

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 22 November 2013

PRESENT: Pro-Chancellor (in the Chair); Vice-Chancellor; Councillor P. Aitchison; Mr A. Baker; Mr D. Barron; Dr R. Boumphrey; Mr J. R. Carr; Mr C. Edwards; Mr F. Fitzherbert-Brockholes; Mrs G. Gardner; Professor J. Garside; Mr L. King; Mr G. Parker; Ms C. Powne; Mr J. Pullan; Professor E. Rose; Dr B. Szerszynski; 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; Mrs A. McFarlane; Professor T. J. McMillan; Ms N. C. Owen; Mrs S. Randall-Paley; Mr M. Swindlehurst.

APOLOGIES FOR ABSENCE: Mr J. Hadfield.

CO.13/67 Declaration of interest

Ref: CA.1

Councillor P. Aitchison declared an interest in item CA.9.

CO.13/68 Minutes

Ref: CA.2; document: SEC/2013/2/1030

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 4 October 2013.

CO.13/69 Current Schedule of Future Council Business

Ref: CA.3; document: SEC/2013/2/1031

THE COUNCIL RESOLVED to note the schedule of future business.

Ref: CA.4; document: SEC/2013/2/1015

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

- (i) *Careers and Graduate Employment Outcomes.* Though the University was doing well in this area, this was an important aspect of the University's responsibilities and the University continued to work for improvement. A number of initiatives were underway to develop employability skills in students.
- (ii) *Major Grants.* The University had had a successful year in attracting research grants, which was an important indicator of the health of the institution. In addition to the awards made by AHRC, NERC and the EU as listed in his report, the Vice-Chancellor updated the Council on further awards won by Lancaster and due to be announced that day by the EPSRC.
- (iii) *Lancaster University Ghana.* The Vice-Chancellor had visited the campus in Accra for the formal opening ceremony on 28 October 2013. The Ghanaian government had publicly welcomed the initiative.

The Vice-Chancellor also reported on the following additional matters.

- (a) Preparation of the REF submission was in its final stages. The Vice-Chancellor reported that a good submission had been assembled and assured Council of the effort and attention to detail that the University had put into the exercise.
- (b) The Vice-Chancellor had written to the Council regarding the decision of the 94 Group decision to disband. It was noted that it had become difficult for the Group to operate effectively following the loss of 4 of its members to the Russell Group. Council discussed the potential implications for the University and regretted in particular the loss of a voice into government that the 94 Group had provided.
- (c) The Vice-Chancellor recorded his thanks to:

Professor Trevor McMillan, Pro-Vice-Chancellor (Research)
Clare Powne, University Librarian
Andy Clarke, Director of Human Resources

who were leaving the University to take up posts elsewhere.

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

CO.13/71 President of the Students' Union: Report

Ref: CA.5; document: SEC/2013/2/1032

THE COUNCIL RESOLVED to note the report of the President of the Students' Union.

CO.13/72 Audit

Ref: CA.6; documents: SEC/2013/2/0991; SEC/2013/2/1023; SEC/2013/2/1026; SEC/2013/2/0989

The Council received the Audit Committee's Annual Report and associated documentation.

The Director of Finance reported that a valuation of the Universities Superannuation Scheme would take place during 2014. Council members expressed their concern about the potential implications of the current deficit in the Scheme, and asked that this issue be kept under review pending the outcome of the valuation in Autumn 2014.

THE COUNCIL RESOLVED to:

- (i) approve the Audit Committee's Annual Report;
- (ii) note that the Annual Report will be submitted to HEFCE;
- (iii) note the Internal Audit Annual Report 2012/13;
- (iv) note the Letter of Representation for the External Auditors;
- (v) note the report of meetings of the Audit Committee held on 12 September 2013 and 24 October 2013 prior to approving the financial statements; and approve the Committee's recommendations as set out in 1 and 2.1 of the document.

CO.13/73 Finance

Ref: CA.7

(A) **UNIVERSITY ANNUAL ACCOUNTS**

Document: SEC/2013/2/1022

THE COUNCIL RESOLVED to approve the annual accounts for the University for the financial year 2012/13.

(B) **HEFCE ANNUAL ACCOUNTABILITY RETURN – FINANCIAL RESULTS 2012/13 AND UPDATED FORECAST TABLES 2013/14**

Document: FIN/13/80

THE COUNCIL RESOLVED to note the contents of this report and give approval for submission of the following commentary and tables as part of the required submission to HEFCE.

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

Document: FIN/13/79

THE COUNCIL RESOLVED to note the report of the Director of Finance.

(D) **MONTHLY FINANCIAL REPORTING PACK**

Documents: FIN/13/62 (previously circulated); FIN/13/67 (previously circulated)

THE COUNCIL RESOLVED to note the Monthly Financial Reporting Packs as at July 2013 and September 2013.

CO.13/74 Governance

Ref: CA.8

(A) **UNIVERSITY SECRETARY: REPORT**

Document: SEC/2013/2/1017

The University Secretary introduced her report and drew attention to the following points.

- (i) *Membership of Council.* As previously reported to the Council, the future composition of Council was currently under consideration by the Nominations Committee. While this work was continuing, the Committee recommended that the Council extend the terms of office of three independent members of Council, whose terms were due to expire during this academic year.
- (ii) *Delegations of authority.* A scenario had recently arisen which exceeded the existing delegations to officers or committees and which had highlighted the necessity of being able to act on major transactions between meetings.

This scenario was being separately raised on Council's agenda for this meeting. A procedure for obtaining authority was proposed, noting that the final decision whether or not to proceed with a transaction would remain with the Council.

- (iii) *The Office of Fair Trading (OFT)* had issued a call for information on how universities compete with each other and whether students are able to make well informed decisions which would help drive competition. The deadline for submission was 31 December 2013 and the University would be responding.

THE COUNCIL RESOLVED to:

- (i) approve the extension of the terms of office of three independent members of Council to 31 July 2014 as set out;
- (ii) approve a process for obtaining authority to progress major transactions between meetings as set out;
- (iii) note the remainder of the report.

(B) ANNUAL SUSTAINABILITY ASSESSMENT

Document: SEC/2013/2/1016

The University Secretary presented a proposal that the Council agree to submit a voluntary sustainability assurance report (the 'ASSUR' report) in 2013. A proposed report, customised for Lancaster purposes, was set out.

The ASSUR report was a new requirement on HEI governing bodies and submission would become compulsory from 2014. The Council discussed the proposal at length and noted the earlier discussions at the Audit and Finance and General Purposes Committees. The Council had particular concerns about lack of clarity around the potential liabilities to which individual members of Council might be exposed, and about selecting indicators on which the report might rely. It was noted that the University was currently revisiting its KPIs in light of its new strategy, and there were other issues, such as pension liabilities, where the University was awaiting developments. On balance, however, the Council believed it would be better to make a submission in some form, rather than not to engage at all. The University had a good reputation for the openness and transparency of its financial reporting, and it would be unwise to put this reputation at risk by raising unwarranted suspicions that the University had something to hide.

With respect to the form of the submission, the Council agreed that a letter should be sent describing the ways in which the Council currently assured itself of the sustainability of the University, and the data and KPIs it monitored on a regular basis. The Chair agreed to send such a letter on behalf of the Council.

THE COUNCIL RESOLVED to make a voluntary ASSUR report in 2013, by letter.

CO.13/75 Estates: Strategic Opportunity (*Restricted – Commercial in Confidence*)

Ref: CA.9; document: SEC/2013/2/1033

The Deputy Vice-Chancellor reported that an opportunity had arisen to acquire land of strategic benefit to the University, however negotiations had not yet progressed to a point where a recommendation could be put to Council for approval. Since the value of the land exceeded the level of delegations to individual officers/and or committees, a process was being proposed to enable Council to consider a recommendation between meetings, if necessary, thereby affording the University the opportunity to complete negotiations at the best price.

In discussion, the Council agreed that Council members should receive regular information on the progress of negotiations and that provision should be made for consultation with the Chair of the Estates Committee. Provided that these safeguards were put in place the Council was satisfied with the process proposed.

THE COUNCIL RESOLVED to approve the process by which any recommendation would be considered.

CO.13/76 Chief Administrative Officer: Report

Ref: CA.10; document: SEC/2013/2/1028

The Chief Administrative Officer introduced her report and drew attention to the following points.

- (i) The introduction of an Employee Assistance Programme. This new service would be available to all part-time and full time staff of the University from December.
- (ii) Industrial action. Updated figures showed that 274 members of staff had taken part in strike action on 31 October 2013. The dispute continued. The University had decided to implement a 1% pay increase, which would be included with December pay.

- (iii) Mr Andy Clarke, Director of Human Resources, was leaving the University to return to the commercial sector. Interim arrangements were being put in place to cover the role during the recruitment process for his successor. Mr Clarke was thanked for his contribution to the University.
- (iv) The restructuring of Marketing and External Linkages was underway and interviews for new posts would be held in the week before Christmas.
- (v) The University continued to invest in support and tools and for enhancing admissions, recruitment and conversion activities.

THE COUNCIL RESOLVED to note the report of the Chief Administrative Officer.

CO.13/77 Report on new Key Measures of Success

Ref: CA.11; document: PSU/2013/0136

The Council discussed a report setting out Lancaster's current performance against the measures of success and targets included in the new University Strategy to 2020, using the latest available data.

The tables showing Lancaster's performance compared with four other institutions were noted. In response to questions about how the comparator institutions had been selected, it was suggested that a discussion document should be brought to a future meeting, and that discussion should include how performance against the University's international competitors could be measured.

THE COUNCIL RESOLVED to note the report.

CO.13/78 University Appointments

Ref: CA.12; document: SEC/2013/2/1037

THE COUNCIL RESOLVED to approve:

- (i) the appointment of Emeritus Professors, on the recommendation of the Senate, as set out;
- (ii) the continuing membership appointments as set out.

CO.13/79 Review of Current Meeting

Ref: CA.13

Council members expressed themselves satisfied with the arrangements.

CO.13/80 Standing Committees and Reports

Ref: CA.14

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

- (i) Estates Committee, meeting of 16 October 2013
(*SEC/2013/2/1042*)
- (ii) Finance Committee, meeting of 30 October 2013
(*SEC/2013/2/1040*)
- (iii) Senate, meeting of 24 September 2013 (*SEC/2013/2/1041*)
- (iv) University and Students' Union Joint Committee, meeting of
26 September 2013 (*SEC/2013/2/1043*)
- (v) Report on use of University Seal (*SEC/2013/2/0990*)