

AR/2005/889

**THE UNIVERSITY OF LANCASTER**

Minutes of a meeting of the Council  
held on 2 December 2005

**PRESENT:** Mr B. M. Gray (in the chair), Vice-Chancellor, Dr L. J. Banton, Mr D. Branch, Councillor A. C. Bryning, Professor A. G. Chetwynd, Mr A. Dick, Mr J. C. Dunning, Mr P. R. Elliott, Mr R. Emslie, Mr M. Hart, Professor S. Henig, Mrs C. T. Hensman, Mr G. Johnson, Professor M. W. Kirby, Dr M. M. Lee, Mr S. A. J. Leyton, Mr G. Middlebrook, Mr H. Morris, Ms V. Robertshaw, Mr K. Royales, Mr T. Shepherd, Professor A. Siewierska, Professor D. B. Smith, Mr B. Sneddon, Professor K. J. Stringer.

**IN ATTENDANCE:** Miss F. M. Aiken, Mr P. Blackmore (*for* CO.05/89), Mr J. D'Souza, Professor A. C. Gatrell (*for* CO.05/77), Mr S. Hogarth, Mrs M. E. McClintock, Professor T. J. McMillan, Mr A. C. Neal, Mr R. O'Brien, Ms P. Rowell, Mr M. Swindlehurst, Ms V. Tyrrell, Ms V. C. Walshe, Mr A. Whitaker.

**APOLOGIES FOR ABSENCE:** Mr D. Brockbank, Professor C. L. Cooper, Professor R. D. McKinlay, Dr C. C. Park, Mr R. Turner.

CO.05/76 Farewell to retiring members

On behalf of the Council, the Pro-Chancellor thanked the following members of the Council for their service to it:

Mr T. Shepherd  
Mr B. Sneddon.

The Pro-Chancellor further thanked Mr Alan Whitaker for his services to the Council and to the university as pro-vice-chancellor.

CO.05/77 Presentation by the Dean of Arts and Social Sciences

The Dean of Arts and Social Sciences, Professor Gatrell, drew attention to the scale and size of the new faculty, in which there were sixteen academic departments, and which operated an annual budget of £27 million. In 2002-03 social sciences at Lancaster had appeared in the top hundred globally, and the departments and research centres were highly regarded by peers.

Professor Gatrell drew attention to the research clusters that were evolving, with the Institute for Advanced Studies to promote them. Their characteristics included having a reasonably critical mass, and being broad and multi-disciplinary, long-lasting, capable of attracting external funding, and both distinctive and dynamic. The intention was to grow the volume of research applications, assisted by the faculty officer appointed for this task. The chief executive of the new Arts and Humanities Research Council had indicated that lone scholars would continue to be supported, but the council would particularly encourage group-based research.

The faculty wished to encourage partnerships, and earlier in the week had launched the Institute for Advanced Studies in conjunction with the Management School. The institution would each year select themes for special attention e.g. the knowledge-based economy, or the regions and regionalism, while also acting as an incubator for emerging ideas. It would also seek links with other parts of the university, including in science and technology. Besides the research clusters, Third Mission work was developing under the aegis of the associate dean for research and enterprise, and there was scope for engagement with the creative industries.

In answer to questions the Council was told:

- (a) that the four associate deans were assisting the dean with his wide span of control;
- (b) that the faculty's teaching role was core to its success and its quality had received external recognition. The faculty's academic staff were constantly on the alert for new markets and opportunities, as well as preparing to review areas of difficulty e.g. undergraduate recruitment in modern languages and sociology, while at postgraduate level the intention was to maximise gains from collaborative activity;
- (c) that the social sciences at Lancaster had not appeared in the most recent global listing of the top hundred; not because the faculty had fallen behind, but because other places had intensified their efforts. The Vice-Chancellor drew attention to the annual factors that were included in the data collection for the overseas league tables;

- (d) that the potential for poaching of research-active staff by other institutions in advance of RAE 2008 was a matter for concern;
- (e) that there was a risk such a large faculty and its officers might be seen as remote by its members, but steps were being taken to alleviate the issue, including a regular newsletter and open office hours by the dean.

THE COUNCIL RESOLVED to note the report and to thank Professor Gatrell for it.

CO.05/78 Minutes: 7 October 2005

*Document: AR/2005/821*

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 7 October 2005, as set out.

CO.05/79 Matters arising; rolling schedule of business

*Documents: AR/2005/825; AR/2005/847*

THE COUNCIL RESOLVED:

- (i) to receive and note the report on matters arising;
- (ii) to note the rolling schedule of Council business.

CO.05/80 Dean of the Management School: reappointment

*Document: AR/2005/827*

THE COUNCIL RESOLVED to approve the Vice-Chancellor's proposal for the reappointment of Professor S. J. Cox, for the period 1 October 2006 to 30 September 2011, as set out.

CO.05/81 Report of the Vice-Chancellor

*Document: VC/05/R145*

The Vice-Chancellor referred to the written report in the agenda and highlighted the following points:

- (a) the university had been short-listed for the *Times Higher* employer of the year award;

- (b) the university had been awarded The Queen's Anniversary Prize for the second time, after rigorous refereeing process, for work on broadband provision in Lancashire and rural Cumbria that reflected the input of Information Systems Services, LU Network Services and the two county councils;
- (c) the generosity of Lady Joan Smith in contributing £0.5 million for the E. Roland Smith chair in strategic management;
- (d) the two recent alumni events, held at the Royal Society in London and Old Trafford at Manchester, and the launch of the Chancellor's Guild for alumni who were able to give significant and regular annual donations;
- (e) a recent meeting with Lord Sainsbury about science in the North West, in partnership with Manchester and Liverpool;
- (f) the rationalisation of CEH sites by the NERC, being discussed on 2 December, that might have an impact on Lancaster's role.

Members of the Council noted:

- (A) the thanks of LUSU for UUK support concerning the treatment of the Terrorism Bill;
- (B) confirmation by senior university officers that they were confident all the Phase 3 student residences would be ready for occupation by September 2006. Student groups would be invited to view specimen rooms from January.

THE COUNCIL RESOLVED to receive the report, and to thank and congratulate members of the university involved with the *Times Higher* short-listing and the Queen's Anniversary Award.

CO.05/82 Report of the LU Students' Union President

*Documents: AR/2005/828; AR/2005/762*

The President of LUSU, Mr Branch, reported as follows:

- (a) the importance, in any consideration of Phase 4, to make careful choices about Grizedale and County colleges, and to discuss the balance between en suite and standard student rooms, to ensure that a sufficient proportion was available at a lower cost affordable by less well-off students;
- (b) up to three hundred students had turned out for a peaceful protest around the Actions Speak Louder Than Words campaign about facilities for student societies and sporting activities. LUSU was grateful to the Director of Estates for the temporary solution that would be in place for 2005-06, and the establishment of a group that would examine the longer-term issues;

- (c) much effort had been invested by the Education and Welfare Officer, Ms Rowell, into the substantial task of training about a hundred student course representatives, recognising that academic representation was an area where additional input was constantly needed;
- (d) a campaign was being launched for the Lent Term, with university support, to promote sensible drinking;
- (e) the LUSU accounts for 2004-05 were before the Council, after approval by the relevant bodies. In answer to a question, the Council was told that a conscious decision had been made to invest more in student activities, by means of additional funding to student societies and the Athletics Union.

THE COUNCIL RESOLVED:

- (i) to receive and note the above report;
- (ii) to approve the LUSU accounts for 2004-05.

CO.05/83 Audit Committee

*Documents: VC/05/R126; AR/2005/848; VC/05/R142*

The chairman of the Committee, Mr Michael Hart, briefly introduced the annual report of the Audit Committee for the year to 31 July 2005 and the report of the internal auditors for 2004-05, including the forward schedule of business and related timetable.

In answer to a question, the Council was told that the members of the Audit Committee and the Pro-Chancellor were confident that the internal auditors, Deloitte and Touche, were giving good value for money and were meeting all their major deadlines.

THE COUNCIL RESOLVED:

- (i) to receive and note the annual report of the Audit Committee and the report of the internal auditors for 2004-05;
- (ii) to receive and note the report of a meeting of the committee held on 11 November 2005;
- (iii) to thank Mr Hart and the committee for their work.

CO.05/84 Finance

*Documents: FO/05/101; FO/05/104; FO/05/107; AR/2005/829*

(a) Director's report

The Director of Finance and Resources reported that the USS trustees had met the previous day and had decided that there would be no increase in contributions by either employers or employees over the next three years. There were three different definitions available of the valuation of USS assets, showing somewhat differing outcomes, but the positive cash flow position, expected to continue, meant that the outlook was positive.

(b) Financial statements to 31 July 2005

A surplus of 4.2% had been achieved, and while the cash surplus had been reduced this had taken place on a planned basis. Current cash balances were stable. The working capital showed a similar performance to the previous year, the level of gross debt to income had fallen to 31% and no longer stood out in the sector, and the current asset ratio of 1:1.45 was in the correct range. The budget for 2005-06 was now on target.

(c) Management accounts as at 30 October 2005

No major variances had come to light over the first three months of the financial year.

(d) Finance Committee

The report of the meeting held on 4 November 2005 was before the Council.

THE COUNCIL RESOLVED:

- (i) to approve the annual accounts for 2004-05;
- (ii) to receive and note the Director's report, and the management accounts as at 30 October 2005;
- (iii) to confirm the actions taken by the Finance Committee.

CO.05/85 Corporate governance

*Document: VC/05/R143*

The University Secretary reminded the Council about the national context of the current round of discussions about the corporate governance of the university and about the terms of reference of the working party it had

established. She noted that the working party had progressively developed its thinking over the last twelve months as part of a challenging process. A set of recommendations was now laid before the Council to test the relative strength of feeling, and these included measures about how the Court might retain its influence in the future. She drew attention to appendices, setting out proposed remedies in response to points made in consultation and to proposals that had been changed, deleted or introduced for the first time as the result of feedback. She reminded the Council of important principles that had not been challenged during the process of consultation, including the statement of primary Council responsibilities, the roles of the Senate and the Court, the need for training and induction of new members, the importance of transparency, and the descriptions of roles of key officers.

The University Secretary proposed that the following two sections be added to the report of the Working Party:

(after 2.1.2): 'If, after discussion with the Privy Council, the size and/or detail of the membership of Council is put into an Ordinance rather than a Statute, it is recommended that the following safeguard be built into the Ordinance:

Any changes to this Ordinance should be made after appropriate consultation by Special Resolution with the concurrence of Senate.

'(A Special Resolution is a resolution passed at one meeting of the Council, considered by Senate and confirmed at a subsequent meeting of Council not less than one calendar month nor more than three calendar months later, and requires a majority of not less than three-fourths of those present and voting at each meeting of Council.)'

(after 2.3.1): 'The Court should be invited, in endorsing names for submission to the Nominations Committee, to indicate potential Deputy Pro-Chancellor candidates; information to be taken into account by the Nominations Committee in bringing forward its recommendations to Council for membership of Council.'

The purpose of the first addition was that, if after discussion with the Privy Council the size or membership of the Council became a matter of Ordinance rather than Statute, sufficient safeguards would be built into the procedure to ensure that an appropriate depth of discussion took place and some stability was assured. The second would amplify how deputy pro-chancellors would come into being.

Finally, the University Secretary presented the recommendations of the report as a means to achieve an effective Council at the head of the institution, exercising its collective responsibility and fostering an environment in which the mission of the university could be achieved with minimal external intervention. The recommendations would make the Council fit for purpose and take the university forward within a complex external environment.

The Pro-Chancellor invited the Council to consider whether it was minded to approve the recommendations of the working party. At present comments were being invited on the totality of the report, including the additional clauses. It was important to gain the sense of members' views, since there would be no purpose in taking the recommendations to the Court for its views unless the Council was able to offer a clear statement of where it stood on them. Agreement to be minded to approve did not imply that no further changes could be made but that, from its current perspective, the Council saw the recommendations as worthy of being taken forward.

In discussion, the following points were amongst those made.

- (a) Several members expressed their support for the proposals as being true to Lancaster traditions, as well as coherent and consistent, and agreed that it was important for the Court to know the views of the Council on them. They welcomed the changes that had been made in response to the consultation and the way in which the Council had been prepared to accommodate revisions.
- (b) On the method of selecting a deputy pro-chancellor, there was some support for the suggestion that the Court should endorse recommendations for the post of deputy-pro-chancellor and should give an indication to the Nominations Committee of who would be considered suitable.
- (c) The Court's ability to communicate with the Council, especially on matters raised during the year, was noted for further consideration.
- (d) The periods of appointment by Lancaster City of representatives on external bodies were normally for four years, and that procedure needed to be reconciled with the recommendation of three-year periods of office.
- (e) The Education and Welfare Officer of the LU Students' Union was suggested as an important officer to have in regular attendance at Council meetings.
- (f) The Council should reflect on why it had misjudged the likely views of the Court at its special meeting. The presentation to the next meeting should be flexible and sensitive to wider concerns.

- (g) While there was a suggestion that the Court should be allowed to elect its own chairperson, the Council was reminded that it did not so act.
- (h) The Students' Union welcomed the changes made but felt they did not go quite far enough.

The Pro-Chancellor, summarising the debate, thanked members for their contributions and emphasised that the points made would be taken into consideration, including the understanding that while the Council had reached a clear position, this was allied to taking account of further views.

THE COUNCIL RESOLVED:

- (i) (on a show of hands) to present the recommendations with the support of the Council to the Senate and the Court including the two additional clauses;
- (ii) to note the proposed timetable for action and to agree to hold a single meeting of the Council on 10 February 2005.

CO.05/86 Strategic issues: Vice-Chancellor's report

*Documents: AR/2005/780; VC/05/R146*

(a) *Stakeholder management framework*

The Vice-Chancellor reminded the Council that he had undertaken to lay out his understanding of the interactions by the university with its stakeholders, in order to identify the different constituencies and to deepen connections with them, especially with the external groups. In setting out these links, he had not attempted to show the numerous academic and Third Mission contacts that were made by members of staff across the university. He had also set out some examples of how senior officers interact with the different constituencies, thus demonstrating something of their range and complexity, including the developing role of universities as drivers of regeneration.

In discussion the following points were amongst those made:

- (A) that certain industries, e.g. tourism or agriculture, were fragmenting, and it was important to demonstrate how the university would form alliances in such situations e.g. small and medium enterprise clusters;
- (B) the North-West Trades Union Council should not be overlooked;
- (C) the Court might benefit from seeing the schedule as part of a later presentation;

- (D) the project on brand and reputation should be interlaced with the analysis of stakeholders; and Professor Cooper had a particular role to play in terms of external communication;
- (E) the document was a statement of current practice rather than aspiration. The gaps in officer responsibilities were deliberately left to show primary connections.

THE COUNCIL RESOLVED to receive and thank the Vice-Chancellor for his analysis of the stakeholder framework and to invite members to send him their further comments on it.

(b) *Global trends in higher education*

The Council agreed to defer discussion of this important item.

CO.05/87 Estates

*Documents: FO/05/108; AR/2005/830*

(a) *Student residential accommodation: Phase 4 issues*

The Director of Finance and Resources and the Director of Estates drew attention to the position paper laid before the Council. Confidence in the student residence project was high and occupancy levels for 2005-06 were good, indicating that Phase 4 tests were being met. Condition surveys showed that the nature and quality of some of the residential provision still required attention, and hence some form of Phase 4 was likely. It was important to learn from the project to date, and officers were grateful to Mr Middlebrook for his input to recent discussions.

The views of the principals of Grizedale College and The County College would be considered, as well as those of the Students' Union. Attention would also be paid to the issue of price differentials while recognising that the current differentials could not be maintained either in new building or major refurbishment. The Council should however bear in mind, in reshaping of the project, that construction costs had risen since 2002-03, and work would be undertaken with UPP to cut costs. A meeting was shortly to take place with a firm of architects identified by UPP, and the university had until the end of June 2006 to work out how to proceed. In the meanwhile the broad view of the Council would be welcome.

Points made in discussion included the following:

- (A) each college should if possible have its own price profile;
- (B) the effect on cash flow of top-up fees was still not quantified, and there could be changes in the pattern of demand;
- (C) further market research on the private sector, including an analysis of supply and demand within Lancaster, was important;
- (D) consultation with junior common rooms was also needed.

The Council was reminded it would receive further updates on Phase 4 in March, April and June.

THE COUNCIL RESOLVED to receive and note the report.

- (b) Estates Committee: 10 October 2005

THE COUNCIL RESOLVED to confirm the actions taken on its behalf.

CO.05/88 Human resources

*Documents: VCWRWHR.063; AR/2005/831*

- (a) Pay modernisation (commercial in confidence)

The Director of Personnel Services drew attention to the attached interim report on pay modernisation, as part of a major reform of pay structures across the higher education sector. The project was on target and the intention was to complete the discussions with the trade unions by the end of December. The route map set out the intended timetable, although an additional meeting of the Human Resources Committee had now been set up for the end of February 2006. Not all the trade unions were happy with the statement of principles, included in the agenda, and hence the statement of them would be issued over the name of the Vice-Chancellor.

The Council was asked to note that this item was to sound out the broad view of the Council. In answer to a question about how employees who were red-circled would be handled, the Council was assured that their managers would be carefully trained to deal appropriately with this new situation.

Mr Whitaker drew attention to the substantial amount of work invested in the project both by the university and members of the trade unions.

THE COUNCIL RESOLVED to receive and note the report.

CO.05/89 Key performance indicators: employment

*Document: AR/2005/851*

Mr Paul Blackmore, the director of the Centre for Employability, Enterprise and Careers, drew the attention of the Council to key aspects of his report, including the slight improvements in some areas, the long lead time for data to enter the public press and the significance for Lancaster of the authoritative but less well publicised HESA data. Finally, he drew attention to the importance for the service of its forthcoming physical relocation.

In discussion, the following points were amongst those made:

- (a) several new initiatives were being introduced and additional resources were being released into this area, including investment in employability and the analysis of employment patterns. This operational area was recognised to be a weakness for the university, even with the increased emphasis upon it, and the inertia in the processing of improved data would delay their public appearance;
- (b) Lancaster's location would always be a source of special challenge in terms of the employment of its graduates. Nevertheless, the local district needed to consider what capacity of growth they wished to see for Lancaster and to make their views known;
- (c) Lancaster graduates might also be encouraged to move away from the area;
- (d) the annual Careers Fair might be made more focussed on arts and social sciences;
- (e) the formulation of the Strategic Plan for 2006-11 would take account of graduate employment issues.

THE COUNCIL RESOLVED to receive and note the report, and to thank Mr Blackmore for it.

CO.05/90 Key institutional risks

*Document: FO.05/102*

THE COUNCIL RESOLVED to receive and note the report on key institutional risks.

CO.05/91 Senate: 12 October 2005

*Document: AR/2005/832*

THE COUNCIL RESOLVED to receive and note the report of a meeting of the Senate held on 12 October 2005.

CO.05/92 Freedom of Information

*Document: AR/2005/756*

THE COUNCIL RESOLVED to receive and note the report on the university's compliance with the Freedom of Information Act for the period January to October 2005.

CO.05/93 Review of current meeting

A retiring student member indicated his regret at: (a) the delay in attention paid to the concerns about corporate governance and the proportion of Council time the issue had taken; (b) the university's poor league table performance; (c) the poor level of contact time in his major department; and his enjoyment of the conversations with members he had enjoyed at pre-Council lunches.