

## COUNCIL – MINUTES

23 November 2018

**PRESENT:** Pro-Chancellor, Lord Liddle (in the chair); Vice-Chancellor; Professor A. M. Atherton (Deputy Vice-Chancellor); Mr D. Barron (lay member); Mr M. J. Dormer (lay member); Mrs R. S. Georghiou (lay member); Professor J. Garside (Deputy Pro-Chancellor); Professor S. Guy (Senate representative); Professor N. Johnson (Senate representative); Mr R. Johnson (lay member); Ms R. Llystyn Jones (Students' Union President); Ms A. Mullan (Senate representative); Baroness Neville-Jones (Deputy Pro-Chancellor); Mr G. Nuttall (student representative); Mr S. Reynolds (lay member); Professor E. Ritchie (lay member); His Hon Judge P. Sycamore (lay member); Mrs V. Young (lay member).

**IN ATTENDANCE:** Mr P. T. Boustead (Director of Human Resources and Organisational Development) (*attended for items 1-9 and 26 for EDI report*); Professor S. P. Decent (Pro-Vice-Chancellor (Research and Enterprise)) (*attended for items 15-18*); Ms H. Hunter (Committee Secretary); Professor S. R. A. Huttly (Pro-Vice-Chancellor (Education)) (*attended for item 10 and 26 for EDI report*); Professor Angus W. Laing (Dean, LU Management School) (*attended for item 18*); Ms N. C. Owen (Chief Administrative Officer and Secretary); Mrs S. J. Randall-Paley (Director of Finance) (*attended for items 13-18*).

**APOLOGIES FOR ABSENCE:** Mr I. Johnson (lay member); Professor K. C. Jones (Senate representative); Lord M. Price (lay member).

### **1. WELCOME AND APOLOGIES**

- 1.1 Council noted apologies for absence.
- 1.2 Council welcomed His Hon Judge Phillip Sycamore to his first meeting of Council.

### **2. DECLARATIONS OF INTEREST**

- 2.1 There were no declarations of interest.

### **3. MINUTES**

**PAPER A**

- 3.1 Council approved the minutes of the meeting held on 28 September 2018, subject to noting an amendment to minute 8:  
*(Restricted and Commercial in Confidence)*

### **4. MATTERS ARISING**

- 4.1 There were no matters arising.

## 5. VICE-CHANCELLOR'S UPDATE AND QUESTIONS TO THE EXECUTIVE

### 5.1 *(Restricted and Commercial in Confidence)*

5.2 The Vice-Chancellor referred back to the monthly updates to Council of October and November alongside an oral update on activities of interest to Council, including:

- (a) that the University had responded to the UUK consultation about the report outcomes of the Joint Expert Panel on the USS Pension Scheme. UUK had published summary responses and made a submission to the USS Trustee, which would be undertaking another valuation of the Scheme, but Rule 76.4 remained the current position;
- (b) that the UCU and Unison ballots had voted in favour of industrial action, but had not met the threshold turnout and, therefore, there was no mandate for industrial action at the moment over pay for the current round of negotiation;
- (c) an update on the outcomes of recent Athena SWAN award submissions, including that FHM had its silver award renewed, but the University had not achieved silver award status, although its bronze award had been extended for a further year. There would be a further discussion with Council on broad Equality, Diversity and Inclusion issues and approaches, possibly as part of the May Away Day;
- (d) that the initial institutional TEF ratings had been extended by a year to allow for a further year of subject-level pilot activity, therefore, the University's Gold accreditation would be valid for a fourth year to 2021, and it had been announced that Dame Shirley Pearce would chair the independent TEF review panel;
- (e) league table results: the University was first in the UK in the QS World Survey rankings for graduate employability; within the Times Higher Education World University Rankings by subject the University was 44<sup>th</sup> for arts and humanities and 36<sup>th</sup> for education.

5.3 Council noted the report.

## 6. SENIOR TEAM STRUCTURE AT LANCASTER UNIVERSITY

PAPER B

6.1 The Vice-Chancellor introduced the paper setting out proposals for the future structure of the senior leadership team afforded by the forthcoming departure of the Deputy Vice-Chancellor, noting in particular the review undertaken of models elsewhere and that he had consulted on the proposals including with UMAG, Senate and some Council members who were fully supportive of the proposals.

6.2 Council approved the proposed changes to the structure of the Senior Management Team.

## 7. PRESIDENT OF THE STUDENTS' UNION REPORT

PAPER C

7.1 The President of the Students' Union introduced the report, which included comments on the recent House of Commons Education Committee report on Value for money in higher education.

- 7.2 Key points of discussion concerning the pilot extension to the teaching day and the timetable review included:
- (a) that there were a number of factors to address when determining the future approach, including the use of digital options, affordability of upfront capital funding for new lecture facilities, evolving student expectations, challenges associated with the current timetable and possible need for simplification of curriculum structures, and impact of the pilot across all areas;
  - (b) it did not appear that there were significant numbers of staff being negatively impacted as a result of the pilot to date, noting that there had previously been flexibility enacted for extended teaching in the timetable and the timetable already accommodated a high level of flexibility for individual staff requirements.
- 7.3 There was an update about the status of the Snow Sports Investigation incident, noting that the University had sought to ensure that it had undertaken the necessary external reporting. The Students' Union was grateful to the University for its support during the incident, and the Vice-Chancellor commended the work of the Union under difficult circumstances and thanked University colleagues for their support in managing the incident.
- 7.4 Council noted the report and noted there would be a future report concerning the outcome of the Augar Review at the appropriate time when details were made public.
- 8. REMUNERATION COMMITTEE ANNUAL REPORT AND ANNUAL GOVERNANCE STATEMENT 2017/18** **PAPER D**
- 8.1 Council noted the Remuneration Committee Annual Report and approved the Annual Governance Statement for publication.
- 9. STRATEGIC REWARD COMMITTEE ANNUAL REPORT** **PAPER E**
- 9.1 Council noted the Strategic Reward Committee Annual Report.
- 10. ANNUAL REPORT TO UNIVERSITY COUNCIL ON TEACHING QUALITY ASSURANCE** **PAPER F**
- 10.1 The Pro-Vice-Chancellor (Education) introduced the report, which summarised the University's academic quality assurance processes undertaken in 2017/18, including information on regular bodies and activities with responsibility for matters of assurance and maintenance of standards, to provide evidence to Council for its annual return in this area to the Office for Students. The report had previously been considered and recommended by Senate and Audit Committee.
- 10.2 It was noted that there would be a future report to Council on degrees awarded, partly for Council to scrutinise given the Government's general concern about grade inflation, but this was not considered to be an issue for the University on the basis of the assessment of the University's data.
- 10.3 Council confirmed that the evidence presented provided full assurance for Council in relation to the Office for Students' return for 2017-18.

- 11. MODERN SLAVERY ACT STATEMENT** **PAPER G**
- 11.1 Council approved the Modern Slavery Act Statement for signature and publication on the University's website.
- 12. PREVENT OFFICE FOR STUDENTS (OfS) RETURN 2017/18** **PAPER H**  
**(Restricted and Commercial in Confidence)**
- 13. AUDIT COMMITTEE ANNUAL REPORT TO COUNCIL AND THE VICE-CHANCELLOR 2018** **PAPER I**
- 13.1 Council noted the Audit Committee Annual Report, which would be submitted to the Office for Students as part of the annual accountability returns. Council also noted the Internal Audit Annual Report 2017/18 and the external audit report, and approved the signing of the Letter of Representation as presented for the External Auditors.
- 13.2 It was also confirmed that the Audit Committee was satisfied that it could indicate to Council that in its opinion the University represented a 'going concern' with adequate resources to continue in operation for twelve months from the date of signing the Financial Statements and, as such, the going concern basis could be adopted (see paper U report of meeting on 29 October 2018).
- 14. FINANCIAL STATEMENTS FOR THE YEAR-ENDED 31 JULY 2018** **PAPER J**
- 14.1 The Director of Finance introduced the Financial Statements for the year-ended 31 July 2018, together with a Financial Commentary, which formed part of the accountability returns to the Office for Students. It was noted that the Finance and General Purposes Committee and Audit Committee had considered and recommended the Financial Statements for approval. It was also noted that Council had been provided with a final version of the Financial Statements the previous day with minor amendments relating to additional disclosures following final technical comments from the External Auditor.
- 14.2 Key points from the discussion included:
- (a) current performance against the adjusted net operating cashflow KPI;
  - (b) the impact of changed accounting arrangements on recording grant income;
  - (c) a paper would be prepared for a future Council discussion, potentially the Away Day, concerning the University's research productivity.
- 14.3 Council approved the Financial Statements for the year-ended 31 July 2018 and the Financial Commentary.
- 15. ANNUAL RESEARCH INTEGRITY REPORT 2017/18** **PAPER K**
- 15.1 Council noted the report.

**16. A REVIEW OF RECENT INVESTMENTS** **PAPER L**

16.1 The Deputy Vice-Chancellor introduced the paper providing a review of the University's investments in several major projects in recent years, and how these have improved its academic quality and reputation, as well as financial returns. Council noted the report.

16.2 Key points from the discussion included:

- (a) that a framework had been developed for preparing new business proposals, but a consistent assessment methodology should be developed to support decision-making and monitoring;
- (b) that there were particular nuances that would need to be considered as part of the broad contribution from each investment;
- (c) work being undertaken by the University to raise the profile of STEM subjects in schools.

**17. CONSULTANCY AT LANCASTER** **PAPER M**

17.1 The Pro-Vice-Chancellor (Research and Enterprise) introduced the paper setting out proposals to refresh the University's approach to supporting and encouraging staff consultancy, which had been subject to wide-consultation and had been recommended to Council by Finance and General Purposes Committee.

17.2 Council approved the approach set out in the paper, noting that further approval of related operational details will be sought from the relevant governance bodies.

**18. STRATEGIC PARTNERSHIP OPPORTUNITY** **PAPER N**  
**(Restricted and Commercial in Confidence)**

**19. UA92 UPDATE** **PAPER O (i)**  
**(Restricted and Commercial in Confidence)**

**20. UA92 OVERSIGHT AND SHAREHOLDER REPORTING** **PAPER O (ii)**

20.1 Council noted the paper setting out the oversight arrangements for UA92 following the establishment of the Board together with the shareholder reporting requirements, including the establishment of a Joint Implementation Group in line with other University partnership monitoring and reporting arrangements.

20.2 Council approved that its UA92 Sub-Group was stood-down.

20.3 Council noted the proposed independent non-executive director appointments to the Board.

20.4 It was also noted a proposal for arrangements to provide Council with broader assurance around the University's partnership activity would be brought back in due course.

- 21. SUMMARY UPDATE FOR UNIVERSITY COUNCIL: PRELIMINARY ADMISSIONS RESULTS FOR 2018/19 INTAKE OF UG AND PGT STUDENTS** **PAPER P**
- 21.1 Detailed discussion of the report would be deferred until the next meeting of Council.
- 21.2 It was noted that a proposal would be prepared for the next meeting concerning growth planning in the context of external challenges.
- 22. KPI PERFORMANCE REPORT 2017/18 YEAR END** **PAPER Q**
- 22.1 Council noted the report.
- 23. COUNCIL STANDING ORDERS AND STATEMENT OF PRIMARY RESPONSIBILITIES** **PAPER R**
- 23.1 Council approved the Standing Orders and Statement of Primary Responsibilities.
- 24. REPORT ON USE OF THE UNIVERSITY SEAL** **PAPER S**
- 24.1 Council noted the report.
- 25. COUNCIL CHAIR'S ACTIONS** **PAPER T**
- 25.1 Council noted the report.
- 26. WRITTEN REPORTS OF STANDING COMMITTEE MEETINGS** **PAPER U**
- 26.1 Council noted the written reports.
- 26.2 Council approved:
- (a) the proposed amendments to the Audit Committee's terms of reference, as set out in the paper;
  - (b) the reappointment of PricewaterhouseCoopers as the internal auditors for two further years covering 2018/19 and 2019/20 audit cycles, following their initial three years of appointment;
  - (c) the proposed amendments to the Equality, Diversity and Inclusion Committee's terms of reference and membership composition, as set out in the paper;
  - (d) the proposed amendments to the Estates Committee's terms of reference as set out in the paper.
- 26.3 Council requested that a paper was provided in due course setting out the delegations and authority of Council in relation to the Equality, Diversity and Inclusion Committee (specifically in relation to point iv in the amended terms of reference with regard to the approval of policies).

**27. FORWARD SCHEDULE OF COUNCIL BUSINESS**

**PAPER V**

27.1 Council noted the schedule.

**28. DATE OF NEXT MEETING**

28.1 The next Council meeting will be held at 1.00 p.m. on Friday 25 January 2019 in the Private Dining Room, County College.

**29. ANY OTHER BUSINESS**

29.1 Professor Andrew Atherton was warmly thanked for his work and significant contributions to the University ahead of his leaving the University to take up the position of Principal and Vice-Chancellor of the University of Dundee.