alluded to Cabinet discussions on setting national priorities for higher education.

- (D) With reference to full economic costing of research, the Vice-Chancellor indicated his expectation that this procedure would be fully in place by 2010, and would drive the sustainability of university finance. In the meanwhile, additional research funding of £200 million, based on the volume of research in 2003-04, would be distributed amongst the universities in early 2005. Part of this was likely to produce a one-off windfall for Lancaster early in 2005.

(g) Office of Fair Access

The identity of the director would shortly be announced, and universities would be expected to follow a tight timetable for submissions in November 2004, leading to decisions on them by January 2005. An adjudicator would also be appointed to hear appeals by institutions against decisions on the bids that were unfavourable to particular universities. There continued to be ambiguity about the level of fees for part-time students.

In response to questions, the Council was told that the post of Director for Regional Outreach was intended to be about widening participation in teaching and learning, and the proposed Northern Way initiative would open up the opportunity for a federation of comparable universities who were able to make a substantial contribution to the research agenda.

THE COUNCIL RESOLVED to receive and note the Vice-Chancellor's report.

2. The University Secretary reported on the registration of students new to Lancaster: there were 2503 Home/EU undergraduates into Part I and 20 into Part II. Only 4% of the cohort had come through Clearing, and the average A level score had risen slightly. The overseas undergraduate target had been reduced during the year, and the picture had been complicated by fraudulent applications from China. Nevertheless, 212 were registered, with more expected.

The postgraduate numbers were more tentative at present, but included 333 home postgraduate taught students, 74 from the EU, and 505 from overseas. There were 121 new UK postgraduate research students, 21 from the EU, and 42 from overseas.

The University Secretary also commented briefly on Lancaster's performance on indicators for entry from state schools and poor backgrounds and for dropout rates, where two of the three criteria had improved numerically and against the benchmarks. She drew attention to a HEFC(E) statement about misleading reports on performance indicators in the press, including about Lancaster.

THE COUNCIL RESOLVED to receive the report on recruitment and registration.

CO.2004/52 LUSU President's report

Document: AR/2004/1047

The President of the Students' Union, Mr Freeman, drew attention to his written report and reported on the positive beginning to the Michaelmas Term. He noted that students were happy with the way the move into the new residences had been managed, and the procedures put in place to log difficulties and have them resolved, including by means of daily meetings. Naturally students were looking forward to having the Lonsdale blocks become fully operational and all students of the college coming together in a single location. The Students' Union view was that it would be in the university's best interests to step back and review the residences project overall, including the contractor's underperformance in 2003-04.

The change in the approach to the Department of Art by UMAG was welcome and productive, including the commitment to a student entry in 2005. Reflecting on the Day of Rage in June, Mr Freeman felt its objectives had not been sufficiently clear, but equally there had not been much consultation by the university about a variety of issues: in his view, even limited releases of information would mean such an event would not recur.

THE COUNCIL RESOLVED to receive and note the report of the President of the Students' Union.

Professor Macdonald gave a presentation on the university's research strategy to 2010. He began by reflecting on Lancaster's excellent performance in the research assessment exercise of 2001, where it had been the top-performing North-West university, and had entered 73% of its staff in 5 or 5* units of research assessment, as opposed to a national average of 55%.

He drew attention to the challenges presented by the introduction of full economic costing, using new government methodology in ways that would alter the processes of bidding for funds, the infrastructure supporting research, and possibly lead to more direction for researchers. He noted, however, that Lancaster's research income volume still did not match its research standing by reference to comparator universities or to the relative proportion of research income versus research plus teaching funds.

While the best research ideas came from individuals or small groups, this approach should be complemented by prudent and sensitive inputs by management, including the creation of critical mass and an alertness to the research agendas and challenges in the external environment. In Professor Macdonald's view, it was critical to maintain or enhance the university's research ranking by investing in strength, including by achieving the agreed objectives of maintaining the existing 5 and 5* units while bringing all the others to 5. Measures would include the selective use of premature retirement, the merging of smaller with larger units, and underwriting success. The university had been fulfilling its target of increasing its research income and overheads by 15% year on year, and was demonstrating its move away from over-reliance on the six top-earning departments who generated 60% of overheads, to a position where the underperformers were substantially increasing their research income. Critical mass would be built at a variety of scales, including by the establishment of research centres based in departments, inter-departmental and inter-faculty centres, inter-university collaborations, cooperation between the Northern Way institutions, and international research activity and collaboration. Examples of work already in progress included the Lancaster Leadership Centre, InfoLab21, the Lancaster Environment Centre, the Institute for Advanced Studies in Management and Social Sciences, and the Joint Interdisciplinary Centre for Sustainable Water Management. Other new ventures included the Microsystems Packaging Centre and the Cockcroft Institute at Daresbury. The university would widen its portfolio of research income by placing increasing emphasis on non-HEFC(E) income, including through Framework VI, and by an increasing recognition of the university's regional research role. The knowledge business transfer functions involved in InfoLab21 and the Lancaster Environment Centre would become of increasing importance. Partnerships with government and industry, including regional networking, the International Centre for the Uplands – Cumbria, and the

fundamental research associated with the Morecambe Bay Bridge venture, were challenges for the future.

THE COUNCIL RESOLVED to receive Professor Macdonald's report and to thank him for it.

CO.2004/55 Student residential accommodation

Document: FO/04/72

The Director of Finance and Resources reported that students had moved into 950 new rooms at Alexandra Park on 25 September, with 600 in contingency accommodation on the main campus and the balance in the retained estate. It was expected that 200 students would be able to move into earmarked areas within Alexandra Park in the next three to four weeks, and that other students in contingency rooms would be told by the end of the second week of the Michaelmas Term whether they would also move at the end of the sixth week or at the end of the Michaelmas Term. While the university was keen to occupy the new accommodation, it would not do so at the expense of quality, and while there was some disappointment that only 950 of the 1600 rooms planned for September 2004 had become available, the contingency rooms were of a satisfactory standard.

The university would now move to an examination of Phases III and IV, and would also complete the arrangements for the transfer from UPP (Lancaster) Limited to Alma Mater Fund Limited Partnership.

A member congratulated the university on the good communications process it had implemented, and the President of the Students' Union was assured that every effort would be made to keep students within groupings where they had made friends during the process of moving to Alexandra Park.

THE COUNCIL RESOLVED to note the contents of the report on the student-residences project as at the end of September 2004.

CO.2004/56 Human resources

(a) Premature retirement, 2003-04

Document: PS/04/815

THE COUNCIL RESOLVED:

- (i) to receive and note the annual report for 2003-04, subject to rewording of paragraph 8 to record that £500,000 was budgeted for 2003-04;
- (ii) to note the 2004-05 budget for premature retirement and voluntary severance of £350,000.

(b) Annual review of senior staff, 2003-04

Document: AR/2004/1050

THE COUNCIL RESOLVED to receive the report of the review of senior staff undertaken in 2003-04.

(c) National Framework Agreement on pay and grade structures

Document: AR/2004/1051

The Director of Personnel Services confirmed that agreement on the framework had now been reached in partnership with the trade unions, and further meetings would take place on a monthly basis. There would be considerable flexibility at local level on implementation, and close contact with other universities was being maintained. Further reports would be made to the Council.

In answer to questions, the Council was told:

- (A) that more accurate projections of any additional cost on pay were expected to become available by the spring of 2005;
- (B) that the key performance indicators for human resources would be included in the paper the University Secretary and the Director of Finance and Resources were preparing for the November meeting of the Council;
- (C) that the impediments to immediate analysis of the university's human resources included the current quality of a management information system that was about to be upgraded, and the time lag of up to two years on access to benchmark information from comparator institutions.

THE COUNCIL RESOLVED to receive and note the report on the National Framework Agreement.

CO.2004/57 Audit Committee

Document: AR/2004/1052

A member declared an interest relative to the appointment of the external auditors.

THE COUNCIL RESOLVED:

- (i) to note the report of the meeting of the Audit Committee held on 13 September 2004;
- (ii) (with one abstention) to approve PriceWaterhouse Coopers' reappointment as external auditors to the university for a period of four years, commencing with the financial year ending 31 July 2005.

CO.2004/58 Key institutional risks

Document: FO/04/75

The Director of Finance and Resources drew attention to an updated summary of key institutional risks, and noted that the two he would highlight would be 1: Phases 2 and 3 of the student residential accommodation project, and 8: Faculty restructuring and business process re-engineering.

THE COUNCIL RESOLVED:

- (i) to receive and note the report on institutional risk;
- (ii) to ask for more prioritisation of the risks in future reports.

CO.2004/59 Membership of the university

Document: AR/2004/1055

THE COUNCIL RESOLVED to approve the lifelong appointments for emeritus professors and continuing membership of the university for members of staff who had retired, as set out.

CO.2004/60 Review of Council meetings

The Pro-Chancellor, in inviting comments on the meeting, drew attention to the hard work underpinning the business brought to the Council and the weighty business he expected to appear in the agenda at the November meeting.

In a consideration of the presentations made at each meeting, the Vice-Chancellor noted his wish that they should each generate discussion by members.

THE COUNCIL RESOLVED:

- (i) to congratulate the Vice-Chancellor and his team on an excellent year of progress in 2003-04;
- (ii) to position the presentation as the opening item at each meeting of the Council.