

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 11 July 2014

PRESENT: Pro-Chancellor (in the Chair); Vice-Chancellor; Mr A. Baker; Mr D. Barron; Mr J. R. Carr; Ms L. Clayson; Mr F. Fitzherbert-Brockholes; Mrs G. Gardner; Professor J. Garside; Mr J. Hadfield; Mr R. Newman-Thompson; Mr G. Parker; Professor C. Ram-Prasad; Dr B. Szerszynski; Dr J. Taylor; Professor H. Thomason; Mr J. Thornberry; Ms L. Willis.

IN ATTENDANCE: Miss F. M. Aiken; Professor A. M. Atherton; Mr P. Boustead; Professor S. Bradley; Professor A. G. Chetwynd; Mr S. Franklin; Dr H. Hardie; Ms N. C. Owen; Mrs S. Randall-Paley; Mr R. Rowlands; Professor A. Ruckenstein; Mr M. Swindlehurst; Ms V. Tyrrell.

APOLOGIES FOR ABSENCE: Dr R. Boumphrey; Mr W. Hedley; Mr L. King; Professor E. Rose.

CO.14/47 Membership

The Chair noted that this was the final meeting for Mr A. Baker, Mrs G. Gardner, Professor H. Thomason and Ms L. Willis, and that Professor E. Rose had resigned from the Council due to other commitments. He thanked them on behalf of the Council for their contributions, and wished them luck for the future.

The Council welcomed Ms L. Clayson, President of the Students' Union, and Mr R. Newman-Thompson from Lancaster City Council as new members.

The Council was informed that the Chancellor, Sir Christian Bonington, would be unable to attend the graduation ceremonies due to personal circumstances, and it was agreed that the Pro-Chancellor should send a message of support to him, on behalf of the Council.

CO.14/48 Declaration of interest

Ref: CA.1

There were no declarations of interest.

CO.14/49 Minutes

Ref: CA.2; documents: SEC/2014/2/0723; SEC/2014/2/0539; SEC/2014/2/0722; SEC/2014/2/0538

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 9 May 2014 and to receive the notes of the discussion at the Away Day on the same day.

CO.14/50 Current Schedule of Future Council Business

Ref: CA.3; document: SEC/2014/2/0724

THE COUNCIL RESOLVED to note the schedule of future business.

CO.14/51 Vice-Chancellor: Report

Ref: CA.4; document: SEC/2014/2/0711

The Vice-Chancellor presented his written report and gave an oral update on the following points.

- (a) Meetings had been held with Ministers regarding policies which would impact on UK Higher Education, and which might provide some useful training opportunities for Lancaster.
- (b) Two highly significant grants had been announced recently: £8.995M from ERDF to develop interactions between Chemistry and SMEs, and £17M from LEP for the Innovation Campus, which would be discussed at the October meeting of Council.
- (c) The Vice-Chancellor had recently been appointed to HEFCE's committee for leadership, governance and management.
- (d) The recent Staff and Families Day, which was part of the University's 50th Anniversary celebrations, had been a success.

The Vice-Chancellor also expressed his personal thanks to the departing members of Council for their contribution and support.

THE COUNCIL RESOLVED to note the report of the Vice-Chancellor, and to add a discussion on the future funding scenarios of UK Higher Education to the agenda for a meeting in early 2015.

Action: FMA

CO.14/52 President of the Students' Union: Report

Ref: CA.5; document: SEC/2014/2/0734

The President of the Students' Union, Ms Laura Clayson, introduced her written report and informed the Council that the new team of Students' Union Full-Time Officers were due to meet shortly to discuss the key priorities for the coming year, but these were likely to include: student representation, mental health services, green initiatives and the general election.

Council members suggested that the effective integration of students from different cultures and backgrounds was a significantly important issue, and should remain high on the Students' Union's agenda.

THE COUNCIL RESOLVED to note the report of the President of the Students' Union, and to welcome Ms Clayson as a member.

CO.14/53 Strategy

Ref: CA.6

(A) **THE UNIVERSITY'S RESEARCH STRATEGY: A PRELIMINARY DISCUSSION**

Document: SEC/2014/2/0752

The Interim Pro-Vice-Chancellor (Research) gave a report on his views and reflections on his time spent at Lancaster, and thanked the Vice-Chancellor for the opportunity to help shape the future of such a high quality institution.

During his presentation, Professor Ruckenstein drew attention to the following points.

- (a) He had discussed the future of research at Lancaster with the incoming Pro-Vice-Chancellor (Research), Professor Decent, and these discussions were leading to the formation of a new implementation plan for research at the University.
- (b) The University had a deservedly high reputation for research in several areas.
- (c) Several key challenges had been identified, including the reduction in the availability of funds from national research councils.

- (d) Another challenge, the independence of Faculties at Lancaster, had led to missed opportunities for co-ordinated research, and duplication of effort.
- (e) The University's limited resources should be invested in ways of creating the maximum impact and reputational advantage as possible.
- (f) It would be possible to make a qualitative jump in research impact through targeted investment in co-ordinated, inter-disciplinary research.
- (g) Research areas such as Big Data and ageing were already being studied across several Faculties at Lancaster, and initiatives such as the Innovation Campus were already starting to co-ordinate the efforts of different research groups.
- (h) Interdisciplinary University Centres (IUCs) would enable the concept of co-ordinated research efforts to become embedded into the academic culture of the University.
- (i) The unified research themes at Lancaster could be broadened to include research groups at international partners, which would help to ensure critical mass for research impact.
- (j) A paper on the potential organisation and processes involved in IUCs would shortly be discussed by UMAG, along with a document on the revised implementation plan for research in line with the University's Strategy.
- (k) Any consultations regarding IUCs would need to involve individual researchers and academic departments, to ensure full buy-in from the outset.

The Council discussed the report, and the following comments were made.

- (i) The notion of "One LU" was welcomed, and would provide a mechanism to encourage the development of larger groups, but would not resolve the fundamental issue of Faculty independence; initiatives such as positive discrimination for interdisciplinary research should also be considered.

- (ii) The growth in scale necessary to achieve critical mass for research impact would not be achievable for an institution of Lancaster's size in an evolutionary way.
- (iii) International partnerships might provide interesting opportunities for growth in interdisciplinary research.
- (iv) Each IUC should be led by a world-leading researcher, which would help to attract other successful researchers, thus improving the reputation and attractiveness of Lancaster as a research intensive university.
- (v) It would also be vital to include engagement with industry as part of the new research strategy.
- (vi) Following a decision on the development of the Innovation Campus, the co-ordination of interdisciplinary research in that area should be progressed as a matter of urgency.

THE COUNCIL RESOLVED to thank Professor Ruckenstein for the report and to await further details on the University's research strategy, to be brought to the October meeting.

(B) LANCASTER UNIVERSITY'S PEOPLE STRATEGY

Document: SEC/2014/2/0736

The Director of Human Resources, Mr Paul Boustead, introduced the University's People Strategy 2020, which had been developed as an internally and externally facing document, following consultation with staff and trade unions.

THE COUNCIL RESOLVED to approve Lancaster University's People Strategy and to receive regular progress reports and updates at future meetings.

Action: FMA, PB

(C) DIGITAL LANCASTER

Document: SEC/2014/2/0735

The Council received a report on the implementation and governance of Digital Lancaster, the digital agenda for Lancaster University which had been discussed by Council in March.

THE COUNCIL RESOLVED to approve the final draft of Digital Lancaster, and to receive progress reports and updates at future meetings.

(D) **TAKING LANCASTER UNIVERSITY'S REPUTATION TO THE NEXT LEVEL:
A NEW APPROACH TO BRANDING**

Document: SEC/2014/2/0737 (Restricted and Commercial in Confidence)

**[THIS MINUTE IF RESTRICTED
AND COMMERCIAL IN CONFIDENCE]**

(E) **STRATEGY IMPLEMENTATION PLAN**

Document: PAS/14/037

The Deputy Vice-Chancellor reported that UMAG would receive regular thematic updates on the implementation of the University Strategy, and that Council would receive an annual high level update on the progress of implementation.

It was noted that the implementation plan was a working document and would be kept under constant review. The level of detail in the implementation plan was intended to act as a checklist for departments, allowing the prioritisation of areas of strategy implementation at a local level.

THE COUNCIL RESOLVED to approve the Strategy Implementation Plan.

CO.14/54 Governance

Ref: CA.7

(A) **ENHANCING THE STRATEGIC EFFECTIVENESS OF COUNCIL**

Document: SEC/2014/2/0751

The Vice-Chancellor introduced a discussion paper which had been developed following the Council Away Day. The purpose of the paper was to enhance the Council's ability to act effectively, and to be fully informed on the current strategic issues facing Lancaster University.

Members discussed the paper and agreed the following points.

- (a) The University's international strategy should be included as a key discussion item for Council, together with League Table positioning, financial threats, attractiveness of Lancaster to Home/EU students, response to increased research concentration and new models of interaction/collaboration.

- (b) Members accepted that Council meetings might need to last for three hours or more, as long as the discussions were relevant and necessary.
- (c) The time commitment required from Council members should be considered carefully.
- (d) It would be useful for Council to occasionally meet with Senate and the University's distinguished professors.
- (e) A review of Council's effectiveness should be performed in six to twelve months' time, after the new method of operation had been in place for several meetings.
- (f) If a combined monthly report from senior officers was provided to Council members, then relevant questions could be raised during the meeting and the Council would be able to fulfil its duties as a rigorous governing body.
- (g) The new planning process would provide clearer metrics, which would be useful for the Council to use in monitoring the University's performance and areas of comparative strength.

THE COUNCIL RESOLVED to continue to consider the effectiveness of future Council meetings, and to receive a regular combined report from senior officers.

(B) REPORT OF NOMINATIONS COMMITTEE

Document: SEC/2014/2/0715; SEC/2014/2/0802

The University Secretary tabled a report on the outcome of the Nominations Committee meeting held on 10 July 2014, to accompany a proposal to make the Committee's decision-making process more strategic through a change in its terms of reference, and several recommendations for appointments and reappointments to Council.

THE COUNCIL RESOLVED to approve the following recommendations of the Nominations Committee:

- (i) to build some flexibility into the size and composition of Council, while retaining a lay majority. The suggested optimum size would be between 21 and 24. This should include the Deputy Vice-Chancellor. It noted that this would require a change to Statute 9;

- (ii) the maximum term of office on Council should normally be two terms of three years, with a third term only being offered in exceptional circumstances;
- (iii) to give all Council's committees the power to co-opt up to two independent members to ensure that they have access to the necessary blend of skills and experience for the committee's responsibilities;
- (iv) to invite Senate to consider how best to ensure that the members it elects have experience and skills relevant to the role of Council, and how those members could be better engaged in the work of Council;
- (v) Professor Ella Ritchie, Mrs Valerie Young and Baroness Neville-Jones be appointed as members of Council for three years with effect from 1 August 2014;
- (vi) Dr Boumphrey be reappointed for a second term of three years from 1 August 2014;
- (vii) Mr King be reappointed for a period of two years to permit Council time to identify a successor as Chair of the Finance and General Purposes Committee;
- (viii) Mrs Gardner and Ms Willis be not reappointed as they have each served two terms;
- (ix) the recommended changes to the Nominations Committee as set out in the report, subject to the inclusion of a reference to the University's global significance;
- (x) the appointment of Professor John Garside as Deputy Pro-Chancellor.

(C) **STRATEGIC RISKS REGISTER**

Document: SEC/2014/2/0731 (Confidential)

THE COUNCIL RESOLVED to note the latest version of the Strategic Risks Register.

(D) **UNIVERSITY SECRETARY: REPORT**

Document: SEC/2014/2/0714

The University Secretary reported that the Memorandum of Assurance and Accountability had been published by HEFCE and would come into effect on 1 August 2014. It was noted that the Audit Code of Practice would be discussed by Audit Committee and Finance and General Purposes Committee at their next meetings.

THE COUNCIL RESOLVED to note the report of the University Secretary.

Ref: CA.8

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

Document: FIN/14/51

The Director of Finance presented her written report and confirmed that the sign-off for the new revolving credit facility (RCF) was in its final stage.

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

(B) **HEADLINE BUDGET AND FINANCIAL FORECASTS**

Document: FIN/14/50

The Council received and discussed the Headline Budget for 2014/15 and the updated Financial Forecasts to 2016/17.

THE COUNCIL RESOLVED to:

- (i) note and discuss the contents of the report;
- (ii) approve the Headline Budget for 2014/15 and the updated Financial Forecasts to 2016/17;
- (iii) approve the submission of the Part 2 commentary and financial forecasts to HEFCE for the Annual Accountability return.

(C) **CAPITAL PROGRAMME 2014-17**

Document: FIN/14/56

THE COUNCIL RESOLVED to approve the proposed capital programme for 2014-17.

(D) **MONTHLY FINANCIAL REPORTING PACK**

Documents: FIN/14/38; FIN/14/49

THE COUNCIL RESOLVED to note the Monthly Financial Reporting Packs as at April 2014 and May 2014.

CO.14/56 Estates: Library

Ref: CA.9; document: SEC/2014/2/0760

The Council received an update on the Library Refurbishment project, and noted that a letter of intent had been issued to the selected contractor. It was confirmed that appropriate steps had been taken to minimise disruption to students.

THE COUNCIL RESOLVED to approve the Library Refurbishment project within a funding envelope of £15.0M.

CO.14/57 Human Resources

Ref: CA.10

(A) **REDUNDANCY AND REDEPLOYMENT POLICY NEGOTIATIONS**

Document: SEC/2014/2/0746 (Restricted)

[THIS MINUTE IS RESTRICTED]

Action: PB

(B) **REDUNDANCY COMMITTEE: TERMS OF REFERENCE**

Document: SEC/2014/2/0748

The Council received and discussed the revised terms of reference for the Redundancy Committee. In response to a member's question, Mr Boustead confirmed that there was no conflict of interest in the Director of Human Resources being a member of the Committee, and that this had been discussed and agreed at a meeting of the Redundancy Committee.

THE COUNCIL RESOLVED to approve the revised terms of reference for the Redundancy Committee, as set out.

CO.14/58 Chief Administrative Officer: Report

Ref: CA.11; document: SEC/2014/2/0749

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

CO.14/59 Update to Measures of Success

CA.12; document: PSU/2014/0052

The Pro-Vice-Chancellor (Colleges and the Student Experience), Professor Amanda Chetwynd, introduced the report on the measures of success regarding University rankings and employability. It was noted that the University was rated in the top 10 in the Guardian University Guide, and that the proportion of graduates in work and/or further study was 94.2%, which was second in the comparator set.

THE COUNCIL RESOLVED to receive and note the report.

CO.14/60 University Appointments

Ref: CA.13; document: SEC/2014/2/0725

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

CO.14/61 Review of Current Meeting

Ref: CA.14

Council members expressed themselves satisfied with the arrangements.

CO.14/62 Strategy: China Discussion: Proposal and Business Case to Establish Guangwai-Lancaster University (GLU)

Ref: CA.15; document: SEC/2014/2/0753

The Pro-Vice-Chancellor (International), Professor Steve Bradley, and the Special Advisor to the Vice-Chancellor, Professor Bob McKinlay, presented the proposal and business case to establish Guangwai-Lancaster University (GLU).

It was noted that both Council and Senate had previously approved the project in principle, subject to the satisfactory acquisition of an academic partner, suitable land and a financial investor. These conditions had now been met in principle, pending formal final ratification within each body (i.e. the equivalent of this Council decision), and the Council was asked to discuss and approve the financial case for GLU. The Finance and General Purposes Committee had had the opportunity to discuss this in greater detail and, on behalf of the Committee, the Vice-Chair confirmed support for the proposal.

During the course of discussion, the following pointed were raised.

- (a) A 30-year financial projection had been drawn up, to provide reassurance that the campus could develop into a self-sustaining and viable institution.
- (b) As much due diligence work had been performed on the partners as possible, and the financial assumptions had been tested by KPMG and found to be realistic.
- (c) The Finance and General Purposes Committee had looked at the financial plan in great detail, and were comfortable that the risks had been adequately identified and managed.
- (d) An exit strategy had been identified, and potential scenarios involving damage to the University's reputation had been considered as part of the risk analysis.
- (e) The proposed development would complement the University's interdisciplinary research strategy.
- (f) The international research output would boost Lancaster's standing in citation database results.
- (g) GLU had been designed as an independent institution, with its own governance structures in place, and should not place additional workload requirements on Lancaster senior management once it was operational.
- (h) There would be a limit on the number of students who could transfer to Lancaster from GLU, which would be managed by the board of trustees.
- (i) This was an ambitious and global project which could greatly increase the credibility and reputation of Lancaster University in China.

THE COUNCIL RESOLVED to approve the financial case for GLU and the submission of that case to Beijing Ministry of Education.

CO.14/63 Chair's Action

Ref: CA.16; document: SEC/2014/2/0726

THE COUNCIL RESOLVED to note the decision taken by the Chair since the last meeting, to approve the reappointment of Mr R. Gould as Principal of Pendle College for a term of office until 31 July 2016.

CO.14/64 Standing Committees and Reports

Ref: CA.17

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

- (i) Audit Committee, report of business conducted by correspondence (*SEC/21014/2/0708*)
- (ii) Colleges and Student Experience Committee, meeting held on 21 May 2014 (*SEC/2014/2/0759*)
- (iii) Equality and Diversity Committee, meeting held on 7 May 2014 (*SEC/2014/2/0756*)
- (iv) Finance and General Purposes Committee, meeting held on 13 June 2014 (*SEC/2014/2/0762*)
- (v) Senate, meeting held on 30 April 2014 (*SEC/2014/2/0618*)
- (vi) University and Students' Union Joint Committee, meetings held on 11 March 2014 (*SEC/2014/2/0754*) and 6 May 2014 (*SEC/2014/2/0755*)