

**GAP/2009/0469**

**LANCASTER UNIVERSITY**

Minutes of a meeting of the Council  
held on 8 May 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 G. Middlebrook, Mr M. Payne, 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.

**APOLOGIES FOR ABSENCE:** Mr S. Rimington.

CO.09/33 Declaration of interests

There were no declarations of interest.

CO.09/34 Minutes: report of meeting on 20 March 2009

*Document: GAP/2009/0394*

THE COUNCIL RESOLVED to approve the minutes as set out.

CO.09/35 Current schedule of future business

*Document: GAP/2009/0392*

THE COUNCIL RESOLVED to note the rolling schedule of business.

CO.09/36 Vice-Chancellor's report

*Document: VC/09/R052*

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

- (a) The Vice-Chancellor had attended a small meeting convened by David Miliband (Secretary of State for Foreign and Commonwealth Affairs) and John Denham (Secretary of State for Innovation, Universities and Skills) to discuss how UK Universities' contribution to research on global issues might be resourced in the future. The content of the meeting had suggested that any related funding was more likely to be focussed on capacity building than linked to individual projects.
- (b) The latest university league table published in the Independent Newspaper (the first to take account of the 2008 RAE results) had ranked Lancaster at 12<sup>th</sup> in the UK, compared with last year's ranking of 10<sup>th</sup>.
- (c) The Secretary of State for Innovation, Universities and Skills had announced a £180m reduction in University funding for 2010-11. Because of the overlap between the financial and academic years, this would also have an impact on the final grant allocations for 2009-10. The Secretary of State had also stated his wish that research funding for science subjects should be ring fenced and that there should be a greater element of contestability in the process for allocating any additional student numbers to institutions. The likely overall effect would be a reduction in the national unit of resource for teaching.

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

CO.09/37 LUSU President's report

*Document: GAP/2009/0391*

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

- (a) LUSU had been one of six student unions taking part in a NUS organised fundraising training event, which had included some helpful suggestions on possible interactions with Primary Care Trusts.

- (b) He had attended a Higher Education Policy Institute conference to discuss students' academic experience at which the actions taken by Lancaster to guarantee minimum standards of academic contact time for students had been cited as a positive sector example.
- (c) He was pleased to report that a special event in the House of Commons, hosted by Jack Straw MP, to showcase the activities of the Lancaster University Volunteering Unit was to take place.

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

C0.09/38 Strategy: Draft Strategic Plan

*Documents: GAP/2009/0389; GAP/2009/0377; GAP/2009/0404*

The Vice-Chancellor reminded the Council that under the Statutes and Ordinances it had responsibility for approving the University's strategic plans and presented some slides summarising the key issues that had been considered in producing the draft strategic plan for 2009-2015. He drew attention to the following points.

- (a) The financial environment had radically changed since June of last year when the Council had first invited the Vice-Chancellor to establish a process to produce a new strategic plan.
- (b) The draft plan focussed on identifying the University's strategic objectives rather than describing its organisational and governance structures.
- (c) Issues that the draft plan aimed to address included:
  - the increased globalisation of higher education;
  - the need to look to non-government sources of funding if the University was to achieve growth over the next five years;
  - the importance of continuing to generate surpluses to enable the maintenance of the campus infrastructure and investment in new activities;
  - the importance of increasing the recruitment of PGRs and maximising completion rates;
  - the government's emphasis on the role of research in promoting economic and policy development;
  - the importance of environmental impact, sustainability and carbon reduction;
  - the increased attention likely to be paid to graduate employability in the new economic environment;

- the need to prepare for the introduction of the new Research Excellence Framework.
- (d) the key driver determining the proposed content of the plan was the University's ambition to be recognised as one of the top 100 universities in the world.

The following points were amongst those made in discussion:

- (A) General support was expressed for the strategic direction set out in the draft plan and the objective of continuing to generate financial surpluses.
- (B) Care would be needed to ensure that any risks associated with reliance on non-government sources of income were effectively managed.
- (C) It was suggested that the following areas might be given more emphasis in the final text:
- the exploitation of Intellectual Property Rights;
  - acknowledgement of the likely need to redistribute some resources on basis of the University's agreed strategic priorities;
  - the importance of social inclusivity;
  - the graduate skills that are needed to respond to new demands from the workplace;
  - the need to make financial and organisational efficiency gains.

THE COUNCIL RESOLVED:

- (i) to receive and note the Vice-Chancellor's presentation;
- (ii) to note that the final version of the Strategic Plan would be presented for approval to the June meeting.

CO.09/39 Finance

*Documents: FIN/09/15; FIN/09/007 (previously circulated); FIN/09/14 (previously circulated); COO/09/06; COO/09/05 (Restricted)*

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

The Director of Finance, Sarah Randall-Paley, drew attention to the written report before Council.

(B) **MANAGEMENT ACCOUNTS AS AT 28 FEBRUARY 2009 AND 31 MARCH 2009**

The latest Management Accounts had been circulated to Council members.

(C) **CAPITAL PROPOSAL: FARADAY COMPLEX REFURBISHMENT**

A proposal was before Council for the approval of the Faraday Complex Refurbishment Project within a funding envelope of £1.9m.

(D) **REFINANCING OF CAPITAL PROGRAMME**

The Chief Operating Officer, Andrew Neal, drew attention to the paper before Council which set out the latest position regarding the refinancing of the capital programme. Discussions were currently taking place on the legal details of a possible financing structure and the Authorised Signatories Group would meet again on 22 May with a view to considering final proposals. A key factor would be possible movements in interest rate levels over the next few weeks. Flexibility would be retained on timing and whether to proceed with all or part of the proposed arrangements.

Because it was now possible that the most advantageous structure would require the University's Annualised Debt Service Costs to Income (ADSC) to exceed the standard 4% HEFCE consent threshold, Council was asked to approve an amendment to the wording of the delegation to allow the Authorised Signatories Group a wider remit on this specific point.

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THE COUNCIL RESOLVED:

- (i) to receive the report of the Director;
- (ii) to approve the Faraday Complex Refurbishment Project within a funding envelope of £1.9m;
- (iii) to receive the report of the Chief Operating Officer on the refinancing of the capital programme;
- (iv) to approve the revised delegation to the Authorised Signatories Group as set out in Appendix 1 of document COO/09/05.

C0.09/40 Human Resources

*Documents: VC/09/R049; VC/09/R050*

**(A) PAY NEGOTIATIONS UPDATE**

The University Secretary reported on the latest developments regarding current negotiations on a pay settlement for 2009-10 and drew attention to the following points:

- (a) UCEA had offered a 0.3% pay award, which had been rejected by all the unions involved;
- (b) prior to receiving the UCEA pay offer UCU had announced its intention to ballot its members on possible industrial action in support of its 8% pay claim and demand for a national agreement to protect against possible job losses in the H.E. sector;
- (c) many elements of the detailed claim from UCU concerned locally determined matters that fell outside UCEA's mandate to negotiate on behalf of its members;
- (d) around 70 universities had approached UCU about possible irregularities in its formal notification of the ballot, particularly with regard to the accuracy of the UCU membership records;
- (e) the University would take steps to ensure that in the event of industrial action any disruption to student assessment was minimised.

**(B) POINTS-BASED IMMIGRATION SYSTEM**

The University Secretary drew attention to a paper before Council setting out the implications for the University of the Government's new points-based immigration system. Visa charges had been increased and additional information now needed to be included in applications for new visas and extensions to existing visas. Institutions would also be required to report persistent non-attendance by overseas students to the UK Border Agency. Clarification was still awaited from the Agency on many aspects of the new system's operation, and there was a general concern in the H.E. sector that overseas students would be deterred from studying in the UK. However, compliance with the new system was a legal requirement for the University to continue recruiting overseas students.

THE COUNCIL RESOLVED to note the reports.

CO.09/41 Governance: Changes to Statutes and Ordinances

*Document: VC/09/R047*

The University Secretary drew attention to a document before the Council setting out some proposed minor changes to the University's Statutes and Ordinances.

THE COUNCIL RESOLVED:

- (i) to give initial approval to the changes to the Statutes and Ordinances as set out in the document and accompanying appendices;
- (ii) to seek the concurrence of Senate to the proposed changes.

CO.09/42 Risk Register

*Document: FIN/09/16*

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

CO.09/43 Key Performance Indicators

*Documents: GAP/2009/0403; GAP/2009/0402; GAP/2009/0401*

- (A) **BALANCED SCORECARD**
- (B) **THEMATIC REPORT ON RESEARCH**

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

CO.09/44 University Appointments

*Documents: GAP/2009/0390; GAP/2009/0384*

- (A) **UNIVERSITY LIBRARIAN**

The Vice-Chancellor reported with regret that the current University Librarian, Jacqueline Whiteside, was to retire early on grounds of ill health, and expressed his warm appreciation of the many valuable contributions she had made to the life of the University over the last 15 years.

The process of recruiting on successor would commence with immediate effect and an appointing panel established modelled on the previous appointment process, with the addition of an officer from LUSU to the panel. On the basis of panel's

recommendation, the Senate would recommend the appointment for approval by the Council.

**(B) EMERITUS AND CONTINUING MEMBERSHIP**

A document setting out the latest proposed emeritus and continuing membership appointments was before the Council.

THE COUNCIL RESOLVED:

- (i) to note the report regarding the post of University Librarian;
- (ii) to approve the new emeritus and continuing membership appointments as set out.

CO.09/45 Estates Committee: report of meeting of 13 February 2009

*Document: GAP/2009/0395*

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

CO.09/46 Senate: report of meeting of 25 February 2009

*Document: GAP/2009/0396*

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

CO.09/47 Review of current meeting

Council members expressed themselves happy with the arrangements made.