

LANCASTER UNIVERSITY

Minutes of a meeting of the Council
held on 21 November 2014

PRESENT: Pro-Chancellor (in the Chair); Vice-Chancellor; Mr D. Barron; Dr R. Boumphrey; Dr G. Brown; Mr J. R. Carr; Ms L. Clayson; Mr F. Fitzherbert-Brockholes; Professor J. Garside; Mr J. Hadfield; Mr E. McLaughlin; Mr C. Mang; Professor J. O'Hanlon; Mr G. Parker; Professor E. Ritchie; Dr J. Taylor; Mrs V. Young.

IN ATTENDANCE: Miss F. M. Aiken; Professor A. M. Atherton; Mr P. Boustead; Professor A. G. Chetwynd; Professor S. Decent; Mr S. Franklin; Professor S. Cox (*for item CO.14/87(A)*); Dr H. Hardie; Professor S. R. A. Huttly; Professor G. Johnes (*for item CO.14/87(A)*); Ms A. Mullan (*for item CO.14/87(C)*); Ms N. C. Owen; Mrs S. J. Randall-Paley; Mr M. Swindlehurst.

APOLOGIES FOR ABSENCE: Mr L. King; Baroness Neville-Jones; Mr R. Newman-Thompson; Professor C. Ram-Prasad; Dr B. Szerszynski.

CO.14/79 Welcome

The Chair welcomed Dr G. Brown, Mr C. Mang and Professor J. O'Hanlon to their first meeting as members of Council.

CO.14/80 Declaration of interest

Ref: CA.1

Mr D. Barron and Mr G. Parker declared an interest in item CO.14/87(A) as Trustees of the Work Foundation.

CO.14/81 Minutes

Ref: CA.2; documents: SEC/2014/2/1208; SEC/2014/2/1042

THE COUNCIL RESOLVED to approve the minutes of the meeting held on 3 October 2014.

CO.14/82 Current Schedule of Future Council Business

Ref: CA.3; document: SEC/2014/2/1209

THE COUNCIL RESOLVED to note the schedule of future business.

CO.14/83 Vice-Chancellor's Update and Questions to the Executive

Ref: CA.4

The Vice-Chancellor gave an oral update on several matters which had been reported in the monthly reports from the Executive. He drew particular attention to the following points.

- (i) Lancaster University had won a Green Gown Award for the second consecutive year. It was noted that the award would be beneficial for the University's reputation as an environmentally sustainable campus. The Vice-Chancellor and Council expressed their congratulations to everyone involved in the Wind Turbine project, for which the award had been made.
- (ii) Congratulations were also due to the central Alumni and Development Office and the Physics Department, who had worked together to secure substantial philanthropic donations totalling over £1M for the provision of a world leading isolated laboratory.
- (iii) The University and College Union (UCU) had suspended their marking boycott while negotiations continued in relation to the USS pension scheme.

THE COUNCIL RESOLVED to note the update from the Vice-Chancellor.

CO.14/84 President of the Students' Union: Report

Ref: CA.5; document: SEC/2014/2/1210

The President of the Students' Union, Ms Clayson, presented her written report as set out, and highlighted the following key points.

- (i) The Assembly for Change conference organised by the Vice-President (VP) Education had been highly successful.
- (ii) The Pro-Vice-Chancellor (Education) had joined the Behaviour Change group as co-chair.

- (iii) The University's energy supply would be put out for tender later in the year, and Ms Clayson would continue to emphasise the importance of selecting a solely renewable provider.
- (iv) The Student Voice roadshow had revealed a lack of awareness among students about the interim arrangements during the Library refurbishment project, but the Students' Union and University management were working to rectify this.
- (v) Senior University management had provided a great deal of support and time for the Future Students' Union project, which was greatly appreciated by the Students' Union President and members. A full report on this project would be provided to Council in due course.

THE COUNCIL RESOLVED to note the report of the President of the Students' Union, and thanked Ms Clayson for the comprehensive report.

CO.14/85 Audit

Ref: CA.6; document: SEC/2014/2/1177; SEC/2014/2/1249; SEC/2014/2/1179

The Chair of the Audit Committee, Mr Parker, reported that the external audit had been completed with no issues of concern. Mr Hadfield suggested that the justification of the assumptions referred to in document SEC/2014/2/1249 (on page 59) should be queried, and this point was noted by the Council.

THE COUNCIL RESOLVED to:

- (i) approve the Audit Committee's Annual Report to Council and the Vice-Chancellor 2014;
- (ii) note that the Annual Report will be submitted to HEFCE;
- (iii) note the Internal Audit Annual Report 2013/14;
- (iv) note the Letter of Representation for the External Auditors, subject to the point above;
- (v) note the report of meetings of the Audit Committee held on 11 September 2014 and 24 October 2014 prior to approving the financial statements; and approve the Committee's recommendations as set out in 1, 2.1, 2.3 and 3 of the attached document.

CO.14/86 Finance

Ref: CA.7

(A) **ANNUAL ACCOUNTS 2013/14**

Document: FIN/14/83

The Director of Finance introduced the annual accounts for the financial year 2013/14, and drew attention to the underlying surplus of £16.2M (7.5% of turnover), which was in the upper quartile of the Higher Education sector. It was noted that tuition fee income continued to be of prime importance, and that the research income figure included £2M from the Work Foundation. A note had been added regarding the pensions liability from 2015-16 onwards, in response to a suggestion made by the Finance and General Purposes Committee, and a reference had been included to the review of the Work Foundation.

The Council discussed the accounts and noted that the adjusted surplus was lower than the previous year, which was due to the large impairment, a consequence of the reversal of a previous valuation exercise.

THE COUNCIL RESOLVED to approve the annual accounts for the University for the financial year 2013/14.

(B) **HEFCE ANNUAL ACCOUNTABILITY RETURN – FINANCIAL RESULTS 2013/14**

Document: FIN/14/82

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

CO.14/87 Strategy

Ref: CA.8

(A) **THE WORK FOUNDATION**

Document: SEC/2014/2/1254 (Restricted and Commercial in Confidence)

[RESTRICTED MINUTE]

(B) **HEALTH INNOVATION CAMPUS**

Document: SEC/2014/2/1240

The Deputy Vice-Chancellor introduced a progress report on the development of the Health Innovation Campus, including a bid for the HEFCE Catalyst Fund. It was noted that the project was intended to consist of a phased approach, with around £40M funding being sought for the first phase of the development.

Preliminary work had been positively received by HEFCE, and a CBSL demand study had indicated that there was sufficient demand from suitable businesses that would be attracted by the co-location of the Innovation Hub and the Medical School.

Members raised a concern about the potential disruption of academic and research work during the transition phase; it was noted that there would be sufficient laboratory space on the site to accommodate staff research requirements, and that the Faculty's move would be phased carefully in order to minimise disruption.

THE COUNCIL RESOLVED to note the development of the Health Innovation Campus and to await further progress reports at future meetings.

(C) **THE ATTRACTIVENESS OF LANCASTER UNIVERSITY TO HOME-EU UNDERGRADUATES**

Document: SEC/2014/2/1241 (Restricted and Commercial in Confidence)

[RESTRICTED MINUTE]

(D) **NATIONAL STUDENT SURVEY 2014**

Document: SEC/2014/2/1202

The Pro-Vice-Chancellor (Education) presented a report on the National Student Survey (NSS) 2014 results, and outlined the follow-up actions taken by Faculties, the Students' Union and senior management.

THE COUNCIL RESOLVED to note the report, and agreed that this should remain a key priority for the University.

(E) **BRIEFING ON CATALYST FUNDING**

Document: SEC/2014/2/1255

THE COUNCIL RESOLVED to note this report.

CO.14/88 Human Resources: Universities Superannuation Scheme (USS) Reforms

Ref: CA.9; document: SEC/2014/2/1253 (Restricted)

[RESTRICTED MINUTE]

CO.14/89 Governance

Ref: CA.10

(A) **PROPOSAL TO AMEND STATUTE 9: THE COUNCIL**

Document: SEC/2014/2/1242

The Council noted that the Senate had concurred with the proposed amendments to Statute 9 as detailed in Appendix 1, and voted unanimously to approve them for submission to the Privy Council.

ACTION: FMA

(B) **CHANCELLOR'S AMBASSADOR**

Document: SEC/2014/2/1213

THE COUNCIL RESOLVED to:

- (i) approve the recommendation of Senate that the title of Chancellor's Ambassador be conferred on Sir Christian Bonington; and
- (ii) confer Life Membership of Court on Sir Christian in recognition of his service to the University.

ACTION: FMA

(C) **COUNCIL ASSURANCE**

Document: SEC/2014/2/1107

This item was deferred to the next meeting.

(D) **ANNUAL SUSTAINABILITY STATEMENT**

Document: SEC/2014/2/1248

The University Secretary informed the Council that the governing body had been asked to conduct an annual report on sustainability of the institution and provide a report on it to HEFCE via the ASSUR report. It was noted that the previous year's submission had not received any feedback, nor had there been any changes made to the HEFCE annual assessment of institutional risk. It was therefore recommended that Lancaster should not submit an ASSUR report in 2014.

THE COUNCIL RESOLVED to approve the proposal not to submit an ASSUR report in 2014.

(E) **RISK MANAGEMENT FRAMEWORK**

Document: SEC/2014/2/1252

This item was deferred to the next meeting.

(F) **ANNUAL MEETING OF COURT**

Document: SEC/2014/2/1211

THE COUNCIL RESOLVED that the date of the next meeting of Court will be 31 January 2014.

CO.14/90 Estates

Ref: CA.11

(A) **CAPITAL PROGRAMME 2014-2017**

Document: FIN/14/84

The Council received an update to the Capital Programme for the three year period to 2017. The Deputy Vice-Chancellor noted that nine major projects were underway or planned to start within the next few months, and that Facilities would work hard to minimise the impact on the student experience.

THE COUNCIL RESOLVED to approve the update to the Capital Programme for 2014/15 to 2016/17.

(B) REPORT ON THE PHYSICS REFURBISHMENT PROJECT

Document: SEC/2014/2/1250

It was noted that the tenders received for this project exceeded the approved budget, due to the risk involved in delivering a five phase project; the Director of Facilities would continue to negotiate with potential contractors, and bring a revised proposal to the Estates Committee and Council for discussion.

ACTION: MSw

(C) REPORT ON THE ASH HOUSE REFURBISHMENT PROJECT

Document: SEC/2014/2/1251

The Council received a proposal regarding the refurbishment of Ash House to provide upgraded student residences and study area. It was noted that the materials and specifications used in the refurbishment would be selected in order to maintain the affordability of this accommodation for students.

THE COUNCIL RESOLVED to give approval for construction contracts to be executed within the parameters of the budget of £5,962,821 to maintain the programme.

ACTION: MSw

(D) REPORT ON UNIVERSITY COMMITMENTS ARISING FROM cTAP FUNDING

Document: SEC/2014/2/1256

The Deputy Vice-Chancellor introduced a paper which set out the commitments which had been placed on the University through the receipt of a £9M EDRF grant for the cTAP project, as requested at the previous meeting. It was noted that the commitments were considered to be minimal, and that Council were satisfied that sufficient investment to meet the Match Funding requirements had been located.

CO.14/91 Update to Measures of Success

Ref: CA.12; document: PSU/2014/0119

This item was deferred to the next meeting.

CO.14/92 University Appointments: Proposals Under Statute 2

Ref: CA.13; document: SEC/2014/2/1214

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

CO.14/93 Review of Current Meeting

Ref: CA.14

Council members expressed themselves satisfied with the arrangements. It was agreed that the key items for discussion should be highlighted on the agenda for future meetings.

CO.14/94 Standing Committees and Reports

Ref: CA.15

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

- (i) Finance and General Purposes Committee, meeting of 30 October 2014 (*SEC/2014/2/1257*)

The student representative, Mr Mang, raised a motion to allow the increase in tuition fees, as set out in minute FC.14/41, to be discussed by the Senate. A vote was held and the majority of Council members voted against this motion; therefore it was agreed that this matter would not be discussed by the Senate.

- (ii) Senate, strategy meeting of 24 September 2014 (*SEC/2014/2/1229*)
(iii) Governors' Liability Insurance (*SEC/2014/2/1212*)
(iv) Report on Use of the University Seal (*SEC/2014/2/1200*)