

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 3 October 2003

PRESENT: Mr B. Gray (in the chair), Vice-Chancellor, Councillor A. C. Bryning, Mr A. Dick, Mr J. C. Dunning, Mr P. R. Elliott, Dr P. G. S. Entwistle, 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 R. A. Neal, Mr W. Nettleford, Mr H. Nichol, Dr C. C. Park, Professor P. Rowe, Mr K. Royales, Professor D. B. Smith, Mr R. Turner, Mrs V. Watkins, Ms J. M. Whiteside.

IN ATTENDANCE: Mr C. Adams, Ms F. M. Aiken, Mr A. Bone, Ms A. Elliott, Mrs M. E. McClintock, Professor R. Macdonald, Mr A. C. Neal, Mr R. O'Brien, Professor M. M. Smyth, Ms V. Tyrrell, Ms V. C. Walshe, Mr A. Whitaker.

APOLOGIES FOR ABSENCE: Professor N. Abercrombie, Mr H. Dawson, Mr R. Emslie.

CO.2003/51 Pro-Chancellor's introduction

The Pro-Chancellor, on behalf of the Council, welcomed Mr Andrew Neal, Director of Finance and Resources, to the university and to the Council.

He also thanked Mr Hamish Nichol for his period of service as a student member of the Council.

The Pro-Chancellor, in thanking the University Secretary and the Academic Registrar for their work in reshaping the papers of the Council, indicated that the current agenda represented work in progress. More effort was needed to ensure Council focussed on important issues, including the management of risk and key performance indicators.

He reminded members that they were welcome to ask for additional papers or minutes of committees in advance of the Council, and to seek information either to the relevant officer or via Miss Aiken or Mrs McClintock.

CO.2003/52 Minutes

Document: AR/2003/1000

The minutes were confirmed as a correct record of the meeting of the Council held on 20 June 2003.

CO.2003/53 Matters arising

The Pro-Chancellor noted that, while there were no matters arising for the current agenda, he had asked that a tracking document about progress on current issues be included in each future agenda.

CO.2003/54 Vice-Chancellor's report

Document: VC/03/R237

The Vice-Chancellor drew attention to his written report that had been circulated to members and highlighted the following items.

- (a) *Infrastructure developments:* the university had entered into the main transaction for the student residential accommodation on 26 September 2003.

The last 70 rooms of the first phase of the accommodation, comprising 402 rooms for delivery on the same date, were expected to be complete by 8 October. The university had accepted 288 rooms on 27 September and had placed the remaining 114 students in temporary accommodation, drawing on contingency arrangements made in advance. All the students affected by the delays would receive compensation from UPP (Lancaster) Limited. While the delay was disappointing, the addition of the extra rooms was welcome.

- (b) *Staffing:* the Vice-Chancellor report that a salary settlement was on the UCEA table. He noted that the AUT negotiators had left a final extended meeting before its conclusion, and suggested that if a sharp change in the negotiations took place, it was likely that UCEA would withdraw the whole package. The figures it included fell within the modelling already received by the Council.

On the staff survey, he indicated that focus groups had been meeting over the summer and would be reporting to management. Any management proposals relating to high level issues that arose would come to the Council.

- (c) *National affairs:* the Vice-Chancellor reported that he had had the opportunity over the summer to meet several ministers of state. He was sure that there was support at the highest level of government for variable tuition fees, capped at a maximum of £3000 per annum. The next stage of debate would centre around student bursaries and how they would be regulated, and it was possible that up to a third of the extra revenue brought in would need to be spent on student support mechanisms. He advised the Council that it was too early to form a clear view on how the new system would work.
- (d) *Regional affairs:* the Vice-Chancellor reported that he had been glad the previous day to launch the Institute for Entrepreneurship and Enterprise Development in the Management School. At this occasion the chief executive of the Northwest Development Agency had announced an award of £4.5 million to Lancaster, matching the £5 million investment by the university, for a large extension to the School, including a business outreach centre.
- (e) *Strategy:* copies of the completed Strategic Plan had been presented to Council members as they arrived at the meeting, and were about to be sent to all the members of the Court.

In discussion, attention was drawn to the 6% increase in staff salary costs, repeating similar increases in earlier years, an issue that needed to be addressed and one that presented a considerable risk to the university. The Council was asked to note that part of the increase related to annual inflation and student number growth. It was noted that there were plans to modernise pay structures, and also suggested that the pace of natural retirements over the next few years might lower the salary base.

THE COUNCIL RESOLVED:

- (i) to receive and accept the Vice-Chancellor's report;
- (ii) to thank the staff of the Graduate College, Dr Hilary Simmons and Mr Whitaker for the finesse with which problems about student accommodation had been handled for new students.

CO.2003/55 LU Students' Union

The President of the Students' Union, Mr Nettleford, reported as follows.

- (a) *Introductory Week:* everyone involved had acquitted themselves well during a hectic week. The university had had the foresight to arrange contingency hotel accommodation, although there were nevertheless lessons to learn for the next year. He wished in particular to initiate a review, involving junior common rooms, about a broader range of activities and support for new students.

- (b) *Community involvement:* the LUSU headlease scheme was working well, providing both a source of income and a means of involving the university with the local community. He wished to build on the role of the Students' Union in the town. Two examples of this were the President's involvement with a police campaign about recognising and dealing with the problem that the majority of victims of violence in Lancaster were students, and the second was to endorse and share in a scheme initiated by St Martin's students' union to encourage good neighbourliness by students living in Lancaster towards local residents.
- (c) *Building projects:* the President stressed the importance of the university achieving the right balance between its involvement with private contractors and the interests of its students and staff, and of considering how to re-organise campus life after the current building programme was complete so that it remained vibrant. He also noted that there had been some difficulties about obtaining the necessary information on the student residences from Jarvis. He reported that the Sugar House had been refurbished over the summer and invited members of the Council to come along to it.
- (d) *Action for the year:* the President felt that the current aims and objectives should be in line with the Students' Union's strategic plan rather than with the length of his own presidency. He saw the revitalisation of the colleges as an important issue, for while they were of central importance to first-year students, this was less the case in subsequent years. The representative role of the JCRs needed to be enhanced, and the gap between the stated aims of the Graduate Students' Association and its operation needed to be managed. He would also welcome the involvement of more members of the university in student debates.

The Vice-Chancellor noted his intention that the incoming Director of Estates and the Estates Committee should review and update the university's estates strategy.

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

CO.2003/56 Operation of Council and its committees

Documents: AR/2003/998; AR/2003/993; AR/2003/988

The Pro-Chancellor indicated his intention that the Council's committee structure should be simplified and the present documents, while a step in the right direction, might be taken further, with contributions welcomed from members of the Council. It was important to clarify who was responsible for what activity, and recommendations for delegation of

powers were expected at the next meeting of the Council. In addition, rather than minutes of meetings coming to the Council, each committee should produce a concise report of its key actions.

Points raised in discussion included the following.

- (a) The intention was that employment-related policy would come direct to the Council from UMAG, and that the Joint Consultative Committee should be replaced by consultative frameworks with staff input and by staff fora or special projects.
- (b) Concern was expressed that the proposal to lay down the Employment Policy Committee had been included in the agenda without the requisite clarification to accompany it about how human resources policy would in future be discussed and agreed.
- (c) A key performance indicator on student responses to the university might be included, drawing on national benchmark measures that were available.
- (d) The Pro-Chancellor wished to use a small group to populate the committees with members of the Council whose talents and interests coincided well with the purposes of each committee. In the meanwhile the definitions of the membership would remain unchanged, at least until issues around delegation had been settled; for example, whether there were too many ex officio members of committees in proportion to those appointed or elected.
- (e) Outreach activities in the region were part of the remit of the Business and Enterprise Board: thought should be given to whether an additional key performance indicator, over and above commercialisation, might be developed.

THE COUNCIL RESOLVED:

- (i) to approve the recommendations in Section 3 affecting Council committees, subject to receiving recommendations from the University Secretary at its next meeting about how the formation and implementation of human resources policy would be managed;
- (ii) to approve the recommendations affecting joint Senate/Council committees as set out in Section 4;
- (iii) to approve the key performance indicators as set out in Section 5, subject to:
 - the inclusion of postgraduate degree results
 - the addition of a risk matrix
 - consideration of how regional outreach activity should be included;

- (iv) to approve, with immediate effect, the revised terms of reference (and, where relevant, membership) of:
 - (a) Council Business Group
 - (b) Finance Committee
 - (c) Estates Committee
 - (d) Committee on Remuneration and Premature Retirement, and the revised Council committee structure set out in AR/2003/993;
- (v) to invite the Pro-Chancellor, the Deputy Pro-Chancellors and the Vice-Chancellor to review how Council members can best be involved in its committees;
- (vi) to ask for a schedule of delegation of powers from the University Secretary for its next meeting;
- (vii) to approve the annual business framework and key performance indicators, subject to adjustment in the light of discussion.

CO.2003/57 Dean's presentation: Professor M. M. Smyth

Professor Smyth, in introducing the strategic overview of Applied Sciences, reminded the Council that its constituent elements were Computing, Engineering, Communications Systems, Psychology, Mathematics and Statistics, and the Centre for Applied Statistics. This year it had admitted 351 new Home/EU undergraduates, plus postgraduates similar to the previous year's total of 410. Overseas student fees had amounted in 2002-03 to nearly £1.3 million.

Challenges in teaching included finding undergraduate courses in areas such as mathematics or engineering that would attract students, putting on masters courses that were competitive, especially in overseas markets, and delivering innovative courses to both categories. A good market share from home and overseas and from industry was required, while maintaining high standards of scholarship and educational achievement. One new course, the M.Sc. in Decommissioning and Environmental Clean-up, designed jointly with Environmental Science and the Westlakes Research Institute, was a response to the 2002 White Paper 'Managing the nuclear legacy – a strategy for action'. To meet these challenges, there had been investment in faculty and central staff for marketing, recruitment and publicity, a new masters course training suite planned for January 2005, continuous upgrading of teaching equipment and technology, and continual review of teaching programmes.

In research, the 96 academic staff of the faculty brought in the funding for a further 100 research staff, involving a wide range of funding agencies. In 2001-02 the faculty earned £4.4 million in research income; rising in 2002-03 to £5 million, including £1 million research overheads, and representing 30% of the university's total research income. While Statistics, Psychology and Computing had achieved a rating of 5 or better in the 2001 research assessment exercise, the ratings for the other areas

must be improved, and the research repositioned to prevent stagnation and to attract and retain the best people. The vision was to: achieve and maintain a position at the cutting edge of developments; set the research agenda in key areas; be opportunistic about aiming for success; maximise group sizes by bringing teams together across sections or departments; select focussed activities for investment; and provide a research environment that motivated and rewarded staff. Particular areas for investment included an intelligent systems laboratory, a statistics research centre to bring together European Ph.D. students and international scholars, together with targeted expansion and development of mathematics to support the most theoretical side of statistics, and the establishment of a new centre of human development to enable studies of babies and children to be carried on in purpose-built facilities, as well as developing other areas of strength in psychology.

InfoLab21, due to be completed in the summer of 2004 and funded by the NWDA, ERDF and the university, was expected to provide a world-class facility that would develop research in computing and communications, and include a business plan that committed the faculty to growth and job creation. It had grown out of the existing research agenda and from existing links with industrial partners and collaborators. The next phase would include the commercial development of the intellectual property already produced, within a culture that rewarded such enterprise, the increase of the faculty's capacity for developing and creating knowledge, as well as exchanging and transferring it, and the creation of a presence as a powerhouse of ideas that could be brought to market, combining both high research assessment ratings and success in commercialisation.

The EPSRC had asked for bids to operate the UK's Open Middleware Infrastructure Institute, and this would involve e-science, broadband, grid capability and work with Daresbury. This would be a multi-million pound bid that required InfoLab21 to be on the way to have a hope of success. The timing was good, and if successful, the bid would enable further training, spinouts and job creation while enhancing the core research. The bid might not succeed but, if this one did not, its successors would.

In answer to a question about the institutional context for the faculty's work, the Council was told that the university was well aware of the need to change the way students were recruited, and there was good and recently enlarged support for the exploitation of intellectual property.

THE COUNCIL RESOLVED to receive Professor Smyth's report and to thank her for it.

Documents: FO/03/85; FO/03/83; FO/03/84

(a) *Report of the Director of Finance and Resources*

Mr Neal indicated his pleasure at being at Lancaster at a time of interesting transition and change.

He reported that the statutory accounts were proceeding smoothly, and a meeting with PricewaterhouseCoopers was due to take place the following week. There would be a higher number than usual of matters of judgement, principally arising from the main transaction for the student residential accommodation. The growth in the level of surplus year on year was encouraging.

The utilities project was continuing to be developed, and provisional conclusions about a preferred bidder had been reached by the project group the previous day, which would come as recommendations to the Estates Committee on 9 October.

(b) *Control document for the student residential accommodation project*

The control environment, now that the university had entered the main transaction, had moved from negotiation to operation. The university would use constructively the experience it had gained during Phase 1, and because there was a need to make sure the implications of the transaction, and the obligations it entailed, were fully understood by the university, a workshop on these would be arranged.

(c) *Schedule of capital expenditure*

The schedule was received.

THE COUNCIL RESOLVED:

- (i) to receive and note the report of the Director of Finance and Resources;
- (ii) to approve the recommendation of the Finance and General Purposes Committee relating to the variation of delegated authority;
- (iii) to approve the procedures for monitoring progress on the student residential accommodation project and to confirm Mr Neal as the designated officer for it;
- (iv) to receive a note the schedule for the capital programme as at 31 July 2003.

CO.2003/59 Estates business

The Council received a report that there was no business under this item for the present meeting.

CO.2003/60 Audit Committee

Documents: AR/2003/1008; AR/2003/1009

THE COUNCIL RESOLVED:

- (i) to receive for information the report of the internal auditors for 2002-03;
- (ii) to receive and note the report of the Audit Committee for 2002-03.

CO.2003/61 Key performance indicators

Documents: St.R.2003/93; St.R.2003/94

The University Secretary drew attention to the preliminary reports on the undergraduate and postgraduate admissions for 2003-04 and noted that comparative data would be made available for the next round. The university had admitted some 4,500 new students, a dramatic increase in previous years. She further indicated that while the number of international students was continuing to rise, the rise in offers was not keeping pace with the additional applications, perhaps because the quality of applicants was dropping. The university must however not only attract high quality international students, but ensure they were distributed more evenly between subject areas and were more geographically diverse in origin, as well as obtaining more research students.

The university had admitted 107 Home/EU students over target, and had taken 3% of its intake through the Clearing system, particularly in the sciences. The average A level score had dropped close to 22 points, and the university might have fared less well in this respect relative to its competitors. The proportion of students admitted on alternative qualifications was rising and there was a 49% increase in the number of mature students, of whom there were 292, the highest total since 1997. Registration had proceeded smoothly during the present week, and these data would follow.

In answer to a question about the capacity of the Bailrigg site and its ability to absorb yet more students and staff, more cars, and more building work, the Council was told that while an increase in overseas recruitment was intended, a steady state of admissions on Home/EU undergraduates was expected.

THE COUNCIL RESOLVED to receive and note the above report on admissions for 2003.

CO.2003/62 Directors of university companies

Document: AR/2003/1010

THE COUNCIL RESOLVED:

- (i) to confirm Professor P. W. Wellings as a director of Pinecrest Developments Limited;
- (ii) to approve the appointments of Mr A. C. Neal and Mr M. Swindlehurst as directors of Lancaster University Developments Limited.

CO.2003/63 Emeritus chairs

Document: AR/2003/1011

THE COUNCIL RESOLVED to approve the appointments of Professor A. J. Holland (from 1 September 2003) and Professor M. A. Twycross (from 1 October 2003) as emeritus professors.

CO.2003/64 Continuing membership of the university

Document: AR/2003/1012

THE COUNCIL RESOLVED to approve a proposal that the persons as set out be invited to remain members of the university with effect from dates shown.

CO.2003/65 Directors' and officers' insurance

Document: AR/2003/1013

The Council noted that the proposal would be referred to the Finance Committee for consideration.

CO.2003/66 Council members' feedback

In response to the Pro-Chancellor's invitation to comment on the process of the current meeting, the lack of discussion or comment was noted.

The Pro-Chancellor encouraged members to consider to what extent the Council was spending time on important issues for the university. He welcomed messages from members about this and related matters.

CO.2003/67 Date of next meeting

The next meeting of the Council will be held on 28 November 2003.