

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 18 June 2010

PRESENT: Mr B. M Gray (in the Chair); Vice-Chancellor; Mr A. Baker; Dr G. Brown; Dr K Davidson; Professor P. J. Diggle; Mr F. Fitzherbert-Brockholes; Mr J. Hadfield; Professor S. Henig; Professor G. Johnes; Mr L. King; Councillor G. Marsland; Mr G. Middlebrook; Mr G. Parker; Mr M. Payne; Mr R. Pickles; Professor H. Thomason; Mr R. Turner; Ms L. Willis.

IN ATTENDANCE: Miss F. M. Aiken; Professor A. G. Chetwynd; Professor S. Cox; Mr J. Davies; Professor R. D. McKinlay; Professor T. J. McMillan; Mr A. C. Neal; Mrs S. Randall-Paley; Mr L. Richardson; Mr M. Swindlehurst; Mr C. Thrush; Mrs L. M. Wareing.

APOLOGIES FOR ABSENCE: Dr L. Banton, Ms H. Child; Ms G. Gardner.

CO.10/50 Declaration of interest

There were no declarations of interest.

CO.10/51 Presentation: Dean of the Management School

Document: SEC/2010/2/0707

The Dean of the Management School, Professor Sue Cox updated Council members on activities in the Lancaster University Management School (LUMS) and, in particular:

- (a) outlined the ways in which LUMS is pursuing the third strand of the University's Strategic Plan: "to grow income streams through diversification and collaborative partnerships";
- (b) reported that 50% of total LUMS income now comes from international students studying at Lancaster, or studying overseas with partner institutions, and that the School is aiming to double this revenue by 2012/13;

- (c) reported on the three major international teaching partnerships:
 - with Sunway University College in Kuala Lumpur;
 - with G D Goenka in Delhi;
 - with COMSATS in Lahoreand the numerous smaller collaborations in other parts of the world;
- (d) described the challenges and opportunities;
- (e) outlined plans for future expansion;
- (f) explained the significant cultural shift needed in order to foster a truly international mindset and to embed these international partnerships within the University.

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

CO.10/52 Minutes: report of meeting on 7 May 2010

Document: SEC/2010/2/0663

THE COUNCIL RESOLVED to approve the minutes as set out.

CO.10/53 Current schedule of future business

Document: SEC/2010/2/0664

THE COUNCIL RESOLVED to note the rolling schedule of business.

CO.10/54 Vice-Chancellor's report

Document: VC/10/R004

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

- (a) recent University achievements including:
 - the successful bid for funded student numbers to the HEFCE Modernisation Fund;
 - the THE Outstanding Finance Team award won by the Finance Office
 - the University's placement in the top ten of the three major national league tables (6th in The Guardian, 8th in The Independent and 10th in The Times);
- (b) an update on national affairs including:
 - actual and predicted cuts in the HE sector and their likely impact;
 - the top priorities for the Department of Business, Innovation and Science as set out by Vince Cable;
 - the likely publication date (October 2010) for the Browne Review report;

- (c) the intention to bring the report of the Financial Sustainability and Academic Regeneration Working Groups to the October meeting of Council.

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

CO.10/55 LUSU President's report

Document: SEC/2010/2/0665

The LUSU President drew attention to his written report as set out and to the following:

- (a) his gratitude to Rick Turner in particular and to Council members in general for their support, and for their interest in LUSU and in student activities;
- (b) his congratulations to the Finance Office team on their THE award;
- (c) his concerns about future government policy for the HE sector and his support for university Vice-Chancellors in their efforts to ensure continued and sustained investment in UK HE;
- (d) his plea to Council members to remain vigilant, inquisitive and challenging in protecting students' interests, and in the need to safeguard standards and quality;
- (e) his thanks to the University for the opportunities it had offered him and his good wishes for the future.

THE COUNCIL RESOLVED to note the President's report.

CO.10/56 Finance

Documents: FIN/10/43; FIN/10/48; COO/10/25; SEC/2010/2/0609; FIN/10/32 (previously circulated); FIN/10/41 (previously circulated)

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

The Director of Finance drew attention to her written report as set out and confirmed that the University is still on course to meet its target surplus in 2009/10.

(B) **HEADLINE BUDGET FOR 2010/11 AND FINANCIAL FORECASTS TO 2012/13**

The Director of Finance drew attention to the headline budget and financial forecasts as set out and to the following:

- (a) the assumptions underlying the budget and forecasts;
- (b) the climate of extreme perturbation and uncertainty against which budgeting and forecasting activities are currently taking place;
- (c) that the 2011/2012 financial year is expected to be very difficult;
- (d) the Comprehensive Spending Review, due in autumn 2010, which it is hoped will bring more information and clarity.

(C) **CAPITAL PROGRAMME FOR 2010-13**

The Chief Operating Officer drew attention to the proposals as set out and to the following points:

- (a) the rolling nature of the exercise and the addition of new and changed projects to those previously included in earlier versions of the programme brought before Council, noting that the projects and plans in the first two years of the period under consideration relate to money already in the bank, whereas plans for the third year of the rolling plan relate to money it is intended to have in the bank;
- (b) the importance of striking a balance between the need for continuing development of the University estate with the need for caution as to committing expenditure and the consequent adjustments to the rolling programme and to budgets.

During discussion it was confirmed that:

- (a) there is a separate and detailed programme for the maintenance of student residences;
- (b) the University is considering how to take forward the wind turbine project following the recent local planning authority decision.

(D) **REPORT FROM THE WORKING GROUP ON THE IMPACT OF TUITION FEES**

The chair of the Working Party, Mr Rick Turner, introduced the report and drew attention to:

- (a) the process followed;
- (b) the general principles commended to Council for the guidance of decision-making in relation to tuition fees;
- (c) the rationale for the conclusions reached.

During discussion Council members indicated their approval of the general principles set out in the report.

(E) **MANAGEMENT ACCOUNTS AS AT 31 MARCH AND 30 APRIL 2010**

The latest Management Accounts had been circulated to Council members

THE COUNCIL RESOLVED to:

- (i) note the Report of the Director of Finance;
- (ii) approve the Headline Budget for 2010/11 and the Financial Forecasts to 2012/13;
- (iii) approve the Capital Programme for 2010-13;
- (iv) approve the report from the Working Group on the impact of tuition fees and the recommendations as set out:
 - (a) that, agreed financial delegations notwithstanding, any major change to the current arrangements relating to tuition fees should require a decision of Council;
 - (b) that the Working Party be laid down forthwith;
- (v) Management Accounts as at March 2010 and April 2010.

CO.10/57 Estates

Documents: COO/10/27; SEC/2010/2/0693

- (A) **REFURBISHMENT OF BOWLAND MAIN**
- (B) **FACILITIES STRATEGY**

The Chief Operating Officer drew attention to the strategy as set out and to the following points:

- (a) that the Facilities Strategy before Council is part of a family of functional strategies that underpin the University's overarching strategy;
- (b) that the new Facilities Strategy subsumes what was formerly a separate Estates Strategy, which was last approved in 2004;
- (c) the shift in emphasis from new build to the maintenance and enhancement of the existing estate;
- (d) the overriding need to ensure that the University estate is fit for purpose.

THE COUNCIL RESOLVED to:

- (i) note the paper and to approve the refurbishment of Bowland Main;
- (ii) approve the Facilities Strategy.

CO.10/58 Human Resources: Employment policies update

Documents: COO/10/30; SEC/2010/2/0724; SEC/2010/2/0725; SEC/2010/2/0726

The Chief Operating Officer reminded Council members of the ongoing negotiations and provided an update on developments since the May meeting of Council.

The Director of Human Resources updated Council on developments since the report submitted to Council had been written. He drew attention to the following points:

- (a) progress had been made in relation to three policies: Capability, Grievance and Disciplinary;
- (b) he hoped that, following one further meeting with union negotiators which had already been scheduled, these policies would shortly be submitted to union members for approval;
- (c) the recommendation contained in the report that, in the event of failure to reach agreement with campus trade unions, the matter should be put to arbitration;
- (d) a final set of the policies requiring Council approval would be brought to the October meeting.

THE COUNCIL RESOLVED to:

- (i) note the attached Employment Policies;
- (ii) note progress made to date in negotiations with campus trade unions and the failure to agree new policies to date;
- (iii) approve the proposed way forward;
- (iv) invite management to bring back a finalised set of policies to the next meeting of Council.

CO.10/59 Governance

Documents: SEC/2010/2/0703; SEC/2010/2/0701; SEC/2010/2/0698

(A) **REVISED STRUCTURE OF THE VICE-CHANCELLOR'S OFFICE**

The Vice-Chancellor outlined the proposal before Council and highlighted:

- the current structure of his office;
- the rationale for the proposed change;
- the benchmark information gathered from;
- from other institutions;
- that Senate had already considered and endorsed the proposal.

(B) **REPORT OF UNIVERSITY SECRETARY**

The University Secretary drew attention to her written report as set out and to the proposals contained therein.

(C) **LUSU CONSTITUTION**

The University Secretary outlined the reasons for the proposed changes and confirmed that the proposed new LUSU constitution meets all the requirements of the Charity Commission.

THE COUNCIL RESOLVED to:

- (i) approve the revised structure of the Vice-Chancellor's Office;
- (ii) note the Report of University Secretary and approve the amendments to committee remits as set out, and to approve the schedule of delegations in relation to colleges and student experience;
- (iii) approve the revised LUSU constitution.

CO.10/60 Risk Register

Document: FIN/10/45

The Director of Finance outlined the changes made to the Risk Register in response to requests and suggestions made by Council members, noting that:

- the revised format presents only the highest risks to Council for consideration;
- that the full Risk Register will continue to be considered by the Audit Committee on a regular basis.

Council members expressed themselves happy with the revised format of the Risk Register report and thanked the Director of Finance for her work.

THE COUNCIL RESOLVED to note the report.

CO.10/61 Key Performance Indicators

Documents: SEC/2010/2/0717; PSU/2010/0082; PSU/2010/0083

The Vice-Chancellor drew attention to the reports a set out.

THE COUNCIL RESOLVED to note:

- (i) the updated KPI balanced scorecard;
- (ii) the thematic report on people.

CO.10/62 Emeritus and Continuing membership

Document: SEC/2010/2/0666

THE COUNCIL RESOLVED to approve the appointments as set out.

CO.10/63 Review of current meeting

Council members expressed themselves happy with the arrangements made.

CO.10/64 Standing Committees

*Documents: SEC/2010/2/0696; SEC/2010/0691; SEC/2010/2/0720;
SEC/2010/2/0729; SEC/2010/2/0668; SEC/2010/2/0730; SEC/2010/0669*

THE COUNCIL RESOLVED to receive the report from the following committees.

- (i) **AUDIT COMMITTEE:** meeting of 28 May 2010
- (ii) **ESTATES COMMITTEE:** meeting of 14 May 2010
- (iii) **FINANCE COMMITTEE:** meeting of 21 May 2010
- (iv) **HUMAN RESOURCES:** meeting of 21 May 2010
- (v) **KNOWLEDGE EXCHANGE AND COMMERCIAL AFFAIRS COMMITTEE:**
meeting of 19 March 2010
- (vi) **PUBLIC ARTS STRATEGY COMMITTEE:** meeting of 12 May 2010
- (vii) **SENATE:** meeting of 21 April 2010

CO.10/65 Farewell to retiring members

The Council recorded its thanks to Mr Rick Turner and to Mr Michael Payne, who had both reached the end of their respective terms of office.