

AR/2005/733

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 7 October 2005

PRESENT: Mr B. 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, Mr S. A. J. Leyton, Mr G. Middlebrook, Mr H. Morris, Dr C. C. Park, Ms V. Robertshaw, Mr K. Royales, Mr T. Shepherd, Professor A. Siewierska, Professor D. B. Smith, Mr B. Sneddon, Professor K. J. Stringer, Mr R. Turner.

IN ATTENDANCE: Ms F. M. Aiken, Mr J. D'Souza, Mr S. Hogarth, Mrs M. E. McClintock, Professor R. D. McKinlay, Mr A. C. Neal, Ms P. Rowell, Mr M. Swindlehurst, Ms V. Tyrrell, Ms V. C. Walshe, Mr A. Whitaker.

APOLOGIES FOR ABSENCE: Mr D. Brockbank, Professor C. Cooper, Dr M. M. Lee, Professor T. J. McMillan, Mr R. O'Brien.

CO.05/59 Welcome to new members

The Pro-Chancellor, on behalf of the Council, welcomed the following new members:

Dr L. J. Banton
Mr D. Branch
Professor A. Siewierska.

CO.05/60 Minutes: 17 June 2005

Document: AR/2005/663

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 17 June 2005 as set out.

CO.05/61 Matters arising: rolling schedule of business

Documents: AR/2005/662; AR/2005/654

In addition to the matters arising listed in the agenda, the following matters were noted:

- that there was a vacancy for a graduate member of the university on the Council, and the matter would be discussed at the LUA annual general meeting on 28 January 2006;
- that the Health and Safety Executive had issued an improvement notice on the university in relation to the management of ionising radiation and lasers in a department of the university. Measures would be taken to remedy the situation, well in advance of the deadline of 30 November 2005.

THE COUNCIL RESOLVED to receive and note the matters arising, as set out and reported, and to note the rolling schedule of Council business.

CO.05/62 Deputy Vice-Chancellor

Document: AR/2005/665

- (a) THE COUNCIL RESOLVED to note a report that Professor R. D. McKinlay had been appointed as Deputy Vice-Chancellor with effect from 1 August 2005.
- (b) The Vice-Chancellor reported that Mr Whitaker, Pro-Vice-Chancellor for Staff, Colleges and Student Affairs, would be retiring on 31 December 2005, and a proposal for a replacement appointment would be made to the Senate on 12 October 2005. The appointing committee would include an invited lay member of the Council, as an observer.

CO.05/63 Vice-Chancellor's report

Documents: VC/05/R108; AR/2005/666

- (a) *Vice-Chancellor's written report*

In addition to the report listed in the agenda, the Vice-Chancellor reported as follows:

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

- (B) the National Student Survey results had recently been published and showed Lancaster as having a participation rate of 70% of its students and placing Lancaster sixth overall out of about 140 institutions;
- (C) the university had received the national award of the British Council for Offices for the best workplace of 2004-05, in relation to InfoLab21. Thanks were due to Mr Swindlehurst and the staff involved for this result;
- (D) a planning application had been lodged with Lancaster City Council for a science park adjacent to the university that, if approved, would be a major strategic asset to the locality and could generate up to a thousand extra jobs;
- (E) at the UUK residential meeting in September, Secretary of State Ruth Kelly had come to speak. Much that she advocated accorded with Lancaster's current activities, including the growth of continuing professional development, the growth of e-skills, the Northern Way initiative, and regionally-based higher education for Cumbria. Research funding would be stable to the end of 2007, and the cap on the £3000 tuition fee would remain until the end of the life of the current parliament. There was an emphasis on government planned spending, including a forward look on student fees. On part-time students, she had seen no evidence of a decline in numbers, and any additional support for them would have to come from a reallocation within the current resource envelope. She had also commented on behaviour at universities, which should value diversity while not allowing unacceptable behaviour, and which had a duty to support the moderate majority;
- (F) after two years of discussion, Sir Martin Harris had recommended a University of Cumbria, the core of which would be S. Martin's College moving its headquarters to Carlisle. The decision offered Lancaster opportunities for new developments;
- (G) the prosecution of six individuals by the Crown Prosecution Service had resulted in a conviction for aggravated trespass. The Vice-Chancellor indicated that when evidence of criminal activity had been brought to his attention over the past three years, and because he was charged with upholding the good order of the university, he had involved the police as appropriate. The corporate venturing conference in September 2004 had not been identified as controversial, and the disruption of it had made some participants feel intimidated. The

trial had re-established that trespass by students could take place at the university, although the right of staff and students to demonstrate peacefully, provided disruption did not take place, remained. There had been several protests at the university since September 2004, and all of them had been unremarkable except where they were externally led. The Vice-Chancellor further noted that a group at the Freshers' Fair had been the subject of a complaint by the Students' Union to the police in October 2004; and that Lancashire Constabulary were seeking criminal ASBOs on two of the six individuals involved.

The University Secretary, commenting on the recent trial of the six individuals, commented that the judge for the case had in effect defined what was not a peaceful protest, and while he had accepted that the people involved reasonably believed they were licensed to act, intimidation of staff had taken place. Everyone involved in the trial had agreed the issue was about freedom of speech and whether it had been denied to others by the disruption. At present the university was not explicit about what constituted trespass, and there was an issue about how such matters should be handled in the future e.g. by means of the university's contract with each student. There were however other issues raised by the case that required consideration, including the ethics of research and the commercialisation of it. The university's code on freedom of speech would need to be reviewed: for example, the 1994 Act did not require the inclusion of conferences, and the code also needed to be better publicised. The Senate on 12 October would discuss these matters, in the expectation that the revision of the code would be led by the University Secretary and research ethics by Professor McMillan.

In discussion the following points were raised:

- (1) close liaison between the University Secretary and the LU Students' Union on demonstrations was important, and the public relations aspects of the prosecutions required careful attention;
- (2) no decision had yet been made about the future of the Newton Rigg site in Cumbria, that at present was part of the University of Central Lancashire;

- (3) the Staff Learning Centre, which had led to the university's shortlisting as a good employer, had initially been financially supported by the university's trade unions.

THE COUNCIL RESOLVED to receive and note the above reports (see also CO.05/64).

(b) Full-time student recruitment as at October 2005

The University Secretary briefly updated the Council on the current state of play with regard to student registrations, and noted the present significant shortfall on overseas taught postgraduate student numbers.

THE COUNCIL RESOLVED to receive and note the report.

CO.05/64 Report of the LU Students' Union President

Document: AR/2005/667

Mr Branch reported as follows.

- (a) The LU Students' Union would concentrate particularly in 2005-06 on postgraduate and international students, including how they were to be represented on other bodies of the university. As a consequence the union might ask for an additional sabbatical post.
- (b) Phase 4 of the student residential project: the students were hoping to be fully involved from the outset in discussions about policy in relation to Phase 4 and before the Council Executive Group made its decisions.
- (c) Lancaster was listed as one of the top five universities in the Diva League Table for its work on gay, lesbian and bisexual issues.
- (d) Freedom of speech: the Students' Union officers had held many discussions with the University Secretary about the six individuals (see CO.05/63) and continued to take the view that no university should refer its own students to the Crown Prosecution Service. The people involved were neither terrorists nor extremists and the matter could have been differently handled instead of a process being initiated that led to a prosecution.

In answer to a question, Mr Branch confirmed that the Students' Union would take part in the discussions already laid out by the University Secretary.

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

CO.05/65 Strategic Plan, 2006-11

Documents: AR/2005/659; FO/05/79

- (a) THE COUNCIL RESOLVED to receive and note a status report on actions arising from the Strategic Plan for 2003-08.
- (b) THE COUNCIL RESOLVED to receive and note the processes being put in hand for the preparation and approval of a Strategic Plan for 2006-11, and to invite members of the Council with views they would like to be included to contact the Director of Finance and Resources or the Deputy Vice-Chancellor.

CO.05/66 Corporate governance

Documents: VC/05/R107; VC/05/R097; VC/05/R111

- 66.1 The University Secretary made a presentation on which she emphasised the importance of the 2004 CUC *Guide for Members of Higher Education Governing Bodies in the UK*, including the governance code of practice adopted by the CUC. The university had to state in its annual report on which areas it was not compliant, and the external auditors had identified nine where a statement of action being taken or considered would be necessary. These included the size of the Council, the nominations processes, the extent to which institutions were reducing external representatives on their governing bodies, and the increased focus on the skills and attributes of members of the Council. She reminded the Council of the steps taken to date and noted that the consultation process would not be complete until after the meetings of the Senate (12 October) and the Court (15 October). There had been widespread scope for consultation, but some disappointment that the feedback received was not more extensive. The implication appeared to be that most people were happy with most of the proposals. Most responses received had been positive and the Council Working Party had both revisited its proposals and recognised that other concerns remained to be addressed.

66.2 The Council discussed the report of the Council Working Party section by section. In the course of an extensive debate, the following points were noted in addition to those listed in the chairman's summary (66.9).

66.3 Section 1: context

- (a) Because the process of consultation was still in train, it would be difficult at this stage to assume silence implied assent.
- (b) The Working Party was noted to be 'hoping to encourage' greater involvement of all members of the Council.

66.4 Section 2: communications with stakeholders

- (a) Given the importance of students as major stakeholders, a member suggested there should be references in the report to the two-way links that would need to be created between staff and students if student representation on the Council was to be reduced. The Council was invited to note that the Vice-Chancellor was preparing a paper on stakeholders and the first category of ten in total was about the many sub-categories of students.
- (b) A member asked that the statement that the Council was not responsible for communications, and that lay members were present to be informed, should be reconsidered.

66.5 Section 3: The Court

- (a) Several members indicated concern about the issue of checks and balances, in relation to the same person chairing both the Council and the Court, as not being an example of best practice. If the chairman of the Council made an annual report to the Court, such a report should be prospective rather retrospective and should not be made from the chair of the Court. The annual meeting of the Court was a final safeguard.
- (b) There was an acknowledged lack of transparency about the current operation of the Nominations Committee and the proposals from the Working Party were designed to remedy the situation.
- (c) The chairman of the Audit Committee, the body with the final oversight of the university's governance, stated his view, supported by the chairman of the Finance Committee, that the Working Party's proposals were in line with

current best practice. In particular the revised Nominations Committee would be greatly improved and would leave the final decisions with the Council. He recognised that there were issues for people who were used to working consensually to turn instead to a corporate way of managing business. It was however important not to confuse style with substance, and the proposals were an improvement.

- (d) The categories of Court membership might be reconsidered, and the co-opted categories filled with new people.

66.6 Section 4: The Senate

See 66.9(f).

66.7 Section 5: The Council

- (a) The statement that, if in exceptional circumstances the Nominations Committee had concerns about the suitability of a nomination from Senate, LUSU or the non-academic staff, it should refer the matter to the Committee of the Council, was contested on behalf of all three groupings. A straw poll showed a tie on whether the clause should proceed. The University Secretary was also asked to explain to the Court the role of the Committee of the Council.
- (b) The draft statement of primary responsibilities was broadly welcomed, subject to a reference in the statement (as well as in the Statute) to the welfare of students.
- (c) A member urged the Council to retain the representation of Lancaster City amongst its number. The city was the closest institution to the university, and there was a close involvement at all levels and across a wide range of issues of mutual concern that could not be satisfied by *ad hoc* meetings of a consultative body. The university owed its site to the foresight and generosity of the city at a time when its manufacturing base was collapsing. There was a strong case to retain the town/gown link through the Council, as other eminent universities still did. He asked that the city's place on the Council be retained, and acknowledged the first duty of such a person to be to the university. The Vice-Chancellor acknowledged the importance of the statement. He noted both that other universities were undertaking revisions in their statutes in parallel with Lancaster and that the university gained tremendous value from officer-to-officer links with

Lancaster City. A further member suggested that, in a consideration of stakeholders, one more symbolically significant than the city was hard to imagine.

- (d) The Council noted that the Nominations Committee would nominate rather than appoint.
- (e) Members noted that not everyone who came onto the Council would necessarily regard him or herself as a potential deputy pro-chancellor.
- (f) Some concerns were expressed about a Council of 15 persons, and about the reduction in attendance of senior managers, especially the Press Officer and the editor of *Scan*.

66.8 Section 6 and Appendices 1 to 3

- (a) The arrangements for the appointment of the deputy pro-chancellors were noted to be matters for the Working Party to reconsider, to consider a different basis for their appointment, and a different constituency.
- (b) The Nominations Committee was noted to be on the small side for the range of tasks it would be expected to cover.
- (c) The President of the LU Students' Union reported that the union had been represented on the Working Party, but while the working party had good intentions, the Students' Union were not happy with the emerging proposals. Mr Branch had therefore resigned from it and was mandated to speak against the changes proposed.
- (d) A member of the Working Party said that people should still be free to change their views, expressed regret that not more people had responded to the consultation, and indicated that the Working Party would judge the issues in a balanced way and not by emotion.
- (e) The Deputy Pro-Chancellor appointed to chair the Court on 15 October, invited to speak to the proposals of the Working Party, noted the tenor of the debate, including the contribution by the chairman of the Audit Committee. He nevertheless found it hard to reconcile representation on a body secured by election that was subject to scrutiny by a third party. Furthermore, if the Working Part envisaged Senate and the LU Students' Union as electing members, he thought the Court should perhaps be treated in the same way. He also agreed that there should be a separation

between the chairman of the Council and that of the Court. Another member suggested that an election process for at least one of the deputy pro-chancellors might take place within Council.

66.9 The Pro-Chancellor summed up the debate as follows.

- (a) The Working Party would meet after Court and would make recommendations to the Council. Its members hoped they were adding value, but ultimately the Council would make the decisions.
- (b) Communication with stakeholders had been identified as a fundamental issue, including the important contribution about Lancaster City. Particular attention would be paid to a mode of communication with students that was real and substantial.
- (c) There should be a review of the Court to make more of its role. This might include a friends of the Court structure, as well as consideration of how it related to the Council, how it could be made more open and interactive, and what form a forward-looking report to it by the Pro-Chancellor should take.
- (d) Quite a few members of the Council had indicated they were not happy that the Pro-Chancellor should chair the Court, and there was a wish to safeguard the role of the Deputy Pro-Chancellor as a senior independent person to whom members of the university could talk.
- (e) The present unacceptable workings of the Nominations Committee had been correctly highlighted. A key part of the Pro-Chancellor's role was to make the Council work effectively, and chairing the Nominations Committee was fundamental to that.
- (f) The Council had welcomed the explicit recognition of the key role of the Senate, and had expressed support for the idea that the Senate should undertake a review of its own effectiveness.
- (g) The relationship of the chairperson of the Audit Committee to the Council was important, and his comments were welcomed.
- (h) In relation to Council, there was a sense of support for the statement of primary responsibilities, for the Pro-Chancellor making an annual report to the Court, and for

the better induction of members. There were points of disagreement about how the Council should act as a forum for challenge and complex issues about ethos. There was a wish to spend more time on Council business and to involve more people, but there was a need for the voices heard to be more effective. There had been support for the revised nominations processes, coupled with a clear understanding that the Nominations Committee must not appoint, and a clear exposition of the importance of the locality as part of the university's diversity.

- (i) There had been a surprising strength of feeling around the issue of exceptional circumstances (see 66.7(a)) and the Working Party would reflect on that discussion.
- (j) Little had been said about the size of Council. There appeared to be support for some reduction, but the Working Party was considering the range of 15 to 22 members, and needed to make a firm recommendation.
- (k) The terms of key officer appointment, other than the issue of the independence of the Deputy Pro-Chancellors, had received support.
- (l) The channels of communication between the Council and the Court needed further consideration, and there was some controversy about the role of the Court in making appointments to the Council. This should be balanced against the proposed role of the Court on the Nominations Committee.
- (m) The imperfections of the current document were acknowledged, while noting that this was the text already circulated to the Court.

THE COUNCIL RESOLVED:

- (i) to note the above discussion;
- (ii) to receive formal recommendations at its meeting in December from the Working Party, following the completion of the consultative process.

CO.05/67 Finance

Documents: FO/05/75; FO/05/78; FO/05/77; AR/2005/683

THE COUNCIL RESOLVED:

- (i) to receive and note the report of the Director of Finance and Resources;
- (ii) to receive and note the report on the new revolving facility with Lloyds TSB;
- (iii) to approve the revised schedule of primary delegations, subject to the Director of Finance and Resources giving further consideration about whether the sale of share capital might in the future be strategic and how this might be reflected in the primary delegations;
- (iv) to confirm the actions taken by the Finance Committee on its behalf.

CO.05/68 Estates

There was no business to consider.

CO.05/69 Human resources

Document: VC/05/R109

THE COUNCIL RESOLVED:

- (i) to note the report and to approve the timescale as set out for the completion of negotiations around pay modernisation;
- (ii) to note that Mr Whitaker was available for discussion outside the meeting about the project.

CO.05/70 Key performance indicators

Documents: VC/05/R106; VC/05/R100; VC/05/R103; VC/05/R105

THE COUNCIL RESOLVED to receive and note the following reports:

- (i) legal disputes and claims;
- (ii) use of the university seal;
- (iii) corporate governance (internal audit review); working party on corporate governance (see CO.05/66); attendance at meetings, 2004-05;
- (iv) summary of key performance indicators for 2004-05.

CO.05/71 Audit Committee

Document: VC/5/R102

THE COUNCIL RESOLVED to receive and note the report of the meeting of the Audit Committee held on 12 September 2005.

CO.05/72 Key institutional risks

Document: FO/05/76

THE COUNCIL RESOLVED:

- (i) to receive and note the report on current key institutional risks;
- (ii) to note that the University Management Advisory Group had agreed that the Risk Control Executive should be laid down and that UMAG should take direct responsibility for the oversight of key institutional risks.

CO.05/73 Institutional appointments

Document: AR/2005/672

THE COUNCIL RESOLVED to approve the following institutional appointments as set out:

- (i) emeritus appointments;
- (ii) continuing membership of the university.

CO.05/74 Council membership

Document: AR/2005/671

THE COUNCIL RESOLVED to note and confirm the reappointments to the Council and the Audit Committee as set out.

CO.05/75 Review of the current meeting

The Pro-Chancellor was congratulated on his handling of the meeting.