

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 18 March 2005

PRESENT: Mr B. Gray (in the chair), Vice-Chancellor, Councillor A. C. Bryning, Mr R. Emslie, Mr M. Freeman, Mr M. Hart, Mrs C. T. Hensman, Mr G. Johnson, Dr M. M. Lee, Mr S. A. J. Leyton, Mr G. Middlebrook, 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, Professor C. Cooper, Professor R. Macdonald, Mrs M. E. McClintock, Mr J. J. McGovern (*for* CO.05/16), Professor R. D. McKinlay, Mr A. C. Neal, Mr R. O'Brien, Ms V. Robertshaw, Ms C. Simpson, Mr M. Swindlehurst, Ms V. Tyrrell, Mr A. Whitaker.

APOLOGIES FOR ABSENCE: Mr D. Barcroft, Mr D. Brockbank, Professor A. G. Chetwynd, Mr H. Dawson, Mr A. Dick, Mr P. R. Elliott, Professor S. Henig, Professor M. W. Kirby, Mr H. Morris.

CO.05/16 Presentation: Director of Marketing and Recruitment

Document: AR/2005/210

Mr John McGovern, introducing the final report of the brand and reputation project, noted that the consultants had concentrated on what was different about Lancaster. Four key values had been identified, together with some key audiences, and the process of message-mapping between the two was in progress. Mr McGovern suggested that another iteration might lead to a workable, three-year plan, and that if the proposed values were adopted, the relevant campaigns could be built around them.

In discussion members indicated that they could recognise Lancaster in the appendix on message-mapping, and further commented:

- (a) that the interdisciplinarity of what was a relatively small but select institution was not sufficiently clear;

- (b) that there was a tension which had to be managed between freedom for the individual or the small group and the demands of a corporate message;
- (c) that student posters were valued by the student body;
- (d) that the scope for specialist conferences might be emphasised;
- (e) that more weight should be given to the international community to which Lancaster belonged, and to those institutions that exerted national leadership;
- (f) that the essential actions were to obtain the consistent commitment of all members of the university to the implementation of the project, and to make the messages from the report permeate all the activities of the university.

The Vice-Chancellor noted that the key points made in discussion were about engagement with the users of research output, and those who had influence. In his review the findings of the report represented an absolute statement of Lancaster's intentions, not a relative one.

THE COUNCIL RESOLVED:

- (i) to thank Mr McGovern for an excellent report and to ask that implementation of it be integrated with other standard procedures;
- (ii) to ask that the Vice-Chancellor give regular reports to the Council on its implementation;
- (iii) that a monitoring report on progress be brought to the Council in twelve months' time.

CO.05/17 Minutes: 4 February 2005

Document: AR/2005/211

THE COUNCIL RESOLVED to confirm the minutes of the meeting held on 4 February 2005 as set out.

CO.05/18 Matters arising; rolling schedule

Documents: AR/2005/212; AR/2005/213

THE COUNCIL RESOLVED to:

- (i) receive and note the report on matters arising;
- (ii) receive and note the rolling schedule of business;
- (iii) agree that the generic issues meeting on 29 April should consider:

- the positioning of the university and strategic issues (Vice-Chancellor);
- regional broadband (Mr Gallagher, Mr Forde, and Professor Macdonald);
- the colleges: their revitalisation and their role as a unique selling point (Mr Whitaker);
- staff survey: preliminary findings (Ms Walshe);
- analysis of effectiveness review (Mrs McClintock).

CO.05/19 Modifications to university structures

Document: AR/2005/214

THE COUNCIL RESOLVED to approve the following proposals:

- (i) that with effect from 1 August 2005 the faculties of Applied Sciences; Environmental and Natural Sciences; Arts and Humanities; and Social Sciences be dis-established, and in their place the following faculties should be established: Arts and Social Sciences; and Science and Technology;
- (ii) that with effect from 1 August 2005 the following departments be dis-established: Art; Music; and Theatre Studies, and that in their place there be established a Lancaster Institute for the Contemporary Arts;
- (iii) that the director of the institute be the line manager for the following public arts: Lancaster Concerts, Nuffield Theatre, and the Peter Scott Gallery;
- (iv) that the Council note that a duly constituted appointing committee had agreed that Professor Mary Smyth should be dean of Science and Technology for the period 1 August 2005 to 31 July 2010.

CO.05/20 Corporate governance

Document: VC/05/R013

The University Secretary indicated that the objective of the working party on corporate governance was to bring about an effective and engaged Council. The document laid before the Council set out a number of principles on which some outline recommendations were based. The intention was to strengthen links with key stakeholders and to make the composition of the Court more public. It was proposed that the Pro-Chancellor chair the Court, and that persons become members of the Council by means of a Nominations Committee that would put some vacancies out to advertisement. The deputy pro-chancellors and the chairpersons of key committees would then be appointed from amongst Council members, and this body would be reduced in size.

The working party wished to hear views and consult stakeholders, with the intention that a final report be made to the Council, in October 2005, the formal processes of changes to the Charter and Statutes agreed in the period October 2005 to January 2006, and the new arrangements be implemented from August 2006.

In discussion, the following points were amongst those made.

- (a) A Council of fifteen members, eight of whom were lay, would raise questions about the availability of members to undertake the work.
- (b) If the members were not elected from the Court, the university would no longer have the independent support of such people at times of institutional difficulty. There was still scope for tradition, sentiment and loyalty.
- (c) There was a lack of evidence in the report for the assertion that smaller groups work better.
- (d) The proposal to remove the representative of the City of Lancaster should be considered in the context of the relationship of the university to the city underpinned by many issues of mutual concern and interest.
- (e) The scale of the proposed reduction raised concerns about the extent to which the Council would in future include a sufficient proportion of the lay membership that was willing to bring the concerns of the community to the notice of the university.
- (f) The proposals represented a major shift from people who worked at the institution and were committed to it to people from outside, and would give the impression that officers appointed by the Senate were not valued. The relationship between the Senate and the Council was of critical importance, and should be highlighted in the papers of the Council.
- (g) If the Nominations Committee were to operate in the way described, it in turn would need a scrutiny body to monitor its activities. There were also issues about whether the pro-chancellor of the day should chair the Nominations Committee, as well as the Council and the Court.
- (h) The Council should be consulted about the definition of the skills, knowledge and experience needed by people who would sit on it.

- (i) The process of consultation about the proposed changes was of great importance, and there was a need to obtain a wide range of views, and to ensure ownership of any new model of governance by the transparency of the process. A member suggested that the consultation might in the first instance be managed by the two Deputy Pro-Chancellors.
- (j) If a majority of the Council was co-opted, there was a danger that the body would become self-perpetuating and lack diversity.
- (k) Careful consideration should be given to the interests of stakeholders, including the possibility that such groups would argue for their right to choose their own nominees.
- (l) The present report had come from the working party, which was to meet again on 29 April. It would be preferable if the document was agreed by the Council as being ready for widespread circulation, and hence an indication to the Council on 29 April on the changes made by the working party earlier in the day would be useful. In addition, since the changes under discussion were far-reaching, any document that was circulated should be accompanied by a timescale for alteration and an annotated list of which instruments of governance would require formal alteration.
- (m) The roles of Court as an instrument of governance and a platform for public relations should be kept separate.
- (n) The Court, as well as the Senate, was a part of the governance of the university and consultation with it by correspondence would not be adequate.

The Pro-Chancellor noted that the key concerns expressed were about the size of the Council, its relationship to the Senate and the Court, and the process of consultation. The purpose of the current deliberations was to set high standards, and there was concern about having a large number of members if they did not attend: the number of fifteen would allow each member more opportunity to express his or her views. Progress had been made during the Pro-Chancellor's period in office on the relationship between the executive and the non-executive, and he wished to clarify that further. He saw no problem in the role of the Senate as noted in discussion, and if the suggestions about the Nominations Committee were not appropriate, that perception would emerge from consultation. He supported many of the points made about values, and it was a question of how these were supported. The working party had been charged with managing the consultative process, and the Pro-Chancellor recommended that the procedure take place as already agreed, with an update on progress at each meeting of the Council. There was plenty of time for

debate, and the timetable could if necessary be reviewed, in order to make sure that recommendations of quality were put forward. Ultimately the Council would make the decision about whether the recommendations were acceptable.

THE COUNCIL RESOLVED to:

- (i) receive the report on corporate governance, to note the comments made in discussion, and to ask that any further comments be sent to Mrs McClintock;
- (ii) ask the working party to update the report in the light of discussions and to report to Council accordingly;
- (iii) ask Mrs McClintock to analyse the previous ten years of appointments by the Court to the Council, to identify the extent to which the process had or had not contributed to diversity of membership of the Council;
- (iv) ask the working party to carry out the process of consultation as set out.

CO.05/21 Vice-Chancellor's report

Document: VC/05/R023

The Vice-Chancellor drew attention to the many people who deserved thanks for their contributions to the installation of Sir Christian Bonington as Chancellor on 9 March 2005, including the City Council and the Priory. The day had been enjoyable, and members of the university had presented it to best advantage and had shown enthusiasm for the occasion. He also commended the excellent evening of celebration mounted by LUVU on 14 March and featuring the unit's work with schools.

He reported that the university's access agreement had been approved by the Office of Fair Access, and that Lancaster was in a strong position relative to other institutions, particularly in terms of its study awards scheme.

As the result of a recent visit he and Mr McGovern had recently made to India, the university had entered into a partnership agreement with the Institute of Advanced Studies at JNU, New Delhi. Amongst other places visited, he had been particularly impressed with a large private company in Manipal that was responsible for two universities and five medical schools, and with whom the university was in the process of negotiating a memorandum of agreement.

He had also attended the spring conference of the UUK. Members had agreed a position paper to send to the main political parties in the context of an imminent general election, including the importance of securing the agreement to ensure additionality rather than substitution for the revenue from variable tuition fees, the need for better support for part-time students, the need for a review of academic salaries relative to other professions, and a recommendation that there be no further concentration of research activity in the sector. In a discussion of post-qualification undergraduate admissions, the UUK had considered a recent analysis showing that less than 5% of candidates over-achieve against the A levels predicted for them; and negotiations were under way with government on how to remedy this matter without involving a wholesale reorganisation of the admissions process. On research, there had been strong endorsement for the dual support system, and as the guidelines appeared in mid-2005, senior officers at Lancaster would be ready to heighten the preparation for RAE 2008.

THE COUNCIL RESOLVED to:

- (i) receive the Vice-Chancellor's report and thank him for it;
- (ii) invite the Pro-Chancellor to send a letter of thanks to Mrs Diane Duke, Ceremonies Office.

CO.05/22 LUSU: President's report

Document: AR/2005/215

The President of the LU Students' Union, Mr Freeman, drew particular attention to the following items.

- (a) *UPP (Lancaster) Limited*: students were glad to see more of a challenging attitude being taken. He wished to stress the importance of bringing inner Fylde up to standard for 2005-06, and he noted the requests for compensation that were being developed by students.
- (b) *Green Lane*: several reports on the Green Lane area had recently appeared in *Scan*. LUSU officers were aware of the detailed and necessary negotiations surrounding improvements in this part of the university.
- (c) *Election of sabbatical officers*: the election turnout had been the highest for six years, and the identities of the sabbatical officers for 2005-06 were now known, including Mr Dwayne Branch as president.

(d) *Strategic planning:* the Students' Union had taken a fairly traditional route in the preparation of the plan, and had received a wide range of opinions about its content. The document was now at an advanced stage of preparation.

(e) *Brief summary:*

- the LUVU Celebration, already referred to, had been a great success;
- further funds had been raised in support of people affected by the Indian Ocean tsunami, including an auction at the Sugar House;
- the new accounting and finance degree, in partnership with Ernst and Young, was exactly the right kind of development, and may personally benefit a member of the President's family.

THE COUNCIL RESOLVED to receive the report and thank Mr Freeman for it.

CO.05/23 Finance

Documents: FO/05/26; FO/05/25; FO/05/24; AR/2005/216

The Director of Finance and Resources drew attention to his report, and specifically to the direction by Customs and Excise that the university should change its method of calculating its partial exemption from value-added tax, with effect from 1 February 2005. He indicated that Lancaster was working closely with the other two universities already similarly affected, with the British Universities Finance Directors Group, and with UUK in order to achieve a fair and reasonable settlement. Nevertheless, Customs and Excise were showing little sign of relenting, and the university might have to appeal against the directive.

He drew attention to the budget-setting process and to the resources allocated by the HEFC(E) for 2005-06, with an increase in the research-related funding, especially for units of assessment that had been rated as 5 or 5* in 2001. The financial environment was becoming increasingly challenging, and it was important for the university to diversify its sources of funding while also taking care over its level of expenditure.

THE COUNCIL RESOLVED to:

- (i) receive the report of the Director of Finance and Resources and to thank him for it;
- (ii) approve the budget process for 2005-06 as set out;
- (iii) endorse the decisions made by the Finance Committee on 18 February 2005.

Documents: EO/04/30; AR/2005/217

(a) *Estates strategy*

The Director of Estates, Mr Swindlehurst, drew attention to the attached estates strategy, covering the period to 2008. While the strategy was constrained by the resources available, it was thought to be achievable. In addition to the capital programme, investment in repairs and maintenance would be put on an equal footing, and the seven main areas of activity were set out in the attached document. Discussions had taken place to link the estates strategy with the financial strategy, and there had been extensive consultation with working groups, the Estates Committee, the Finance Committee and the Senate, where some concerns about space management had been expressed.

Two officers of the university appointed by the Senate expressed anxiety about proposals to separate offices and teaching space at the northern end of the university. It was felt that these changes would reduce the time students spent in departments, make a negative impact on departmental identities, unsettle the Lancaster product at a time of declining recruitment in some areas, and prevent departments from managing staff time effectively to maximise the integration of research time within teaching terms.

In answer to a question about whether the strategy was affordable, the Council was told that much effort had already been taken to ensure that it was, and to obtain added value at each stage, as well as maximum utilisation of the space available.

The Vice-Chancellor indicated his expectation that, after the General Election, the Flowers Report of the early 1990s would be revived, and the higher education sector put under pressure in relation to space utilisation. This was a legitimate concern of government, given the expenditure of public funds, and Lancaster was at the generous end of the spectrum with regard to space for staff. Students would find new ways to interact with staff, and central timetabling would assist the identification of research days. Professor McKinlay noted that the concentration of teaching provision, supported by the Director of Undergraduate Studies and a working party, as well as by teaching deans, enabled teaching space to be fitted out to a higher standard for mass access, as well as making it available for external use. Discussions were continuing on this matter.

(b) Estates Committee

A report of the meeting held on 3 February 2005 was received.

THE COUNCIL RESOLVED to:

- (i) approve the estates strategy as set out;
- (ii) ask that the issues raised about teaching space be resolved via the university's management structures;
- (iii) endorse the actions taken on its behalf by the Estates Committee.

CO.05/25 Human Resources Committee

Document: AR/2005/219

THE COUNCIL RESOLVED to endorse the actions taken on its behalf by the Human Resources Committee, meeting on 4 February 2005.

CO.05/26 LU Network Services Limited

Document: AR/2005/220

The Director of Enterprise and Commercialisation briefly introduced a paper, setting out the business plan for LU Network Services Limited. He sought approval to extend the scope of its business beyond the existing service to schools in Cumbria and Lancashire, and outlined the financial context against which the proposal was made. He reminded the Council that, when the company was set up, approval had been given only for the CLEO work, but the time had now arrived when it was appropriate to move beyond that scale. In answer to a question, he assured the Council that time of members of staff of the university was not being unreasonably diverted. Additional staff dedicated to CLEO had been appointed as appropriate, and this process would continue.

The Pro-Chancellor received confirmation that the purpose of the proposal was to make a strategic shift in the core business of the company and the Council was not being requested to become involved in the operational work of the company.

THE COUNCIL RESOLVED to approve the proposal.

CO.05/27 Audit Committee

Document: VC/05/R024

The chairman of the committee, Mr Hart, briefly introduced a report of the meeting held on 25 February 2005.

THE COUNCIL RESOLVED to:

- (i) approve a recommendation to add the following item to the terms of reference:
'In the event of the merger or dissolution of the institution, to ensure that the necessary actions are completed, including arrangements for a final set of financial statements to be completed and signed';
- (ii) note the outcome of the committee's review of its role and future work, as set out.

CO.05/28 Key performance indicators

Documents: AR/2005/218; AR/2005/230; AR/2005/221

The Council was invited to consider the following reports on key performance indicators.

(a) *Student recruitment, 2004-05*

The University Secretary drew particular attention to the fulfilment by the university of its contract with the HEFC(E); to the improvement in A level scores for undergraduate admissions, thus bringing about a fall in applications in some areas; the good progress on postgraduate research recruitment; the emerging problems with postgraduate taught course recruitment, and the continuing increase in the numbers of part-time students.

(b) *Equality and diversity*

The University Secretary drew attention to the legal responsibility of the Council for the institution's compliance with legislation in this area. Areas of particular future attention would include increases in the numbers and proportion of ethnic minority students, and of addressing concerns about the level of ethnic minority administrative staff.

(c) Enterprise and commercialisation

The Director of Enterprise and Commercialisation briefly introduced an attached report and drew particular attention to comparisons with other universities, and the need to become involved with the larger national companies.

The Pro-Chancellor commended the improved quality of the data and presentation of all three reports, and the Vice-Chancellor indicated that the level of contextualisation would in future be reduced. Instead there would be more reporting on variances, as well as a high-level analysis of trends and drivers.

THE COUNCIL RESOLVED to receive and note the three reports.

CO.05/29 Key institutional risks

Document: FO/05/07

The Director of Finance and Resources drew attention to the appearance for the first time of a risk of failure to deliver against commitments entered into when securing initiative funding, and confirmed that the priorities were reviewed each time the report was drawn up.

THE COUNCIL RESOLVED to receive and note the report.

CO.05/30 Appointment of a college principal

Document: AR/2005/238

THE COUNCIL RESOLVED to approve a proposal that Professor David Smith be appointed as principal of The County College for the period from 1 August 2005 to 31 July 2008, including a 25% buyout of time at professorial level.

CO.05/31 Senate: report of a meeting

THE COUNCIL RESOLVED to receive and note a report of a meeting of the Senate held on 19 January 2005.

CO.05/32 Review of the meeting

Members asked that meetings continue to be held in the Management School extension, and agreed to spend more time on the agenda if that was found to be necessary. Notification in advance of the anticipated length of the meeting would however be appreciated.

Members agreed that the meeting to be held on 29 April 2005 should be scheduled for 1.30 to 4.30 p.m.