

UNIVERSITY OF BIRMINGHAM

COUNCIL

26<sup>th</sup> November 2009

MINUTES

Members present: Dr W J Glover (Pro-Chancellor, in the Chair); Mr C N Banks CBE (Deputy Pro-Chancellor); Ms B Blow; Mrs M Cass; Mrs M C Davies; Professor D S Eastwood (Vice-Chancellor and Principal); Mr M G Gilbert (Treasurer); Mr R Halton; Miss B Jones, (Vice-President (Education and Access), Guild of Students); Mr G R Mackenzie OBE; Professor J M Marshall; Mr F Neuner (President, Guild of Students); Mr N C Paul CBE; Dr N Price OBE; Hon Alderman D Roy; Professor C Ryan; Professor A Schofield; Professor M C Sheppard (Vice-Principal)

Also present: Mrs G Ball (Director of Finance); Mr A Buckley (Assistant Director of Human Resources, Strategy and Policy) for items 09/87 and 09/88 only; Dr S J L Gower (Minute Secretary); Professor J K Heath (Pro-Vice-Chancellor); Ms L Lucas (Head of Internal Audit) for item 09/90 only; Mr W Lumsden (Senior Manager, KPMG) for item 09/90 only; Mr P Marshall (Acting Head of Planning) for item 09/93 only; Professor E W Peck (Head of College); Professor J I Petts (Pro-Vice-Chancellor); Mrs C Pike (Director of Legal Services) for item 09/89 only; Professor M C Press (Head of College); Professor A J Randall (Pro-Vice-Chancellor); Mr L Sanders (Registrar & Secretary); Professor N P Weatherill (Head of College); Professor L S Young (Head of College)

Apologies: Dr S Battle CBE; Mr D Hartnett CB; Professor A Pauwels (Head of College); Dr S S Sahota OBE; Dr J S Taunque MBE

Papers: The minute book contains copies of all written papers or reports to which reference is made below unless indicated otherwise.

LUNCHTIME PRESENTATION

09/82 The Birmingham Graduate project

**Received:**

A presentation from Professor Adrian Randall (Pro-Vice-Chancellor, Academic Quality and Students) on the Birmingham Graduate project.

COUNCIL BUSINESS MEETING

09/83 Minutes of previous meeting

**Resolved:**

That the minutes of the meeting held on 29<sup>th</sup> September 2009 (CO.09.11.01/01a) be approved.

09/84 Matters arising not addressed elsewhere on the agenda  
Benefaction for Chancellor's Court Auditorium (naming of building) (minute 09/70(c) refers)

**Reported** by the Pro-Chancellor:

That, following the completion of due diligence, in consultation with the Deputy Pro-Chancellor (as Chair of the Estates and Infrastructure Sub-Committee), the Treasurer and the Vice-Chancellor, he had agreed to the name of the new music facility, "The Bramall Music Building".

Revised Code of Practice for Research (minute 09/72 refers)

**Reported** by the Pro-Chancellor:

That, following discussions, a number of changes had been built into the revised Code, which he had recently approved. A copy of the revised Code would be sent to members shortly.

09/85 Pro-Chancellor's Items

**Received:**

A paper from the Pro-Chancellor with one recommendation and a number of items for information (CO.09.11.02).

(i) Lease agreements

**Resolved:**

That the principle of the University entering into the lease agreements be approved as listed in the paper, and that authority to approve the terms of these agreements be delegated to the Director of Estates, in consultation with the Pro-Vice-Chancellor (Estates and Infrastructure).

(ii) Report from CUC Plenary Meeting

**Reported:**

That the new HEFCE Chief Executive, Sir Alan Langlands, had reviewed the past year at the meeting. At a time of growing financial challenges, he had urged institutions to work together at all levels to present the sector in as positive a light as possible. He stated that teaching funding methodology would change to become more dynamic, flexible and more easily understood. He saw the block grant system as a major strength of the sector. He believed that overall spend on HE in 2010/11 would be no greater than it had been in 2008/09, and the situation might be even worse than this. He urged the sector to strive for the best rather than prepare for the worst.

(iii) Update on BRDL

*The Pro-Chancellor, the Treasurer, the Director of Finance, Dr Price and Hon Ald Ray declared interest in this item.*

**Reported:**

That the defendants in the case had pleaded guilty to charges of theft and fraud. Sentencing would take place in January, and they had been told to expect significant custodial sentences. Efforts to recover funds through BRDL were continuing.

09/86 Vice-Chancellor's items

**Received:**

A report from the Vice-Chancellor on a number of items for information (CO.09.11.03)

(i) Circles of Influence Campaign

**Reported:**

That the Circles of Influence Campaign had been launched publicly and that the sum raised through the Campaign now stood at £47m.

(ii) Pay Negotiations

**Reported:** that

- (a) the focus of recent national discussions had been on pay and job security. UCEA was working with ACAS and UCU to produce a Digest on Job Security – the document would have no legal standing but could serve as a reference document. It represented progress towards a possible resolution;
- (b) locally, discussions with local support staff unions had led to an offer of 0.5% on all spine points with a one-off payment of up to £250 in return for agreement to a statement on redundancy principles. This offer would be withdrawn if there was no agreement by 11<sup>th</sup> December;
- (c) this offer was within the University's budget.

(iii) MTC

**Reported:** that

AWM had approached the three University partners to seek a loan of up to £100k as initial working capital.

**Resolved:** that

- (a) it was appropriate for the loan to be made;
- (b) authority should be delegated to the Vice-Chancellor to agree to the loan when the form and precise sum were known.

**Considered:** a paper from the University Executive Board (CO.09.11.04)

**Reported:** that

- (a) Council had tasked UEB with coming up with proposals to address the projected £20m funding gap for 2012/13. Under the new Vice-Chancellor, rather than simply look for savings as other universities were doing, the aim had been to develop more strategic proposals which sought to address the academic performance alongside financial sustainability, as the two were interlinked;
- (b) the resulting paper presented to Council proposed to close the £20m shortfall, half of this to be achieved through increased income and half through cost savings. The paper also proposed a range of measures aimed at raising the University's academic performance and continuing to enhance its global footprint through the sustained excellence of its academic disciplines;
- (c) the proposals stemmed from an analysis of the University's position and performance. The paper identified areas of underperformance as well as areas for investment to continue to move the University forward in increasingly challenging times;
- (d) the proposals had been discussed by College Boards, Senior Officers of Corporate Services, UEB, the Strategy, Planning and Resources Committee and Senate;
- (e) if the University achieved the growth targets in the paper, the total number of staff, including research posts funded through research grants, would increase over the coming five years;
- (f) where reviews occurred, these would be fit for purpose, reflective of the circumstances of the area under review and informed by lessons learned from previous reviews;
- (g) the Sustainable Excellence proposals would feed into the wider discussion which Council launched at its Away Day on 29<sup>th</sup> September on the development of a new University Strategic Framework from 2010;
- (h) by the Pro-Chancellor, that a letter and email had been received from Birmingham UCU (BUCU) about the proposals which he had considered. He had decided not to circulate them before Council, but copies of both were available for members at the meeting (and have been placed in the Minute Book as CO.09.11.04a). The BUCU's concerns were reported to Council, including their questioning of the legality of the proposals. A detailed legal briefing on Sustainable Excellence was provided at the Council meeting by the Director of Legal Services, confirming that the University was acting within the provisions of relevant legislation and meeting its legal obligations.

**Received:**

Senate's comments on the Sustainable Excellence paper set out in its report (paper CO.09.11.11; minute 09/94 refers)

**Noted** in the discussion that:

- (a) members of Council strongly supported the Sustainable Excellence proposals, commending the ambition the document set out for the University, and recognising that in an increasingly competitive environment the University must take clear-sighted decisions to secure its academic and financial future;
- (b) there was strong support at Council for the paper's explicit focus on academic improvement, and agreement that making a step change in research performance and delivering excellence in learning and teaching required the University to

- challenge itself;
- (c) Council remained committed to making up the £20m cash shortfall through the intended combination of income generation and savings;
  - (d) Council recognised the importance of strategic investment to enhance academic excellence, especially at a time when many competitor universities' financial position meant that they could only retrench. A number of investments had already been made and others would be announced;
  - (e) the strategy, principles and overall goals in the Sustainable Excellence document provided a framework for action and improvement over the next three years, but the detailed proposals would be dynamic and subject to further work, reflection and refinement so that the University could be agile and respond to fresh challenges and external change.

**Resolved:** that

- (a) the Sustainable Excellence document be strongly endorsed, noting that it would build a platform for future, continuous improvement;
- (b) it be noted that Council had considered the Review of INLOGOV at its meeting on 29<sup>th</sup> September 2009, and that the outcome of the consultation would be considered by Council early in 2010;
- (c) it be noted that the review of Sociology was dealt with under minute 09/88;
- (d) it be noted that some of the proposals in the Sustainable Excellence paper envisaged reviews or other activities being undertaken, and that should any of these result in proposals for redundancies, the unions and relevant staff would be consulted, as appropriate.

09/88      Sociology Review

**Considered:** a paper on the Review of the Department of Sociology (CO.09.11.05).

**Received:** Senate's comments on the Review as set out in its Report (CO.09.11.11; minute 09/94 refers)

**Reported:** that

- (a) the review had been instigated in March 2009. It was prompted by the Head of School following discussions with the former Head of Department. The Terms of Reference of the Review Group had been agreed by the College of Social Sciences Board and endorsed by UEB;
- (b) the paper had been considered by the College Board, UEB, the Strategy, Planning and Resources Committee and Senate;
- (c) Council was now being asked to approve the continuation of consultation with staff, students and trade unions on the proposals in the paper, which had started earlier in November. Council was not being asked to make any decision at this stage on the future of Sociology, as had been erroneously stated by some observers;
- (d) the paper did not propose to discontinue the provision of Sociology at the University. Rather the recommended option in the paper was to move Sociology to the Institute of Applied Social Sciences. All options in the paper remained alive in the consultation process. The consultation process would lead to recommendations upon which Council would decide in April 2010.

**Noted:** that

- (a) an email from the Review Group's external advisers and letters from staff and

- students in Sociology about the proposals had been received. As there was a process of consultation, to which staff, students and stakeholders could contribute, the Pro-Chancellor had decided these should not be circulated, though copies were available at the meeting for members. (Copies have been placed in the Minute Book as CO.09.11.05a);
- (b) whilst it was understood that the external advisers were uncomfortable with some of the options produced by the Review Group, their role had been agreed with the Chair of the Group at the earliest stage;
  - (c) Sociology was underperforming, as shown in its RAE results. The University had finite resources and had to be selective if it was to invest in excellence and raise its academic performance;
  - (d) students in Sociology were concerned about the conduct of the Review and their involvement in it and in particular about the impact on the quality of their degrees;
  - (e) the College of Social Sciences had committed to ensuring the quality of the student experience and the standing of the degree for current students;
  - (f) the consultation process had been launched involving staff and students in Sociology. The Guild had been particularly helpful in constructing this process. Student members of Council expressed their thanks to Professors Peck and Ryan for their engagement with students in Sociology to address their concerns.

**Resolved:**

That the Report on the Review of Sociology be noted and that the consultation on Sociology continue, noting that Council would consider the outcome at its April 2010 meeting.

09/89 Appointment of Pro-Chancellor

**Considered:**

A paper on the appointment of the next Pro-Chancellor (CO.09.11.06)

**Resolved:** that

- (a) Mr Ed Smith be appointed Pro-Chancellor for a period of five years from 1<sup>st</sup> August 2010;
- (b) Mr Smith be appointed a member of Council with immediate effect.

09/90 Report from the Audit Committee

**Considered:**

A report from the meeting of the Audit Committee held on 3<sup>rd</sup> November 2009 (CO.09.11.07)

**Received:**

The annual report from the Audit Committee for the academic year 2008/09, noting that the Committee had approved the Annual Assurance return to HEFCE, confirming that the arrangements for quality assurance of data were effective with the exception of the current uncertainty over compliance with the HEFCE definitions of non-completions.

**Resolved:**

That the accounting policies be approved as set out in the Annual Accounts.

09/91    Annual Accounts for the year ending 31<sup>st</sup> July 2009

**Considered:** (CO.09.11.08)

- (a) audit highlights, memorandum and the management letter from KPMG, the external auditors for the University and its subsidiaries;
- (b) the letter of representation for the University for submission to the external auditors, KPMG;
- (c) the University annual accounts for the year ending 31<sup>st</sup> July 2009, confirming that Council had discharged its corporate governance responsibilities, and the accounts for each of its subsidiaries.

**Received:**

Oral reports from:

- (a) Mr Bill Lumsden of the University's external auditors (KPMG) confirming that the accounts met the auditors' requirements and that no financial control weaknesses had been identified in the audit. He noted that an adjustment of funding (arising from sector-wide issues over the definition of student non-completions) might be necessary in the light of a HEFCE data audit. However, this was unlikely to affect the 2008/09 year's accounts and any change would more probably be reflected in this year's accounts;
- (b) the Director of Finance and the Treasurer, noting that the University's current financial position presented a sound base from which to move forward to achieve sustainable excellence;
- (c) the Head of Internal Audit confirming that the internal audit plan had been completed and that it had been reported to the Audit Committee that the University had adequate systems in place for governance, risk management, operational control and value for money;
- (d) a report from Ms Bridget Blow, who chaired the Audit Committee on 3<sup>rd</sup> November 2009, confirming that the Council's corporate governance responsibilities with respect to the annual accounts had been properly discharged.

**Resolved:** that

- (a) the annual accounts for the year ended 31<sup>st</sup> July 2009 be approved and adopted as set out in paper CO.09.11.08, confirming that Council had discharged its corporate governance responsibilities;
- (b) the letter of representation be approved for signature by the Pro-Chancellor and submission to the external auditors;
- (c) the accounting policies and estimation techniques on which the accounts were based be approved, as recommended in the report from the Strategy, Planning and

Resources Committee;

- (d) the Finance Office, the Internal Auditor and the Audit Committee be thanked for their work with respect to the annual accounts.

09/92 Financial Forecast 2013

**Considered:**

The 5-year financial forecast for submission to HEFCE as part of the “Single Conversation”. (CO.09.11.09)

**Noted:** that

- (a) the Forecast was based on the 2009/10 budget and Forward Look 2010/11-2012/13 as approved by Council in July, but now included aspects of the Sustainable Excellence proposals;
- (b) turnover for the University was projected to reach £490m by 2012/13;
- (c) income growth over the period was forecast to rise by 11%, but costs would rise by 16%;
- (d) staff numbers were planned to increase in this period, in line with the proposals set out in Sustainable Excellence.

**Resolved:**

That the paper be approved for submission to HEFCE as part of the “Single Conversation”.

09/93 Report from the Strategy Planning and Resources Committee

**Considered:**

A report from the meetings of the Strategy, Planning and Resources Committee held on 13<sup>th</sup> October and 16<sup>th</sup> November 2009. (CO.09.11.10)

**Resolved:** that

- (a) the following matters be approved as set out in the Report:
  - (i) Sustainable Excellence Proposals (minute 09/87 refers);
  - (ii) Review of the Department of Sociology (minute 09/88 refers);
  - (iii) Annual Accounts for the year ending 31<sup>st</sup> July 2009 (minute 09/91 refers);
  - (iv) Financial Forecast 2013 (minute 09/92 refers);
  - (v) Developing the Strategic Framework 2010-2015, noting in response to members' questions about ongoing involvement in the process, that there would be an opportunity for an update discussion at Council on 3<sup>rd</sup> February and major discussion of the emerging headlines at SPRC on 16<sup>th</sup> March and Council on 14<sup>th</sup> April;
  - (vi) Corporate Planning Statement 2009/10, for submission to HEFCE as part of the “Single Conversation”;
  - (vii) Policy on Fixed Term Contracts;
  - (viii) Revised University Health and Safety Policy, noting the opportunity the Policy presented to continue to demonstrate leadership in Health and Safety.

- (b) the recommendation regarding the location of The Binding Site Ltd on Birmingham Research Park and increasing the density of parking at the Pritchatts Road Car Park be approved.

09/94 Report from the Senate

**Considered:**

A report from the meeting of the Senate held on 18<sup>th</sup> November 2009 (CO.09.11.11)

**Noted:**

Senate's comments on Sustainable Excellence and the Sociology Review under 09/87 and 09/88.

**Resolved:**

That the Report be received.

09/95 Report from the Council Effectiveness Review Group

**Considered:**

An initial report from Review Group (CO.09.11.12)

**Noted:**

That the recommendations of the 2005 Review had been put into effect in virtually all respects.

**Resolved:** that

- (a) the Review Group's conclusions on the follow-up work to the recommendations of the 2005 Review be endorsed as set out in the Report;
- (b) given his relevant experience, Professor Bale should continue as a member of the Review Group, notwithstanding the fact that he was no longer a member of Council;
- (c) members of Council be encouraged to return their questionnaires on Council Effectiveness by the 2<sup>nd</sup> December deadline.

09/96 Use of Titles for Pro-Vice-Chancellor, Head of College and Vice-Principal

**Considered:**

A paper with proposals regarding the titles of Pro-Vice-Chancellor, Head of College and Vice-Principal.(CO.09.11.23)

**Resolved:**

That the recommendations in the paper be approved.

09/97 Key Performance Indicators November 2009

**Considered:**

A report of the University's performance against the approved set of Key Performance Indicators (CO.09.11.13)

**Noted:**

That work on a new set of KPIs would be undertaken in parallel with work on the new Strategic Framework, and these would be available later in the year.

**Resolved:**

That the paper be approved, with the amendment of 4.2 to read "... non-Funding Council Grant".

09/98 Proposed Academic Term Dates and University Closed Days

**Considered:**

Recommendations regarding future term dates and closed days (CO.09.11.14)

**Resolved:**

That the recommendations in the paper be approved.

09/99 Environment, Health & Safety Executive Committee

**Received:**

The annual report of the Environment Health and Safety Executive Committee for 2008/09 (CO.09.11.15), noting that the Committee would reflect on the comments made by a member of Council about the details in the report and the frequency of reports to Council.

09/100 Report from the Remuneration Committee

**Received:**

A report from the meeting of the Remuneration Committee held on 24<sup>th</sup> September 2009. (CO.09.11.16)

09/101 Actual Financial Outturn for the year ended 31<sup>st</sup> July 2009

**Received:** a paper detailing the Actual Financial Outturn for the year ended 31<sup>st</sup> July 2009 (CO.09.11.17)

09/102 Annual Reports of University Subsidiary Companies

**Received:**

The Annual Reports for the University Subsidiary Companies for the financial year ending 31<sup>st</sup> July 2009: (CO.09.11.18)

09/103 Report from the Development and Alumni Relations Office

**Received:**

A report from the Development and Alumni Relations Office. (CO.09.11.19)

09/104 Capital Projects Update

**Received:**

A progress report on capital projects above £5M approved by Council (CO.09.11.20)

09/105 Items approved between meetings of Council

**Received:**

A list of items approved since the meeting of the Council on 29<sup>th</sup> September 2009. (CO.09.11.21)

09/106 Affixing of the Seal

**Received:**

A report noting the transactions which have required use of the University Seal since the last meeting of the Council (CO.09.11.22)

09/107 Any Other Business

There was none.

09/108 Date of next meeting

**Reported:**

That the next meeting of the Council would take place on **Wednesday 3<sup>rd</sup> February 2010**, at 2.00 pm in the Senate Chamber