

GAP/2009/0304

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 20 March 2009

PRESENT: Mr B. M. Gray (in the chair), Vice-Chancellor, Mr A. Baker, Dr L. J. Banton, Ms H. Child, Professor P. J. Diggle, Ms G. Gardner, Mr J. Hadfield, Professor S. Henig, Professor G. Johnes, Mr G. Johnson, Mr L. King, Councillor G. Marsland, Mr. M. Payne, Mr S. Rimington, Professor D. B. Smith, Professor K. J. Stringer, Professor H. Thomason, Mr R. Turner, Ms L. Willis.

IN ATTENDANCE: Miss F. M. Aiken, Professor A. G. Chetwynd, Mr P. M. Graves, Professor R. D. McKinlay, Professor T. J. McMillan, Mr A. C. Neal, Ms S. Randall-Paley, Ms V. Tyrrell, Ms V. C. Walshe.

APOLOGIES FOR ABSENCE: Mr G. Middlebrook.

CO.09/17 Declaration of interests

The Chair of the Council asked that it be recorded that all Council members holding a contract of employment with the University had a potential interest in the agenda item regarding redundancy procedures (*see minute CO.09/24*).

CO.09/18 Presentation: Pro-Vice-Chancellor for Colleges and the Student Experience

Document: GAP/2009/0267

The Pro-Vice-Chancellor for Colleges and the Student Experience, Professor Mandy Chetwynd, gave a presentation on the University's latest student experience survey, which had asked for the views of 2nd year undergraduate and all postgraduate students on the non-academic aspects of their experiences at Lancaster. The biennial survey was intended to complement the information received through National Student Survey on undergraduate students' academic experience and assist the University in identifying areas of strength and weakness in

the overall student experience at Lancaster. The main topics covered were:

- entertainment, health and sports facilities;
- opportunities for students to get involved in activities;
- shops and catering;
- careers;
- college facilities;
- support services.

Overall over 80% of students had rated their experience at Lancaster as good or excellent but, as with the previous survey, postgraduate and international students were less satisfied than home undergraduate students. Other significant findings included:

- a low level of satisfaction with the college tutorial system;
- greatly improved usage by students of the careers service;
- differences in the pattern of services accessed by UK and international students, with the former making greater use of entertainment and social facilities like the Sugar House;
- similar differences in the level of importance given by UK and international students and postgraduates to different categories of college facilities;
- a significant number of international students had expressed interest in the possibility of having one or more specialist undergraduate colleges (particularly if this included a college that offered experience opportunities), but a much lower level of interest had been expressed by UK students.

The detailed survey results would be used to inform the work of key areas providing student support services (which included Colleges and Residences, Student Support and Welfare and CEEC) and would be discussed by the appropriate university committees. The data relating to the colleges would also be used to inform the two current reviews that were taking place of this area. Students would be informed of the results of the survey, and the actions that were being taken as a result, through a variety of means, including a dedicated website and leaflets.

Professor Chetwynd concluded by presenting some data from the Times Higher Education survey of student experience that allowed comparisons to be made with other universities. This suggested that in the great majority of areas Lancaster was comfortably in the upper quartile of all UK universities, but also usefully highlighted sporting facilities and the opportunities for work placements as areas of possible weakness. According to the survey Lancaster's biggest strengths were the security of the campus and the quality of its accommodation.

In response to questions from Council members Professor Chetwynd stated:

- (a) the main priority areas for follow-up action were improved sporting facilities (through the planned new sports centre) and addressing issues raised by international and postgraduate students;
- (b) the majority of international students expressed a desire for greater integration between themselves and UK students.

THE COUNCIL RESOLVED to receive the report and to thank Professor Chetwynd for her presentation.

CO.09/19 Minutes: report of meeting on 6 February 2009

Document: GAP/2009/0253

THE COUNCIL RESOLVED to approve the minutes as set out.

CO.09/20 Current schedule of future business

Document: GAP/2009/0275

THE COUNCIL RESOLVED to note the rolling schedule of business.

CO.09/21 Vice-Chancellor's report

Document: VC/09/R034

The Vice-Chancellor drew attention to his written report and the following points:

- (a) the discussions that had been taking place between UCEA and UCU on the negotiating framework for determining pay in universities had reached a successful conclusion, and the previously threatened industrial action on the part of UCU now looked unlikely: negotiations on the next pay settlement had now commenced through the agreed procedures, which included a mediation process if no agreement was reached;
- (b) the Vice-Chancellor had attended a summit convened by the Secretary of State for Innovation, Universities and Skills, John Denham, to discuss a forthcoming review of future H.E. policy that was to take place following the individual reviews he had commissioned on issues in H.E. and an independent commission was to be established for which terms of reference were now awaited;

- (c) the Vice-Chancellor had given evidence on behalf of UUK to the select committee that was considering issues associated with the introduction of the new points-based immigration system: this carried significant risks for UK H.E. institutions if it was implemented in a way that deterred legitimate students from studying in the UK;
- (d) the new Science Minister, Lord Drayson, had given a presentation which suggested that additional resources might be made available to universities in support of national and global science priorities, although the Vice-Chancellor noted that there was a danger that this could only be achieved through the reallocation of existing monies for H.E.

In response to questions from Council members the Vice-Chancellor stated:

- (i) the recent report commissioned by UUK on variable fees had set out a number of scenarios and their possible implications, but had not made any recommendations;
- (ii) although the HEFCE grant letter provided details of the nominal QR allocations associated with individual RAE Units of Assessment, the University had discretion over the internal distribution of this funding.

THE COUNCIL RESOLVED to note the Vice-Chancellor's report.

CO.09/22 LUSU President's report

Document: GAP/2009/0248

The LUSU President, Michael Payne, drew attention to his written report and the following points:

- (a) sabbatical elections had taken place to fill the new LUSU Vice-President posts (which included one dedicated to academic affairs) that were to take the place of the existing sabbatical officer posts in 2009-10;
- (b) the fifth annual One World Week had successfully taken place, comprising a range of events intended to educate people about social, environmental and cultural issues;
- (c) the new LUSU Strategic Plan had met with strong support in a referendum of students members;
- (d) a successful Student Media conference had been held in March, which had included a range of training events;
- (e) he welcomed the establishment of working groups on the vitality of the colleges and colleges in academic life;
- (f) he thanked the Estates Division for the support they had given to the Green Lancaster initiative;

- (g) he reported that the National Student Union would be lobbying for a strong student input into the forthcoming review of Higher Education.

THE COUNCIL RESOLVED to receive the LUSU President's report.

CO.09/23 Finance

Documents: FIN/09/01; FIN/09/02; COO/09/01 (Restricted); VC/09/R031; GAP/2009/0256; GAP/2009/0257 (Restricted)

(A) **REPORT OF DIRECTOR OF FINANCE AND RESOURCES**

The Director of Finance, Sarah Randall-Paley, drew attention to her written report and highlighted the current out-turn review for 2008-09. This was proving tighter than had been the case in recent years, and the position was being closely monitored. Adverse factors included a delay in the receipt of ERDF overheads and a decision by the Bowland Trust to re-phase its donation, but the University still expected to achieve its budgeted 4% surplus for 2008-09.

(B) **HEFCE GRANT 2009/10**

The overall grant settlement for the University had been slightly ahead of budget assumptions, with an increase of 3.39% compared with 2008/09, but less than the average sector increase of 4.1%. There had been some major shifts in the allocation of QR funding, following the results of the 2008 RAE, and within the 94 Group there had been some major winners and losers. The University was not one of the institutions which had suffered a major fall in its research funding, but it had received £350k of QR transition funding which was not likely to be continued in future years. There had also been some major shifts in the balance of QR allocations across different subject areas. For the first time HEFCE had reserved the right to review the current grant allocations if the results of the next Government Comprehensive Spending Review differed significantly from expectations.

The Director of Finance, and others, made the following additional points in response to questions from Council members:

- (a) one of the major factors influencing government decision making on future student numbers was the cost of providing student financial support;

- (b) as matters stood any increase in the cost of pension contributions in H.E. would have to be borne by employers rather than employees;
- (c) there were a range of reasons for the major shifts that had taken place in the balance of QR funding allocations to institutions and subject areas, including the decision of HEFCE to safeguard the share of mainstream QR grant allocated for research in science, engineering, medicine and mathematics (STEM subjects) and the use of quality profiles, rather than single overall quality scores, in the 2008 RAE;
- (d) it was expected that the HEFCE grant settlement for 2010-11 could be very tight.

(C) **FINANCING OF CAPITAL PROGRAMME**

The Chief Operating Officer, Andrew Neal, drew attention to the paper before Council which set out the latest position regarding the financing of the capital programme. He also reported on developments that had taken place subsequent to the paper being written and expressed the hope that it would be possible to reach a final conclusion within the parameters set by Council for the Authorised Signatories Group by the time of the next Council meeting.

(D) **INCORPORATION OF THE OPEN COLLEGE OF THE NORTH WEST (OCNW)**

The University Secretary drew attention to a paper before Council from the Finance Committee recommending that the Council should agree in principle to the disposal of OCNW, following the latter's decision to seek to incorporate as a company with charitable status with effect from 1 August 2009, which would require it to sever its current ties to the University.

In response to questions from Council members, the University Secretary and others stated:

- (a) the University was not willing to act as a guarantor to enable OCNW staff to remain within the USS and LGPS pension schemes because it would have to bear a disproportional share of the potential long-term risks and costs;
- (b) the proposed arrangements did not involve the transfer of any significant University assets to the new company.

(E) **REPORT OF FINANCE COMMITTEE MEETING ON 20 FEBRUARY 2009 (*part restricted*)**

The Report of the Finance Committee was before the Council.

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THE COUNCIL RESOLVED:

- (i) to receive the report of the Director;
- (ii) to note the report on the HEFCE 2009-10 grant letter;
- (iii) to note the report on the financing of the capital programme;
- (iv) to approve in principle the disposal by the University of OCNW, whilst noting that the process of consulting the staff and trade unions in accordance with TUPE (the Transfer of Undertakings Protection of Employment) regulations would continue, including consideration of future pension arrangements;
- (v) to note the report of the Finance Committee and to confirm the actions taken.

CO.09/24 Human Resources

Documents: VC/09/R028; GAP/2009/0286; GAP/2009/0287; GAP/2009/0229; GAP/2009/0259

(A) **REDUNDANCY PROCEDURES**

The Pro-Chancellor, speaking in his role as chair of the Human Resources Committee, reminded the Council of the decisions taken at its last meeting regarding the possible establishment of a Redundancy Committee and the follow up actions which had been agreed. These had now taken place and the following documents were before the Council:

- a report from the Human Resources Committee on the proposal to establish a Redundancy Committee, including a set of recommendations to Council;
- an extract from the draft minutes of the discussion at the Senate meeting held on 25 February 2009, including a motion to Council passed at the meeting;
- a note for information on communications with staff.

The Pro-Chancellor stressed that all concerned recognised the sensitivities of the issues involved. However, the report from the Human Resources Committee clearly set out the reasons why the University had to make changes to its processes for considering the renewal or otherwise of posts with fixed-term

contracts and/or the continuation of indefinite contracts linked to time-limited funding sources, which under the latest employment legislation had to be considered as potential redundancy cases.

With respect to the papers before Council and the proposals being made he drew attention to the following points.

- As matters stood the University's Statutes stipulated that any possible redundancies among the University's academic staff (as defined in the Statutes) had to be approved by the Council. Although the University rightly wished to introduce one common set of modernised redundancy procedures to apply equally to all staff, to date it had not proved possible to reach agreement on these with the trade unions, despite lengthy negotiations. It was therefore now necessary to take steps to ensure that the University was acting in accordance with the provisions currently contained in its Statutes as well as complying with current employment legislation.
- Statute 20 explicitly stated that the Council had to agree 'that it is desirable there should be a reduction in the academic staff' before a Redundancy Committee could be established' and although it was fully recognised that this wording was potentially misleading in the context of the possible redundancy cases currently under discussion, legal advice had been it should be used in any proposal to the Council to set up a Redundancy Committee.
- The Human Resources Committee had taken the view that the proposed Redundancy Committee should also take an overview of any redundancies being made amongst the non-academic staff of the University through the receipt of regular reports on these.
- The draft minute of the Senate discussion was before the meeting and it was recommended that Council should agree to the request of Senate that it should be invited to comment on the detailed terms of reference and operational procedures for the Redundancy Committee.
- He proposed that the Human Resources Committee should be authorised to make any minor changes thought desirable to the proposed procedures currently before the Council, provided that these did not alter the underlying principles agreed.

In discussion the following issues were amongst those raised by Council members.

- (a) The clarifications provided in the paper from the Human Resources Committee were welcomed by Council members, but concern was still expressed about the wording used in the resolution to the Council and the danger that it would send a misleading message to the University's staff.
- (b) It was asked if it were possible to change the wording of Statute 20.
- (c) It was wrong in principle to have separate redundancy processes for different categories of staff, and there could be difficulties in determining which staff should be regarded as academic related following the introduction of a single pay scale: in this context further information was requested about the status of negotiations with the trade unions.
- (d) It was argued that the absence of clear redundancy procedures for staff on fixed-term contracts and staff on indefinite contracts who were dependent on time-limited funding would in fact lead to fewer staff being employed, as the University would be unable to carry the risk of having to meet continuing staff costs after the associated funding ceased.
- (e) It was suggested that Senate should be given the opportunity to comment on the detailed redundancy procedures before they were finalised and that final approval should be given by the Council rather than the Human Resources Committee.

In response, the Vice-Chancellor and others stated:

- (A) the University would continue to seek the introduction of common redundancy procedures for all categories of staff, but it was no longer possible to delay addressing the issue of redundancies amongst academic staff on fixed term contracts or in posts dependent on time-limited funding. Negotiations on proposed new employment procedures had been taking place for around eighteen months and the latest version of the University's proposals were currently with the trade unions. A report on the current proposals being made to the Council and the reasons for them had been made to the Joint Consultative Committee;

- (B) the University Secretary advised that any changes to the wording used in Statute 20 would require approval by the Privy Council in a process that could take up to twelve months;
- (C) the Human Resources Committee would be able to receive any comments made by Senate on the proposed detailed terms of reference and procedures for the Redundancy Committee before finalising these.

THE COUNCIL RESOLVED:

- (i) to agree ‘that it is desirable that there should be a reduction in the academic staff:
 - (a) of the University as a whole; or
 - (b) of any school, department, or other similar area of the University
 by way of a redundancy’ (Statute 20.10(2)) (on a show of hands 12 in favour, 5 against with 2 abstentions);
- (ii) to agree to establish a Redundancy Committee to oversee all redundancies arising within the University (on a show of hands 13 in favour, 5 against with 1 abstention);
- (iii) to agree that the Redundancy Committee shall be constituted as set out in this report and with the terms of reference set out in Appendix 6 (on a show of hands 13 in favour, 5 against with 1 abstention);
- (iv) to authorise the Human Resources Committee to make any minor amendments thought necessary to the procedures approved by the Council;
- (v) to note the comments made by Senate and the motion to Council passed at the meeting;
- (vi) to invite the Senate to make comments on the terms of reference and operational procedures of the Redundancy Committee;
- (vii) to note that the Human Resources Committee would receive any comments made by the Senate before finalising the Committee’s terms of reference and operational procedures.

(B) **REPORT OF THE MEETING OF THE HUMAN RESOURCES COMMITTEE ON 19 FEBRUARY 2009**

The Council resolved to note the report of the Committee and to confirm the actions taken.

CO.09/25 Risk Register

Document: FIN/09/04

THE COUNCIL RESOLVED to note the institutional risks as set out.

CO.09/26 Key Performance Indicators

Documents: GAP/20090279/; GAP/2009/0281; GAP/2009/0280

- (a) Balanced scorecard
- (b) Thematic report on staffing

THE COUNCIL RESOLVED to note the latest balanced scorecard of key performance indicators and thematic report on staffing.

CO.09/27 Nominations Committee: report of meeting on 6 February 2009

Document: VC/09/R030

THE COUNCIL RESOLVED to note the report of the Committee and to confirm the actions taken.

CO.09/28 Audit Committee: report of meeting on 27 February 2009

Document: VC/09/R029

THE COUNCIL RESOLVED to note the report of the Committee and to confirm the actions taken.

CO.09/29 Public Arts Strategy Committee: report of meeting on 4 November 2008

Document: GAP/2009/0262

THE COUNCIL RESOLVED to note the report of the Committee and to confirm the actions taken.

CO.09/30 Knowledge Exchange and Commercial Affairs Committee: report of meeting 21 November 2008

Document: GAP/2009/0263

THE COUNCIL RESOLVED to note the report of the Committee and to confirm the actions taken.

CO.09/31 Senate: report of meeting of 19 November 2008

Document: GAP/2009/0274

THE COUNCIL RESOLVED to note the report of the Senate meeting.

CO.09/32 Review of current meeting

Council members expressed themselves happy with the arrangements made.