

SEC/2013/2/0533

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 17 May 2013

PRESENT: Pro-Chancellor (in the chair); Vice-Chancellor; Mr A. Baker; Mr D. Barron; Dr R. Boumphrey; Mr J. R. Carr; Mrs G. Gardner; Mr J. Hadfield; Professor G. Johnes; Mr L. King; Mr G. Parker; Professor C. Ram-Prasad; Mr S. Smith; Dr J. Taylor; Professor H. Thomason; Mr J. Thornberry; Ms L. Willis.

IN ATTENDANCE: Miss F. M. Aiken; Professor A. Atherton; Professor A. G. Chetwynd; Mr A. Clarke; Ms R. Harvey; Professor R. D. McKinlay; Ms N. C. Owen; Mrs S. Randall-Paley; Mr M. Swindlehurst; Ms H. A. Willes.

APOLOGIES FOR ABSENCE: Councillor P. Aitchison; Mr F. Fitzherbert-Brockholes; Professor J. Garside; Mr J. Pullan; Professor E. Rose.

CO.13/19 Welcome

The Chair welcomed Mr David Barron to his first meeting of Council.

CO.13/20 Declaration of interest

Ref: CA.1

There were no declarations of interest.

CO.13/21 Minutes

Ref: CA.3; document: SEC/2013/2/0269

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 1 February 2013.

CO.13/22 Current Schedule of Future Council Business

Ref: CA.4; document: SEC/2013/2/0443

THE COUNCIL RESOLVED to note the schedule of future business.

CO.13/23 Vice-Chancellor: Report

Ref: CA.5; document: SEC/2013/2/0432

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

- (i) The HE sector was putting forward a strenuous case against further cuts to the HE budget in the government's Comprehensive Spending Review 2015/16. By the July meeting of Council the full outcome of the effects of cuts on BIS should be known.
- (ii) Results were beginning to emerge from the various league tables for 2013. Lancaster had slipped out of the top 10 to 11 in the Complete University Guide however, on a more encouraging note, the University had achieved a ranking of 130 in the Leiden international league table, based on research citations. It was clear that other universities were working extremely hard on enhancing their league table performance and Lancaster's UK top ten position was by no means cemented.
- (iii) Student numbers for 2013 entry presented a mixed picture. Whilst undergraduate UK/EU applications and replies to offer suggested that the University might be 100-150 short on planning numbers after Confirmation and Clearing in the summer, overseas student numbers were buoyant and ahead of sector trends. Efforts by all concerned in the admissions process would be redoubled to ensure the best possible conversion rates of applicants to registered students.
- (iv) In respect of MOOCs, the Vice-Chancellor had received the first version of the formal contract with FutureLearn, the company identified by a consortium of universities to deliver such courses. FutureLearn had taken note of the revisions requested by the University and a final version of the contract was expected in June.

- (vi) The Vice-Chancellor reported that as part of the ongoing national debate on A-level reform, he had agreed to Chair a group set up by the Office of Qualifications and Examination Regulation (Ofqual) to review the content of the fourteen most popular A-level syllabuses. The final report would be submitted to Ofqual later in the year.
- (vii) The University's new campus in Ghana had passed through the first stage of approval by the Ghanaian authorities and a soft launch had taken place in Accra in April. The launch had provided excellent publicity for the venture within Ghana and more widely in sub-Saharan Africa.
- (viii) The Pro-Vice Chancellor (International) was presently undertaking stage two of a formal review of the link with the GD Goenka World Institute in Delhi.
- (ix) Professor McKinlay and the Director of Finance had visited Guangwai in early May and a concrete business plan for the new development was now close to completion. A working group would be set up to review the business plan and a report provided to Council.

Professor McKinlay made a brief presentation to Council on the Guangwai financial model. Introducing the model, Professor McKinlay noted:

- (a) the three Chinese parties involved in the agreement were the Guangdong Provincial Government, the Nansha District authorities (granting the land) and Guangdong Nansha Assets Operation Co. Ltd. (GNAO) as the principal investor;
- (b) GNAO would provide c.£265M for the establishment of Guangwai-Lancaster, 20% of which would be in the form of a loan for equipment and a 40/60% split of the remainder for teaching facilities (leased to Guangwai-Lancaster) and ancillary facilities (operating on a self-financing model). The funds would be raised by GNAO and loan and leases repaid by Guangwai-Lancaster. The grace period for repayment (5-7 years) was highly advantageous;
- (c) Lancaster University would have no financial liability for Guangwai-Lancaster nor be a shareholder. Guangwai-Lancaster would be a new and separate legal entity;
- (d) Nansha District had removed land charges so effectively the 131 acre site was granted for free.

In response to questions, Professor McKinlay noted:

- (1) that there were excellent opportunities for research activity at Guangwai-Lancaster. Moreover, part of the Chinese Academy of Sciences might be moving to the Nansha site;
- (2) through its involvement in Guangwai-Lancaster, the University would greatly enhance its international profile and, through the transfer of a percentage of students from Guangwai-Lancaster to Bailrigg for Part II studies, expect an income stream worth upwards of £5M. Competitive admission to Guangwai-Lancaster meant that these students would be of high quality;
- (3) market research in China indicated that there would be high demand for places. The possible risk to Lancaster's academic reputation was considered to be minimal, especially as the courses would be Lancaster programmes rather than validations of other providers' courses;
- (4) an amendment might be required to the original 2011 governance document in respect of the funder (GNAO) on the Board of Trustees.

THE COUNCIL RESOLVED to note the report of the Vice-Chancellor.

CO.13/24 Authorised Signatories Group

Ref: CA.5; document: SEC/2013/2/0512

THE COUNCIL RESOLVED to approve the renewal of the delegated authority to the Authorised Signatories Group in relation to the Guangwai-Lancaster project as set out, for an indefinite period.

CO.13/25 LUSU President: Report

Ref: CA.6; document: SEC/2013/2/0456

The LUSU President introduced his written report and gave verbal updates, highlighting the following.

- (i) The Chief Executive Officer of LUSU was retiring in September 2013 after 35 years' service at the University, 24 of which had been for LUSU. Interviews for his successor were due to take place in mid-June and a report would be made to Council in July.

- (ii) A first draft of the revised LUSU Constitution had been submitted to the University Secretary for comment. Following a wide consultation with the student body, the new version would go to a referendum in week 8 of the Summer Term.
- (iii) Following the defeat to York in the Roses event, the President noted that LUSU had already begun to plan for the 50th Anniversary Roses event at Lancaster in 2014, with a new sports strategy and a focus on increasing involvement from the local community and from Lancaster alumni.
- (iv) LUSU were working to engage more students in the academic governance structures of the University, with a view to ensuring that students attending committees were fully inducted and trained to play as effective a role as possible.
- (v) The inaugural TEDx LancasterU conference speakers had now been announced and full details were available on the LUSU website.
- (vi) LUSU would be submitting a paper to UMAG in late May on a bid to the HEFCE Green Fund.

The Pro-Chancellor thanked Mr Smith for his input to Council during his term of office and wished him well for the future.

THE COUNCIL RESOLVED to note the report of the LUSU President.

CO.13/26 Strategy: Update on Strategy Development and Process

Ref: CA.7

The Council received a presentation by Deputy Vice-Chancellor, Professor Andrew Atherton, on progress towards a new University Strategy for the period to 2020.

Professor Atherton commented on the various consultation events which included visits to academic departments and professional services areas, a meeting with the Joint Council/Senate group, 'Town Hall' meetings with staff and an event for the general public at The Storey in Lancaster.

The key themes at the meetings were:

- (i) Lancaster's bid to be No. 1 in North-West England, in the top 10 in the UK and in the top 100 in the global rankings. It was felt that the regional ranking was the least important. Being in the top 10 and top 100 were still valid aims but not equivalent nor

- interchangeable. Global significance did not necessarily require all of these rankings to be achieved;
- (ii) how to address the issue of differentiation from other top universities, either as a partner in a national or global consortium or as a smaller 'niche' university. In the 'arms race' of universities seeking to grow and/or amalgamate, might being small become an advantage?
 - (iii) more emphasis might be given to interdisciplinarity and to 'culture and community' which were identified as key strengths at Lancaster.

Once all the individual and group responses had been reviewed and amendments made to the draft document, a high level strategy would be produced, from which would follow an implementation plan.

In response to questions, Professor Atherton noted:

- (a) the inherent tensions between staying consistently in the top 10 UK universities and the drive towards global top 100, given the criteria for achievement of the two rankings might be different;
- (b) the one page high level strategy document would need to be in a language understandable to audiences from outside higher education;
- (c) Lancaster needed continually to measure its performance against other universities and learn from their successes;
- (d) the importance of a supportive culture and environment for mid-career as well as early-career staff. Lancaster should be a place of choice for academics at all stages of their career.

The Pro-Chancellor thanked Professor Atherton for his report. The Pro-Chancellor and Vice-Chancellor would agree the final Strategy, which would come (in full and summary versions) to the Council at its next meeting in July for ratification.

THE COUNCIL RESOLVED to note the oral report.

CO.13/27 Governance

Ref: CA.8

(A) **APPOINTMENT OF PRO-CHANCELLOR**

Document: SEC/2013/2/0438 (Restricted)

The Deputy Pro-Chancellor reported that the Search Committee had completed its duties and was now pleased to recommend to Council the appointment of Roger Liddle, Lord Liddle of Carlisle, as Pro-Chancellor. Council noted an amendment to the Curriculum

Vitae presented; Lord Liddle had recently been elected to serve on Cumbria County Council as representative for Wigton.

The University Secretary would circulate voting papers to Court members immediately following the meeting.

THE COUNCIL RESOLVED to agree to recommend to Court the appointment of Roger Liddle as Pro-Chancellor for five years from 1 August 2013.

(B) **SENATE EFFECTIVENESS**

Document: SEC/2013/2/0452

The University Secretary introduced the paper, noting that Senate had reflected on its role in academic governance and expressed its wish to take a greater sense of ownership of process and decisions relating to the academic work of the University. The Senate would reduce in size and would be rebalanced to include more academic staff.

Changes to Senate's membership would require revisions to Ordinance 5, as set out in Appendix A of the paper. The University Secretary asked the Council to vote on the approval of these changes.

The resulting votes were as follows:

In favour:	17
Against:	0
Abstained:	0

THE COUNCIL RESOLVED to:

- (i) note the outcomes of the Senate Effectiveness review;
- (ii) approve in principle for submission to the Senate the amendments to Ordinance 5 as set out in Appendix A.

(C) **REPORT ON DECISIONS TAKEN BY CORRESPONDENCE AND CHAIR'S ACTION AFTER 22 MARCH 2013**

Document: SEC/2013/2/0435

THE COUNCIL RESOLVED to note the report.

(D) **COURT**

Document: SEC/2013/2/0450

THE COUNCIL RESOLVED to note the motion relating to Lancaster's Musical Culture which was passed at the meeting of Court held on 20 March 2013.

CO.13/28 Chief Administrative Officer: Report

Ref: CA.9; document: SEC/2013/2/0444

The Chief Administrative Officer introduced a report on current activities within Professional Services, drawing particular attention to the following points.

- (i) The success of the iLancaster Project, leading to a nomination for Outstanding ICT Initiative of the Year in the 2013 Times Higher Education Awards.
- (ii) Progress towards further diversification of the student body as demonstrated by investment in developments in Kurdistan and Nigeria.
- (iii) Expansion of the pre-sessional English Language Programme (PELP) and other English Language and Study Skills support programmes to assist in the penetration of new and emerging student markets such as Iraq and Saudi Arabia.
- (iv) The Destination of Leavers from Higher Education (DLHE) return had revealed a disappointing 4% fall in employment of the University's UK domiciled first degree graduates however the Chief Administrative Officer noted the context of a difficult labour market and added that no comparative data from other universities was yet available. Further analysis would be undertaken to Faculty and Department level and appropriate actions agreed.

In response to questions, she noted:

- (a) the Pearce report had identified a fall in charitable giving generally but a rise in giving to universities. The University needed to improve its funding from charitable sources to help achieve its aim to be a top 100 global university and with this in this mind a new fundraising strategy was in development;
- (b) the University was already investigating employment data trends for non-UK and EU domiciled students in response to HESA's plans to include international students in future DLHE returns;

- (c) facilities for the new Chemistry programmes would be completed in time for the new intake in Autumn 2013;
- (d) press coverage emanating from the Work Foundation might be disaggregated from the overall media coverage statistics to gauge the importance of the Foundation to the University's profile.

THE COUNCIL RESOLVED to note the report.

CO.13/29 Finance

Ref: CA.10

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

Document: FIN/13/33

Introducing her report, the Director of Finance noted with pleasure the recent improvement in the University's Standard and Poor's rating to 'AA- with a stable outlook', especially in the light of a downward trend in ratings for the university sector nationally.

THE COUNCIL RESOLVED to note the report.

(B) **HEFCE GRANT 2013/14**

Document: FIN/13/35

The Director of Finance summarised the University's headline position, noting that the outcome of the HEFCE grant letter allocation was more favourable than the forecast provided to Council in July 2012.

THE COUNCIL RESOLVED to note the report.

(C) **MONTHLY FINANCIAL REPORTING PACK**

Documents: FIN/13/21 (previously circulated); FIN/13/28 (previously circulated)

THE COUNCIL RESOLVED to note the Monthly Financial Reporting Pack as at February 2013 and March 2013.

CO.13/30 Estates: Report on New Engineering Building

Ref: CA.11; document: SEC/2013/2/0469

The Deputy Vice-Chancellor updated the Council on the project. Whilst the requested budget was £250k higher than the original costing, the revised total of £12,250,000 was still within the capital programme funding tolerance.

THE COUNCIL RESOLVED to approve a New Building Project for Engineering at a cost of £12,250,000 as recommended by the Finance and General Purposes Committee and the Estates Committee.

CO.13/31 Human Resources

Ref: CA.12

(A) **APPOINTMENT OF DEAN OF FACULTY OF HEALTH AND MEDICINE**

Document: SEC/2013/2/0436

THE COUNCIL RESOLVED to approve the reappointment of Professor Tony Gatrell as Dean of the Faculty of Health and Medicine for one year with effect from 1 August 2013.

(B) **REPORT ON POTENTIAL REDUNDANCIES 12 JULY 2013 TO 9 OCTOBER 2013**

Document: SEC/2013/2/0465

THE COUNCIL RESOLVED to confirm a continuing need for redundancies and remit the detailed consideration of potential cases involving academic staff to the Redundancy Committee.

CO.13/32 Risk Register

Ref: CA.13; document: FIN/13/34

The Director of Finance introduced the quarterly update of the Risk Register. Since the last Council meeting, an additional column had been added to the Register indicating the potential income impact of specific risks using a High/Medium/Low scale.

In the light of recent reports on global data security breaches, the addition of 'Data Systems and Integrity' to the Resources section of the Register was welcomed. The Chief Administrative Officer further reported that the

new Director of Information Systems Services would be addressing security issues as a high priority and a new appointment would be made to assist in this area.

THE COUNCIL RESOLVED to note the report.

CO.13/33 Key Performance Indicators and Thematic Reports

Ref: CA.14; documents: SEC/2013/2/0468; PSU/2013/0055; PSU/2013/0077

The Vice-Chancellor highlighted the following key indicators for the Council's attention:

(A) **RESEARCH KPIs**

- (i) The University had received notification of an increase in QR funding in its HEFCE grant allocation for 2013/14, attributable to government changes to the weighting of research rated at 4* over 3*.
- (ii) The decrease in research grants and contracts income was disappointing and made the target of a 20% increase in funding from these sources highly unlikely. On a positive note, the University this year had already exceeded the total new research grant announcement in 2011-12 with two months still to go.
- (iii) A new international ranking table produced by Leiden University, focusing on research impact and using citations as its key metric, had ranked Lancaster 130th globally.

(B) **INTERNATIONAL KPIs**

- (i) The proportion of total tuition fee income KPIs was skewed by the introduction of higher UK/EU fees in 2012; nevertheless, the growth in international student tuition fees was still significant.
- (ii) Targets for both the number of overseas students in the student population at Bailrigg and the number of registrations at overseas campuses had been exceeded or, in the latter case, would be exceeded by the target date of 2015.

- (iii) The Vice-Chancellor confirmed that there was a benchmark for the proportion of non-UK academic staff, used as a metric in some key league tables. There was, however, a lack of clarity about the basis on which the figures were compiled.

THE COUNCIL RESOLVED to note:

- (a) the updated Research KPIs and thematic report;
- (b) the updated International KPIs and thematic report.

CO.13/34 University Appointments

Ref: CA.15; document: SEC/2013/2/0459

THE COUNCIL RESOLVED to approve the continuing membership appointments as set out.

CO.13/35 Review of Current Meeting

Ref: CA.16

Council members expressed themselves satisfied with the arrangements.

CO.13/36 Standing Committees and Reports

Ref: CA.17

THE COUNCIL RESOLVED to receive and note the reports, and confirm the actions taken on its behalf.

- (a) Audit Committee, meeting of 7 March 2013 (*SEC/2013/2/0437*)
- (b) Colleges and the Student Experience Committee, meeting of 30 January 2013 (*SEC/2013/2/0389*)
- (c) Equality and Diversity Committee, meeting of 9 January 2013 (*SEC/2013/2/0418*)
- (d) Senate, meeting of 6 March 2013 (*SEC/2013/2/0422*)
- (e) University and Students' Union Joint Committee, meeting of 29 January 2013 (*SEC/2013/2/0420*)