

THE UNIVERSITY OF LANCASTER

Minutes of a meeting of the Council held on 21 June 2002

PRESENT: Mr J. B. Heron (in the chair, except for CO.2002/23), Vice-Chancellor (in the chair, for CO.2002/23), Professor N. Abercrombie, Professor R. B. Davies, Mr H. Dawson, Mr P. R. Elliott, Mr R. Emslie, Dr P. G. S. Entwistle, Professor K. A. O. Fulton, Mr M. Hart, Professor S. Henig, Mrs C. T. Hensman, Mr G. Johnson, Dr M. M. Lee, Mr S. A. J. Leyton, Ms T. McGrath, Mr H. Morris, Mr H. Nichol, Dr C. C. Park, Professor M. I. Reed, Professor P. Rowe, Mr K. Royales, Mr R. Turner, Mr A. Whitaker, Ms J. M. Whiteside.

IN ATTENDANCE: Mr C. Adams, Ms F. M. Aiken, Mr L. Danby, Mr W. S. Lunn, Mrs M. E. McClintock, Mr E. T. McGregor, Mr A. Madeley, Ms G. Marshall, Ms E. Nutt, Ms J. Read, Mrs V. Watkins.

APOLOGIES FOR ABSENCE: Mr D. Boyle, Mr A. Dick, Mr J. C. Dunning, Dr R. B. Henig, Councillor P. C. Jackson, Lord Judd, Professor R. Macdonald, Councillor D. B. Stanley.

CO.2002/21 Minutes

The minutes of the meeting held on 22 March 2002 were confirmed.

CO.2002/22 Matters arising

CO.2002/4: Charter and Statutes

Documents: AR/2002/881; AR/2002/885

The Academic Registrar reported that draft Orders for the revisions to the Charter and Statutes were in the process of being drawn up by the Privy Council Office and drew attention to actions outstanding relating to:

- (a) deferred dates of implementation for certain sub-clauses where Ordinances were required;
- (b) proposed reinstatement of a clause in Statute 2;
- (c) revised text of Statute 1 in full.

The Council resolved to approve the recommendations.

CO.2002/4: Student recruitment to 31 July 2002

The University Secretary briefly updated Council members on current recruitment figures and reported that, against the background of a methodology that was not wholly precise, the university was at present 2.7% short of its HEFC(E) target. Further cohorts of students were however expected to be registered before 31 July 2002.

The Council resolved to note the report and to thank the staff who had worked diligently towards the completion of the target.

CO.2002/8: Finance and estates: future student accommodation

- (a) The Council noted that a report and recommendations about the transaction would be presented to the Council on 19 July 2002.
- (b) The Council received a proposal (AR/2002/799) concerning student representation at the above meeting i.e. that the outgoing President and Education and Welfare Officer should be present, with speaking rights, in addition to their successors. The Vice-Chancellor indicated his agreement with this proposal.
- (c) The Vice-Chancellor briefly introduced a contextual paper (AR/2002/801) about the transaction. The Council was told that Mr Hilton Dawson M.P. and Mr Alan Whitaker had attended a meeting of constituents and residents of Ellel on 15 June, and a further meeting would take place on 26 June that would also include Mr Steve Lunn and a representative of Jarvis plc. Discussion had covered a wide range of issues, including drainage, traffic and the process for planning approval.

The Council resolved:

- (i) to agree that Ms McGrath and Ms Nutt should attend the meeting of the Council on 19 July 2002, with speaking rights;
- (ii) to note and encourage the discussions that were taking place with local residents;
- (iii) to receive and note the Vice-Chancellor's contextual paper.

CO.2002/23 Appointment of Pro-Chancellor

Document: VC/02/R142

The University Secretary apologised that officers had not earlier notified the Council that Mr Heron's present appointment as Pro-Chancellor would come to an end on 31 July 2002. She suggested that

it would be good practice for him to remain in post for a further twelve months while the new Vice-Chancellor was in his first year of office.

The University Secretary further recommended that a search committee be set up with the criteria and membership as set out. In discussion the importance of issuing a widespread invitation for nominations was noted. The suggestion was also made that, if possible, a person who was already a member of the Council might be appointed.

The Council resolved:

- (i) to recommend to the Court that Mr Heron's period of office as Pro-Chancellor be extended to 31 July 2003;
- (ii) to adopt the criteria for the selection of an individual as Pro-Chancellor as set out;
- (iii) to agree that a search committee be set up to canvass widely for suitable candidates and to endeavour to make recommendations to the Council by 22 November 2002;
- (iv) to approve the membership of the search committee as follows:

Vice-Chancellor (in the chair)

Three lay members of the Council

Two senior academic members of the Senate, one of whom shall also be an officer appointed by the Senate to the Council President, LU Students' Union

University Secretary to service the committee.

CO.2002/24 Student accommodation, October 2002

Document: VC/02/R155

Proposal (Mr A. Whitaker):

- (a) that the Council receive and note the attached report setting out the accommodation difficulties of October 2001 and the actions taken to resolve them;
- (b) that the Council approve the recommendations in 4.3, 4.4, and 4.5 of the attached document.

Mr Whitaker, introducing the document, emphasised his wish not to apportion blame. The analysis of the events that had taken place at the beginning of the Michaelmas Term 2001 was already familiar to many members of the Council, and some of the actions set out in the recommendation had been initiated, in order to avoid the difficulties the university had faced in October 2001 or at least to manage them better. UMAG had discussed the paper and was in broad agreement with the main recommendations, while asking that consideration be given to how the whole network of student accommodation provision

could be integrated, both at Bailrigg and in the local area. It was imperative that the university should improve the way student accommodation as a totality was managed. The situation for October 2002 remained volatile, with much uncertainty about final numbers, and the importance of achieving additional accommodation was paramount. Nevertheless, the problems in October 2002 were expected to be of a lower magnitude than the year before.

The Council resolved to welcome the document and to approve the proposal.

CO.2002/25 Vice-Chancellor's report

The Vice-Chancellor and others reported on the following matters of significance.

(a) *New Technology Institute*

Professor Davies reported that Lancaster and the University of Central Lancashire had been successful in a joint bid to the HEFC(E) for funding to lead the development of skills within the sub-region. The universities' main role would be in the training of trainers, other colleges across the sub-region would be involved, and the consequences would feed through to sub-degree work, while additional funding would be gained through extra student numbers. Since only two institutes were allocated for each region, Lancaster had led an active lobbying campaign, assisted by local M.P.s, to whom thanks were due.

Mr Dawson congratulated everyone involved on an important development for the university and the region. In answer to a question, the Council was told that most of the associated revenue stream would be the subject of separate bids via the HEFC(E) and the Learning and Skills Council.

(b) *Recent achievements in research*

The Vice-Chancellor drew attention to the extent to which research overheads were exceeding budget, as the consequence of hard work by staff throughout the university. Two successes amongst many were a substantial grant from the Arts and Humanities Research Board to colleagues in the Department of History and the award of a Benjamin Franklin Medal to Professor Lucy Suchman of Sociology.

(c) National Teaching Fellowship

Professor Abercrombie reported that, for the third year running, one of the twenty fellowships awarded each year for innovation in teaching had come to Lancaster, on this occasion to Dr Michael Winstanley of the Department of History. Lancaster was one of only five institutions with an equivalent record of achievement in the fellowships.

The Council resolved to receive the Vice-Chancellor's report.

CO.2002/26 LU Students' Union

Document: LUSU headline budget for 2002-03

Mr Elliott, General Manager of LUSU, briefly introduced the three-year rolling strategic plan and financial projections for LUSU. The first of the three years was also the headline budget for 2002-03, which had been seen and approved by a variety of university bodies prior to its presentation to the Council. Particular attention was drawn to the sections in the strategic plan on student participation, the new volunteering unit, green issues and sustainability, the future structure for the provision of LUSU services, especially for international and postgraduate students, and support for the colleges and the junior common rooms. The Students' Union was facing the same funding gap as the university and might need to draw on its reserves mid-year: nevertheless, the balance sheet was strong. Finally, Mr Elliott reported that LUSU had reached the short list of annual BEDA award nominations, and was being recommended to receive the Investors in People standard.

Ms McGrath, President of LU Students' Union, noted that there were many rewarding elements of being a student sabbatical officer and president, but there was also a lot of frustration and irritation that in her view could be avoided. Students believed that the university cared about their best interests and liked to think that managers and the people taking the decisions were bearing them in mind. Ms McGrath thought that sadly they could on a number of occasions be wrong. The Students' Union wanted as far as was possible to join in consultation and a process of working together constructively. Traditionally consultation was two-way, but at Lancaster different procedures seemed to prevail, and the development plans for the residences had provided an interesting glimpse of the university's operations. The project had been kept so close to the university's chest that the planning approval drawings had not been displayed for students or staff: instead student officers had made copies and displayed them in Slaidburn House: copies were also available for Council members, so that they could see for themselves the monolithic and characterless buildings that would replace the present friendly and welcoming block

structures. At the beginning of the year questions had been raised about how a partnership would build new accommodation that would be distinctive in relation to existing colleges and the university as a whole: Council members would however be misled if they believed anything other than standard Jarvis buildings would be erected.

The Students' Union had grave and growing concerns about the residences development. Council members would remember that concerns had been raised about a target of 80% of en suite accommodation: in fact it was clear that every room in the new buildings was planned to have en suite facilities, including the Graduate College where there was a strong need for standard facilities. It also seemed that the university's neighbours in Galgate and Ellel had little confidence in the university's proposals, as their complaints about disruption to their drainage and subsequent flooding since the Graduate College had been built on the South-West Campus had been ignored and belittled by the university. As a result, at a recent meeting held in Galgate, Mr Whitaker and Mr Dawson had been able to see for themselves how the local community felt about the plans and how little trust in or respect for the university there was.

In April the NUS had surveyed rent levels. The London School of Economics headed the list at £87 a week, followed by two at £70. North London University was sixth with £68 a week, and tenth was London Guildhall at £64. Although there was talk about the affordability of the new development, no research had been done into what that meant for Lancaster students, and while with a rent level of £68 Lancaster might be comparable with Jarvis accommodation in Manchester or Liverpool, rooms at Bailrigg would be more expensive than in town. If Council members could think back to their own selection of final year undergraduate accommodation, the new residences at Bailrigg would be £68 and a 38-week letting period, while in town the rent would be £40 and again a 38-week lease. The saving by living in town would be around £1000 and the person's indebtedness would not increase. Council members were asked what choice would be made.

Ms McGrath stated that it was vital for the university that it did not rush into a solution simply by the quickest route. While it was accepted that the university needed to increase its supply of on-campus accommodation, and improve some of the existing buildings, it was essential to proceed in the right way. There was a limit to the price people would pay to come to Lancaster, and if the project cost meant the university priced itself out of the market, than the development would have a detrimental effect on recruitment, the opposite to what was intended. The LUSU concerns had been given press coverage locally and nationally, and showed that students were able to take issues to the wider community. Staff who were concerned about their jobs, including cleaners and porters, had also been coming to LUSU because they appeared to have heard nothing from the university.

Ms McGrath concluded by thanking all those who had been helpful and had understood why students had been concerned during the year, and wished her successors good luck for the coming year. She would be continuing as a student representative on the Council.

A member expressed concern about the President's remarks and asked that if there was deep-seated student dissatisfaction, it should be addressed. The Council was however told that it was important to separate out student consultation, where the university was more open than many comparable institutions and listened to concerns, and the extent to which agreement could be reached. Other members suggested that models of good practice should be used, including any available from the NUS, and that while the university was caught in an unfavourable funding situation that might have unpleasant consequences for the quality of the buildings, it was important that the assurances given to the Senate about sustaining the college system should be fulfilled and a sufficient level of trust retained between the university and its students. A student member asked that the whole LUSU sabbatical team should be acknowledged and involved in such discussions.

The Council was told that the university continued to value the college system and the decision to set up a shadow syndicate for an additional college was evidence of that. In order to take the matter forward, a special summer meeting of the Committee on Relations between the University and the Students' Union could be held, involving both outgoing and incoming student officers, in order to discuss the issues and report back to the Council in October. The Council was further reminded that mutual confidence need to be built, alongside open minds and constructive participation from all sides.

The Vice-Chancellor welcomed the above suggestion for a special summer meeting but stated, on behalf of his colleagues, that he neither recognised nor accepted most of the points made in the President's report.

The Council resolved:

- (i) to receive and accept the strategic planning and financial forecasts of the LU Students' Union, and to congratulate members and officers on their stewardship;
- (ii) to note the President's report;
- (iii) to agree to receive a report from CRUSU in October from a special summer meeting.

*Documents: FO/02/38; FO/02/44; FO/02/40; FO/02/43;
FO/02/45*

The chairman of the Finance and General Purposes Committee, Mr Turner, introduced the following items.

(a) *Headline budget for 2002-03*

Mr Turner drew attention to the reduction in the budgeted surplus for the 5% or 4% level attempted in previous years to just over 3% for 2002-03, and warned the Council that the university's financial recovery should not be placed in danger. The certain and likely increases in National Insurance contributions and employers' contributions to USS presented risks to the university, as did the impact of the forthcoming salary settlement and uncertainty about student recruitment. In addition, efforts had been made not to cut further certain crucial but discretionary items, such as equipment. The minimum objective should be to achieve the targets set and improve on them.

The Council was reminded that some universities were having to reduce staff numbers and to set up redundancy committees. The difficulties of receiving funds for specific initiatives that did not include revenue financing were further noted.

The Council resolved to approve the headline budget, subject to final negotiation of the details as appropriate.

(b) *Financial forecasts, 2003-04 to 2005-06*

The Council was told that the forecasts followed on from the headline budget and included suggestions for structural change, some of which were controversial and would need careful examination by the appropriate committees. Nevertheless, the points needed to be addressed if the university's position was not to deteriorate, and consideration of them should not be deferred.

In discussion, the following points were amongst those made.

- (a) The suggestions about reviewing pension arrangements and considering a withdrawal from nationally agreed pay settlement procedures were recognised to be the most controversial and the least likely to be implemented except *in extremis*. The Council was told that if the campus unions were not part of a national negotiating structure, much management and union time

would be tied up in local negotiations. There were issues of principle concerned with national negotiating structures, as well as the effect on an institution with an international reputation of moving away from a nationally agreed salary scale.

- (b) The suggestion that outsourcing might be considered was felt by a member to be troubling, since the experience in local government had shown there were invariably hidden costs and unanticipated consequences. It was also difficult to move forward on this issue without the active participation of those likely to be affected.
- (c) The paper stated that the potential impact of the residences transaction had not been taken into account. The Director of Finance, in response to a question, indicated that while the full position was still being modelled, the intention was that there should be an adverse effect of no more than £0.5 million per annum across the life of the project. If however the transaction did not take place, there would be additional costs of up to £5 million per annum as the university shouldered the cost for example of refurbishment.
- (d) A member suggested that academic staff, far from requiring less administrative and clerical support, should perhaps receive more as part of a re-evaluation of the role of academic staff and the possibility of having fewer but better supported staff.
- (e) The university was noted to be in the process of discussing departmental strategic plans, and it was clear that while the Director of Finance was right to raise the issues as he had, the university must be driven by the academic enterprise. Any academic restructuring could only be undertaken with an understanding of the importance of collegiality and community for the institution as a whole, including its students.
- (f) The Director of Finance expressed his disappointment at the tenor of the current debate, which in his view did not take account of a rapidly deteriorating situation in which, despite likely favourable indicators having been built into the forecasts, the university did not have the opportunity to wait a year before acting.
- (g) The use of external consultants to analyse the position was suggested.

The Council was invited to note the current discussion in the context of the Vice-Chancellor's report on future finances to its previous meeting. Neither the outgoing or the incoming vice-chancellor could be committed to particular policies without appropriate discussion.

The Council resolved

- (i) to receive and note the financial forecasts and the associated report from the Director of Finance;
- (ii) to invite officers to bring proposals to the Council at its October meeting about the timescale and method of addressing issues raised in the paper.

(c) Management accounts to 31 May 2002

The Council was invited to note that the predicted out-turn for 2001-02 was proceeding smoothly. A message from Lord Judd was received, stressing the importance of taking seriously the significant future risks identified in the commentary.

The Council resolved to receive and note the management accounts.

(d) Capital programme as at 31 May 2002

The Council resolved to receive and note the revised capital programme, as set out.

(e) InfoLab21

Professor Davies reported that the previous fortnight had been a turbulent period for the development of the project. Previously the discussion of NWDA funding had been constrained by an upper limit of £5 million, above which Treasury approval was needed. The limit had now been revised to £10 million, provided that DTI approval was obtained for the difference.

The Council had previously agreed an upper limit of £9.5 million, but it had become evident that this sum would not allow a building that was adequate for its purpose to be provided, either in terms of the scale of the two departments that would be housed there or of the wish by the NWDA for a landmark building that included essential extra capacity. As a consequence of further discussions, a bid would now be submitted by Monday 24 June for £10 million of NWDA funds against a total cost of £15 million, and this would be given consideration by the NWDA board on 19 July, particularly in

terms of value for money. The hope was that at least conditional approval would be given at that meeting and the bid then passed to the Secretary of State. No timescale had been given for approval by the DTI.

The project would set several precedents for the NWDA and there was inevitably a risk that the funding from the agency would revert to £4.5 million and that the university would incur abortive costs. Professor Davies believed that the chance of failure was low, and the intention was to make a further report to the Council in October. Finally, he indicated that the NWDA funding was not conditional on identifying a brownfield site.

In discussion the following points were amongst those made:

- (a) no EU funding would be released without planning permission having been obtained;
- (b) discussions would continue about the exact size of the university's contribution to the project;
- (c) although it was unfortunate that the project carried so many risks, the Director of Finance believed that the potential benefits to the two departments, the university and the region justified continuation of the work, and it would enable the professional team to be kept together;
- (d) Mr Hilton Dawson stressed the importance of the project and his willingness to assist with helping it move forward.

The Council resolved:

- (i) to note the report;
- (ii) to approve the project executive continue the design development process to full detailed design with planning approval;
- (iii) to re-present the project to the Council at its meeting in November 2002 for approval, with complete funding information, and prior to the appointment of the contractor at Stage 2.

CO.2002/28 Nominations Committee

The Council noted that the item had been deferred to 19 July 2002.

CO.2002/29 Audit Committee

Document: VC/02/R140

The Pro-Chancellor reported that the HEFC(E) had agreed the principle that a member of the Audit Committee could also sit on another committee that took financial decisions. This was not necessarily a practice Lancaster would wish to adopt.

The Council resolved to endorse the actions taken by the committee, as set out in the minutes of a meeting held on 31 May 2002.

CO.2002/30 Health and Safety Committee

Document: SO/02/04

The Council was told:

- (a) that the Amateur Rowing Association would in future require sealed buoyancy compartments at both ends of rowing boats;
- (b) that, following on the action taken in respect of residual traces of asbestos in County College plant rooms, other plant rooms across the university would be surveyed and any traces of asbestos removed. The company that had undertaken the work in County College had been called back, but were found to have ceased trading.

The Council resolved, subject to the points listed above, to endorse the actions taken by the committee, as set out in the minutes of a meeting held on 28 May 2002.

CO.2002/31 Senate

Ref: CB.1; document: AR/2002/803

The Council resolved to receive and note the report of a meeting of the Senate held on 29 May 2002.

CO.2002/32 Finance and General Purposes Committee

Ref: CB.2; document: AR/2002/705

Proposal (chairman, Finance and General Purposes Committee): that the Council endorse the actions taken by the committee, as set out in the minutes of the meeting held on 24 May 2002, with particular reference to:

- the subsidiary company protocols: LUBEL.

The Council resolved to approve the proposal.

CO.2002/33 Attendance of the press

Ref: CB.3

Proposals (Steering Group):

- (i) that the press officer, and a representative each of *SCAN* and Radio Bailrigg be allowed to report on the business of the Council within impediment or obstruction on the following conditions:
 - (a) that business which has been declared restricted will not be reported;
 - (b) that the factual accuracy of any report of a statement is checked with the person who made it;
- (ii) that the matter be reviewed at the meeting of the Council in June 2003.

The Council resolved to approve the proposal.

CO.2002/34 Actions taken during the Long Vacation

Ref: CB.4

Proposal (University Secretary): that the Pro-Chancellor, the Vice-Chancellor, the Pro-Vice-Chancellors, the University Secretary and the President of the Students' Union be empowered to act for the Council and (excluding the President of the Students' Union) for the Committee of the Council during the Long Vacation 2002; and that they be authorised to co-opt or consult with other members of the Council as necessary on matters of urgency or importance, reporting any action taken to the next ordinary meeting of the Council and Committee of the Council.

The Council resolved to approve the proposal.

REPORTS

CO.2002/35 New appointments, resignations, etc

Ref: CC.1; document: AR/2002/796

The Council received a listing of:

- (i) new appointments for formal acceptance;
- (ii) extensions of appointments;
- (iii) determining or determined appointments;
- (iv) resignations.

CO.2002/36 Research grants

Ref: CC.2; document: AR/2002/797

The Council received a list of recent grants received for research.

CO.2002/37 Written reports of meetings

Ref: CC.3

The Council received the following written reports of meetings for information and, where appropriate, confirmation:

- (i) Estates Committee, meeting held on 16 May 2002 (AR/2002/673);
- (ii) Committee on Relations between the University and the Students' Union, meeting held on 21 May 2002 (CR/02/37);
- (iii) Employment Policy Committee, meeting held on 9 November 2001 (AR/2002/833).

CO.2002/38 Student mental health

Ref: CC.4; document: AR/2002/798

The Council received the end of project report as at May 2002.