

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 25 March 2011

PRESENT: Mr B. M Gray (in the Chair); Vice-Chancellor; Mr A. Baker; Mr W. Bingley; Dr R. Boumphrey; Dr G. Brown; Mr J. R. Carr; Dr K Davidson; Mr F. Fitzherbert-Brockholes; Mr J. Hadfield; Mr L. King; Mr M. Lord; Mr G. Middlebrook; Mr G. Parker; Mr R. Pickles; Professor E. Rose; Professor H. Thomason; Ms L. Willis.

IN ATTENDANCE: Miss F. M. Aiken; Ms L. Houghton; Professor R. D. McKinlay; Professor T. J. McMillan; Mr A. C. Neal; Mrs S. Randall-Paley; Mr M. Swindlehurst; Mr C. Thrush; Ms V. Tyrrell; Mrs L. M. Wareing.

APOLOGIES FOR ABSENCE: Mrs G. Gardner; Professor G. Johnes; Councillor G. Marsland.

CO.11/18 Declaration of interest

There were no declarations of interest.

CO.11/19 Presentation: Chief Operating Officer

Document: COO/11/11

The Chief Operating Officer gave a presentation about returns on major capital investments, including the Lancaster Environment Centre, InfoLab21, and the Management School Leadership Centre in which he drew attention to the following points:

- the history of investments and the amounts;
- the research income and profile of the respective areas;
- student registration numbers and teaching income in the respective areas;
- the economic effect of investment, including benefits for the region and for SMEs in particular;

- the sharper identity achieved by Lancaster in each of the areas of investment;
- the encouragement of collaboration and the consequences for research and teaching activities.

During discussion it was noted that:

- the University has successfully developed skills in terms of interacting with business organisations;
- target income streams have been achieved overall although the mix and levels are different from those estimated;
- possible academic gains always need to be factored into capital investment proposals.

THE COUNCIL RESOLVED to receive the report and thanked the Chief Operating Officer for his presentation.

CO.11/20 Minutes

Document: SEC/2011/2/0293

THE COUNCIL RESOLVED to:

- (i) approve the minutes of the meeting on 11 February 2011;
- (ii) note that LUBEL discussions were ongoing and that proposals will be brought back to Council if and when appropriate.

CO.11/21 Current schedule of future Council business

Document: SEC/2011/2/0295

THE COUNCIL RESOLVED to note the schedule of future Council business.

CO.11/22 Vice-Chancellor's report

Document: VC/10/R005

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

- (a) the recent review of Lancaster's policy in relation to gifts and consultancies which indicated broad satisfaction and which enabled him to reassure Council;
- (b) the possible joint venture with the Guangzhou University of Foreign Studies;

- (c) the recent signing ceremony at the South China Institute of Technology in respect of the new Confucius Institute;
- (d) the latest position in relation to the UCU ballot on strike action over pay and pensions;
- (e) the decision expected on 4 April 2011 by the Lancaster City Council Planning Committee in relation to the University's wind turbine application;
- (f) the outcome of government discussions about the student visa system which appeared not to be too problematical for Lancaster;
- (g) the implications for the HE sector of elements of the recent UK Budget;
- (h) the THE Student Experience Survey which indicates that Lancaster University is performing well against the national average.

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

CO.11/23 LUSU President's report

The LUSU President made an oral report in which he drew attention to:

- his satisfaction at the high scores achieved in the recent THE Student Experience survey;
- the results of the recent LUSU Executive Officers' election which had seen the highest ever turnout (21%);
- the successful Campus Festival held over the weekend of 19th/20th March.

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

CO.11/24 Finance

Documents: FIN/11/19; SEC/2011/2/0309 (Restricted and Commercial-in-Confidence); SEC/2011/2/0296 (Restricted and Commercial-in-Confidence); FIN/11/10 (previously circulated)

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

The Director of Finance drew attention to her written report as set out and to the following points:

- (a) the in-year cut to 2010/11 HEFCE T funding which was in line with expectations;
- (b) the likely impact of the contents of the recently received HEFCE grant letter which had announced:
 - cuts in T and R grants for 2011/12 broadly in line with expectations;
 - Capital Funding Allocations much lower than expected;

- (c) that the financial forecasts brought to Council in May will take account of all the foregoing;
- (d) that Standard and Poors has recently confirmed the University's credit rating which is an excellent achievement in the current financial climate.

(B) **LEVEL OF TUITION FEES FOR HOME-EU UNDERGRADUATES AND THE UNIVERSITY'S ACCESS AGREEMENT**

The Pro-Chancellor drew attention to the proposal as set out and noted that it had been unanimously endorsed by the Finance Committee at its meeting on 8 March 2011. He then invited the Deputy Vice-Chancellor to provide Council members with background information in order that they would have the fullest possible picture when considering the tuition fees proposal.

The Deputy Vice-Chancellor outlined:

- (a) the role and remit of OFFA;
- (b) background information about existing Access Agreements which have been in operation for several years;
- (c) the current level of University expenditure under its existing Access Agreement;
- (d) a summary of the 40 pages of guidance provided by OFFA about future expenditure, including:
 - the concept of a "Basic Fee" of £6000 with any element above this amount (up to the maximum of £9000) deemed to be "chargeable";
 - the three bands set by OFFA to determine the proportion of the chargeable fee to be disbursed for widening participation;
- (e) estimates of the amount which Lancaster will be required to allocate to widening participation expenditure (based on estimated student numbers, the proposed fee level and the likely OFFA band);
- (f) the four main options as to how to spend the widening participation fund:
 - National Scholarship Programme;
 - outreach activities (getting students into university);
 - retention (keeping students in university);
 - general financial support.

The Pro-Chancellor reminded Council members that:

- (a) the Access Agreement has to be submitted to OFFA by 19 April 2011 and OFFA's role will be to check that Lancaster's proposed agreement is in line with the published rules;

- (b) that the framework of fees and support has been determined at national level by the UK government;
- (c) that Council has to decide what the University should do within that framework and, specifically, consider the tuition fees proposal unanimously endorsed by the Finance Committee.

During discussion, the following points were made:

- the LUSU President reported that most students are generally concerned by the proposals but, given that the parameters have been set by the government, think that the University should set its fees at £9000;
- concerns were raised about the government's reaction if the majority of UK universities set their fees at the maximum possible level and it was acknowledged that the government is currently struggling to decide on its response;
- the importance of clearly communicating the University's position on tuition fees internally and externally.

(D) MANAGEMENT ACCOUNTS

The Management Accounts had been circulated to members.

THE COUNCIL RESOLVED to:

- (i) note the report of the Director of Finance;
- (ii) receive a briefing from the Deputy Vice-Chancellor on the University's Access Agreement;
- (iii) approve the recommendation from the Finance Committee, as set out, for the level of tuition fees for Home-EU undergraduates from September 2012;
- (iv) note the Management Accounts as at January 2011.

CO.11/25

Governance

Documents: SEC/2011/2/0256; SEC/2011/2/0247; SEC/2011/2/0268; SEC/2011/2/0269

(A) CHARTER AND ORDINANCES

The University Secretary drew the attention of Council to the proposal as set out. She reminded Council members that they had approved the proposal in principle, *nem con*, on 11 February and reported that Senate had, on 23 February 2011, agreed with the point of principle and noted the proposed amendments. She also reported that Senate

had concurred with the changes to the Ordinances approved by Council on 11 February 2011.

THE COUNCIL RESOLVED *nem con*, to:

- (i) approve the special resolution to amend the Charter;
- (ii) note that the Senate concurred with changes to the Ordinances.

(B) **CODE OF PRACTICE BETWEEN THE UNIVERSITY AND LUSU**

THE COUNCIL RESOLVED to approve the revised Code of Practice between Lancaster University and Lancaster University Students' Union.

CO.11/26 Strategy: Development of White Paper for Higher Education

Document: VC/11/R004

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

- (a) the decision to delay the release of the White Paper until late May or early June and the likely reasons for the delay;
- (b) the outline chapter areas as set out in the report:
 - barriers to participation;
 - improving quality and standards;
 - the reform of funding;
 - sustaining research excellence;
 - supporting economic growth;
 - the design of a new regulatory framework;
- (c) the key issues which it would be useful for the University to think about during the period of delay:
 - careers
 - widening participation and access;
 - key information for students;
 - employability and enterprise;
 - research funding from industry.

During discussion it was noted that:

- there appears to be a considerable degree of confusion within government circles as to the consequences of the new fees and funding regime;
- that it would be useful if at future meetings Council were to consider the strategic implications of the new fees and funding regime for the HE sector generally and for Lancaster University in particular.

THE COUNCIL RESOLVED to note the current information on the development of the White Paper and the actions being taken by the University on key issues.

CO.11/27 Chief Operating Officer

Document: COO/11/12

The Chief Operating Officer drew attention to his written report as set out and to the following:

- the process review currently under way in the University following restructuring within the central administration and within faculties, with the primary aim of identifying and eradicating unnecessary duplication;
- the departure of the Director of Human Resources from the University at the beginning of May to take up a post elsewhere.

The Pro-Chancellor congratulated the Director of Human Resources and thanked him for his contribution to the University.

THE COUNCIL RESOLVED to note the Chief Operating Officer's report.

CO.11/28 Human Resources

Document: SEC/2011/2/0301; SEC/2011/2/0311

(A) **EMPLOYMENT POLICIES UPDATE**

The Director of Human Resources drew attention to his written report and to developments since the report had been written, noting that:

- UCU and Unison had both agreed to present the two policies for Redundancy and Redeployment to their respective memberships, with recommendations to accept, and Unite had agreed to take forward the Redeployment Policy to its membership but was reserving its position on the Redundancy Policy;
- a further progress report would be made to the May meeting of Council.

(B) **NATIONAL PAY NEGOTIATIONS**

Council considered the proposal as set out.

THE COUNCIL RESOLVED to:

- (i) note the progress report on Employment Policies;
- (ii) approve the proposal that the University participate in the 2011 national pay bargaining round.

CO.11/29 Audit Committee: report of meeting held on 25 February 2011

Documents: SEC/2011/2/0261; SEC/2011/2/0262

The Chair of the Audit Committee drew attention to the written report and to the revised terms of reference as set out.

THE COUNCIL RESOLVED to approve the report and the revisions to the terms of reference.

CO.11/30 Key Performance Indicators

Documents: SEC/2011/2/0303; PSU/2011/0044; PSU/2011/0043

In relation to the balanced scorecard it was noted that:

- the University now has more international students registered with its International Teaching Partners than are registered at Lancaster;
- some data is still missing from the “People” section because of the review of the HR Strategy currently underway.

The Pro-Vice-Chancellor for Research, Professor McMillan drew attention to the thematic report on Research as set out and to the following points:

- that whilst the University’s QR income might look low this is because Lancaster has a relatively small volume of science, technology and engineering compared to many other universities and is actually performing well in relative terms;
- that some progress made towards the University’s PGR numbers target and, given that this category of students will become increasingly important in future, the University’s success in obtaining Doctoral Training Centres is very encouraging.

THE COUNCIL RESOLVED to note:

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

CO.11/31 Emeritus and Continuing membership

Document: SEC/2011/2/0307

THE COUNCIL RESOLVED to approve the appointments as set out.

CO.11/32 Review of current meeting

Council members expressed themselves satisfied with the arrangements.

CO.11/33 Standing Committees

Documents: SEC/2011/2/0305; SEC/2011/2/0291; SEC/2011/2/0283 (Restricted and Commercial in Confidence); SEC/2011/2/0279 (Commercial-in-Confidence); SEC/2011/2/0281 (Commercial-in-Confidence); SEC/2011/2/0278

THE COUNCIL RESOLVED to receive the reports from the following committees:

- (a) Colleges and the Student Experience Committee: meeting of 27 January 2011;
- (b) Estates Committee: meeting of 4 February 2011;
- (c) Finance Committee: meeting of 18 February 2011 (***Restricted and Commercial in Confidence***);
- (d) Knowledge Exchange and Commercial Affairs Committee: meetings of 29 November 2010 and 11 February 2011 (***Commercial-in-Confidence***);
- (e) Senate: meeting of 23 February 2011.