

**UNIVERSITY OF BIRMINGHAM**

**COUNCIL**

**31st January 2018 at 9.00 a.m.**

**MINUTES**

Members present: Mr Ed Smith CBE (Pro-Chancellor, in the Chair); Mr Derrick Anderson; Ms Rose Bennett (Postgraduate Officer); Dame Christine Braddock; Mr Alan Davey CBE; Mr David Davies OBE; Professor Sir David Eastwood (Vice-Chancellor and Principal); Mr Malcolm Harbour CBE; Mr Richard Haywood (Deputy Pro-Chancellor); Dame Lin Homer; Professor Tim Jones (Provost and Vice-Principal); Ms Ellie Keiller (President of the Guild of Students); Mr Mick Laverty; Professor Hisham Mehanna; Mrs Caragh Merrick (Treasurer); Sir Terry Morgan; Professor Corey Ross; Professor Karen Rowlingson; Dr Ranjit Sondhi CBE; Mr David Stead; Professor Nicola Wilkin.

Also present: Professor David Adams (Pro-Vice-Chancellor and Head of College); Professor Kathleen Armour (Pro-Vice-Chancellor (Education)); Mr Chris Granger (Director of Finance); Ms Olivia Kew-Fickus (Director of Strategic Planning) - for Minutes 18/07 and 18/09; Professor Robin Mason (Pro-Vice-Chancellor (International)); Mrs Colette McDonough (Assistant Secretary); Professor Myra Nimmo (Pro-Vice-Chancellor and Head of College); Mr Mike Roden (Principal of University of Birmingham School) - for Minute 18/10; Mr Lee Sanders (Registrar and Secretary); Professor Andy Schofield (Pro-Vice-Chancellor and Head of College); Professor Tim Softley (Pro-Vice-Chancellor (Research and Knowledge Transfer)); Professor Glyn Watson (Interim Pro-Vice-Chancellor and Head of College); Mr Nigel Waugh (Director of Human Resources) - for Minute 18/08; Professor Michael Whitby (Pro-Vice-Chancellor and Head of College).

Apologies: Mr Martin Devenish; Dame Una O'Brien.

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

18/01 Minutes of previous meeting

**Resolved:** that the minutes of the meeting of Council held on 29th November 2017 be approved (CO.18.01.01).

18/02 Matters Arising

(1) USS Update

**Reported** that:

- (a) following its national ballot, UCU had announced fourteen days' of strike action in respect of USS at 61 universities where the ballot had reached the necessary turnout threshold. There were seven UCU branches which had not achieved the required 50% turnout, including the University of Birmingham branch. However, BUCU had decided to conduct a second ballot for industrial action. The outcome

- would be known at the end of February 2018;
- (b) the Joint Negotiating Committee (JNC) had agreed a Universities UK proposal that would offer defined contribution pension benefits on all salaries from 1st April 2019, with an option to discuss if defined benefits could be reintroduced in three years' time should funding conditions improve. However, UCU had indicated its opposition to this proposal and its intention to proceed with strike action;
- (c) a consultation with affected employees and their representatives was scheduled to commence in mid-March;
- (d) a further update would be provided to the next meeting of Council, and the Council Sub-Group would be consulted as necessary between Council meetings.

*[Note: The Vice-Chancellor and Principal declared an interest in this agenda item by virtue of his position as Chair of USS].*

#### 18/03 Pro-Chancellor's Items

##### (1) Search for New Members of Council

##### **Reported** that:

- (a) the Membership Committee had longlisted twelve candidates for membership of Council. These candidates would be interviewed by Saxton Bampfylde;
- (b) the Committee would meet on 8th March 2018 to consider the outcome of these interviews and shortlist candidates for interview by the University in April/May 2018;
- (c) the recommendations of the Committee for appointment of new members of Council would be submitted to Council in June 2018;
- (d) the candidate brief had emphasised the benefits of having members of Council from a range of diverse backgrounds and the wish of the University to broaden further the diversity of the membership of Council, particularly in terms of age, ethnicity and gender. The proportion of female membership of Council was currently 35%. This and achieving greater ethnic diversity (BAME membership of Council was currently at 13%) and identifying earlier career candidates were therefore key priorities;
- (e) the candidate brief would be put on the reference shelf in Board Intelligence for members of Council to review.

##### (2) ***[NOT FOR PUBLICATION]***

#### 18/04 Remuneration Committee

**Considered:** a change to the membership of Remuneration Committee arising from the recommendations of the Committee of University Chairs (CUC) in relation to the role of Vice-Chancellor on Remuneration Committee (CO.18.01.13).

##### **Reported** that:

- (a) the draft CUC Higher Education Remuneration Code had been published, noting that it recommended that Vice-Chancellors were not members of Remuneration Committees but were present for the discussion of the remuneration of their senior staff;
- (b) the Vice-Chancellor had never been present whilst his remuneration had been discussed by the Remuneration Committee.

**Resolved** that the following change to the membership of Remuneration Committee be approved:

- (i) that the Vice-Chancellor ceases to be a member of the Remuneration

- Committee;
- (ii) that the Vice-Chancellor attends Remuneration Committee (other than for issues related to his own remuneration) to discuss the remuneration of other senior staff, including the professoriate, in order for the Committee to receive a full briefing on the issues relating to these staff to inform the Committee's decisions;
  - (iii) it be noted that this change would require an amendment to the University Statutes under which the Vice-Chancellor was an ex-officio member of Council committees other than Audit Committee. This required Privy Council approval, the process for which was in hand (Minute 18/11 refers);
  - (iv) the change made by Council to the membership of Remuneration Committee would come into effect as soon as the Privy Council approved the required change to the Statutes (expected to be June/July 2018).

*[Note: The Vice-Chancellor withdrew from the meeting for the duration of this agenda item].*

18/05 Vice-Chancellor's Items

**Noted:** a report from the Vice-Chancellor (CO.18.01.02)

(1) Director of Finance

**Reported:** that Ms Erica Conway had been appointed as the next Director of Finance. She would take up the role on 1st August 2018 following the retirement of Chris Granger.

(2) New Minister of State for Universities and Science

**Reported:** that Sam Gyimah, the new Minister of State for Universities and Science, was expected to visit the University in February/March 2018.

(3) New Regulatory Framework for Higher Education

**Reported** that:

- (a) the University was expecting to have to register with the Office for Students (OfS) as a higher education provider by 16th April 2018;
- (b) further guidance on the registration requirements was expected in February 2018 when the outcome of the OfS consultation on the new regulatory framework for higher education would be published;
- (c) the University's response to the OfS consultation would be placed on the reference shelf in Board Intelligence;
- (d) the University was required to produce a Student Protection Plan as part of its registration submission. This would outline how the University would deal with events which would lead to course or institutional closure and would normally be submitted to Council for approval. However, given that the registration deadline was expected to be before the next meeting of Council, it was proposed that the Student Protection Plan be submitted to Strategy, Planning and Resources Committee on 8th March 2018 for approval on behalf of Council and considered by Senate on 21st March 2018. The final version of the Student Protection Plan could then be submitted to the OfS and shared with Council on 24th April 2018.

**Resolved:** that Strategy, Planning and Resources Committee be authorised to approve the University's Student Protection Plan on behalf of Council, noting that the Plan would also be considered by Senate on 21st March 2018.

(3) Commonwealth Games

**Reported:** that the next update on the Commonwealth Games would be provided to Strategy, Planning and Resources Committee on 8th March 2018 and Council on 24th April 2018.

18/06 Strategy, Planning and Resources Committee

**Considered:** a report from the meeting of the Strategy, Planning and Resources Committee held on 17th January 2018 (CO.18.01.03).

(1) Recruitment and Admissions Update

**COMMERCIAL IN CONFIDENCE**

**Reported:**

(a) to (i) **[NOT FOR PUBLICATION]**

*[Note: Sir Terry Morgan declared an interest in Minute 18/06(1)(i) by virtue of his position as Chair of the HS2 Growth Delivery Board and National College for High Speed Rail].*

(2) Q1 Results and Projected Outturn

**COMMERCIAL IN CONFIDENCE**

**Considered:** the Q1 Results and Projected Outturn (CO.18.01.05).

**Reported:**

- (a) that the forecast anticipated financial performance broadly in line with budget,
- (b) **[NOT FOR PUBLICATION]**
- (c) **[NOT FOR PUBLICATION]**
- (d) that the University would be shifting from a quarterly to monthly budget review process led by the Vice-Chancellor to ensure that it could identify and respond quickly to changes in the financial position of the University;
- (e) **[NOT FOR PUBLICATION]**

(3) Efficiency Return

**Considered:** the University's Annual Efficiency Return to HEFCE (CO.18.01.06).

**Reported** that:

- (a) HEFCE had notified Higher Education Institutions (HEIs) in October 2017 that they would be required to submit an Annual Efficiency Return (AER) for the 2016/17 year by the end of January 2018;
- (b) HEFCE was required to report to Government on the efficiency of the HEFCE-funded higher education sector. The AER aimed to collect data from institutions on efficiencies delivered in the most recently completed academic year, which HEFCE would aggregate and report to the Department for Education;
- (c) the University's Value for Money (VFM) report had been approved by Audit Committee, with the endorsement of SPRC, in November 2017. Although higher education institutions were no longer required to submit VFM reports, this was prepared for 2016/17 to enable Audit Committee, SPRC and Council to discharge their responsibilities in respect of oversight of University VFM activities. The University was intending to submit the VFM report, alongside the AER, to provide a wider perspective on its efficiency activities which include major VFM

- programmes - New Core, Cubane and Procurement etc;
- (d) the AER had been compiled using case studies from across the University which were provided in the course of completing the VFM report. Examples of efficiencies which met the criteria provided by HEFCE were listed with estimations of the savings that these had achieved. 15 examples were included in the return which had saved a total of £1.6m plus a further £0.5m of capital receipt efficiencies. Alongside the VFM report, this demonstrated the institutional commitment to delivering value for money.

**Resolved:** that the University's Annual Efficiency Return to HEFCE be approved as set out in Paper CO.18.01.06.

(4) **[NOT FOR PUBLICATION]**

(5) New Core Update

**COMMERCIAL IN CONFIDENCE**

**Considered:** the New Core Update (CO.18.01.08).

**Reported:**

- (a) that Council approved the New Core programme in June 2016 to implement Oracle Fusion to replace the University's legacy core HR, payroll, finance and research systems. The selection of a cloud based, leading edge solution, was encouraged and fully supported by SPRC and Council as a means of modernising and future proofing these core systems. This had presented additional challenges for implementation, particularly in relation to the cloud based nature of the solution, but adopting cloud technology was still viewed as the correct decision for the long term;
- (b) that the re-based plan for the implementation of New Core was for phases 1a and 1b of Human Resources to go live in November 2018 and May 2019 and Phases 2a and 2b of Finance and Research going live in March and July 2019 respectively. **[NOT FOR PUBLICATION]**
- (c) that as a result of enhanced understanding of the implementation programme and of the complexities involved – particularly around the interphase period between Human Resources going live in November 2018 and the launch of Finance and Research in April 2019 – the phasing of the go live had been proactively reviewed to ensure that the approach adopted represented the optimal risk mitigation strategy. As a result, a proposal had been approved by UEB to proceed on the basis of a big bang implementation for the 'a' phases of the programme which would be delivered on a single go-live date of 1st February 2019. This effectively brought forward the launch of the Finance 'a' modules by 2 months;
- (d) to (i) **[NOT FOR PUBLICATION]**
- (j) the significant cultural shift that was required to achieve effective implementation of New Core, noting the work being undertaken by the New Core Programme Team to engage with staff across the University, including the academic community, to raise awareness of New Core and its benefits.

**Resolved** that:  
**[NOT FOR PUBLICATION]**

**Noted:** the revised "a" phase big bang implementation date of 1st February 2019.

18/07 Update of Strategic Framework Key Performance Targets

**COMMERCIAL IN CONFIDENCE**

**Considered:** the Key Performance Targets Update (CO.18.01.09).

**Reported** that:

- (a) the institutional KPTs were updated twice each year, for Council meetings in January/February and June/July, to monitor performance against the Strategic Framework 2015-2020. 13 of the 16 KPTs had been updated;
- (b) the latest update continued to demonstrate the strength of the University's performance. **[NOT FOR PUBLICATION]**
- (c) members of Council suggested that the Key Performance Targets could be enhanced by including new or improved measures for:
  - (i) the influence theme of the University's Strategic Framework (i.e. measurement of the city and regional, national and global engagement and impact of the University);
  - (ii) the student experience, including the National Student Survey;
  - (iii) Human Resources.
- (d) Council had previously agreed to maintain the current set of Key Performance Targets for the duration of the University's Strategic Framework. It was also recognised that Council already received reports on some of the matters identified at (c) separate from the Key Performance Targets Update. It was therefore suggested that, rather than amending the Key Performance Targets, consideration should be given as to whether further information could be provided to enhance reporting to Council on the matters identified at (c).

**Resolved** that:

- (i) the Key Performance Targets Update be approved as set out in Paper CO.18.01.09;
- (ii) the suggestion at (d) was approved, and an update provided of this consideration to the June meeting of Council when the next update of Key Performance Targets would be considered.

18/08 Equalities and Diversity Report (Staffing)

**Considered:** the Equalities and Diversity Report (Staffing) (CO.18.01.10).

**Reported:**

- (a) that, in line with all other employers with over 250 employees, the University was required to publish its Gender Pay data on government and University websites by 31st March 2018. There was an opportunity for employers to provide a narrative to accompany the data, and it was proposed that the University publish the Equality and Diversity Report (Staffing) at Appendix 1 to Paper CO.18.01.10 to provide additional narrative. This report put the gender pay data in context and provided an overview of activities in 2017 towards the achievement of the University's Equality Scheme objectives. It also provided information about the separate legal obligations on equal pay and the steps the University was taking to address gender pay issues;
- (b) that the gender pay data in terms of hourly rate, pay quartiles and bonus pay and the reasons for the differences in pay between men and women was discussed. It was noted that there was a greater proportion of men than women in senior roles and in receipt of higher salaries at the University which impacted on its gender pay data. The University was continuing to make progress in increasing the proportion of women in senior posts and had implemented a series of actions to

address this, including gender targets of a minimum of 30% female representation in senior academic and leadership roles and the production of an annual audit report at School, College and University level on appointments, promotions, pay and proportions of staff at different grades;

- (c) the distinction between gender pay data and equal pay - the latter described the pay differences between men and women who carried out the same or similar jobs or work of equal value. Council noted that, in respect of the University-controlled elements of the payroll, men and women undertaking work of equal value received equal pay, recognising that clinical academic staff pay and progression was governed by NHS pay structures;
- (d) the University was predicted to be 12th out of 18th for the Russell Group in terms of mean gender pay gap;
- (e) the impact on the pay data of the University's policy of direct employment of staff (rather than contracting out its facility services, such as cleaning, catering and security, to third parties). This meant that the mandatory gender pay reporting did not reflect the diversity of the academic and professional services roles in the University's workforce;
- (f) Council welcomed the document but also stressed the importance of the work being led by the Deputy Pro-Vice-Chancellor (Equalities) on the other protected characteristics, noting that the production of meaningful pay data for ethnicity and disability was being explored and that Remuneration Committee would consider the outcome of this in relation to senior staff (as well as continuing to consider gender pay data). A further update would be submitted to Council in due course.

**Resolved:** that the content of the Equality and Diversity Annual Report for 2017 (Staffing) be approved, including the University's approach to mandatory gender pay reporting, subject to:

- (i) further enhancement of the presentation of the published report;
- (ii) the Pro-Chancellor being authorised to approve any final amendments to the Report prior to publication.

18/09 University Risk Management and Risk Register: Annual Update to Council

**Considered:** the annual update to Council on the University's Risk Management and Risk Register (CO.18.01.11).

**Reported** that:

- (a) UEB had primary responsibility for institutional risk management and reviewed the institutional risk register on a quarterly basis. Audit Committee considered a report from UEB on the operation of the risk management system twice yearly (at its March and September meetings). Council received a report annually;
- (b) **[NOT FOR PUBLICATION]**
- (c) **[NOT FOR PUBLICATION]**
- (d) a workshop on Risk Management had been recently held by Deloitte for members of the Audit Committee, noting that the Committee had also received briefings on a number of key issues identified in the Risk Register (for example, Cyber Security and GDPR);
- (e) strategic and operational risks were mapped where appropriate against the University's Strategic Framework.

**Resolved:** that the annual update on the University's Risk Management and Strategic Risk Register be approved as set out in Paper CO.18.01.11.

18/10 Annual Report of the University of Birmingham School

**Considered:** the Annual Report of the University of Birmingham School (CO.18.01.12).

**Reported:**

- (a) that the University School had now completed its second full year of operation;
- (b) the current governance arrangements for the School;
- (c) an update on pupil numbers and the relationship between the School and University;
- (d) the end of year financial position for the financial year 2016/17 from the audited accounts;
- (e) that the discussion focused on:
  - (i) the impact and challenges of the diversity of the student intake and how this is balanced with academic attainment;
  - (ii) the demands on the staff of the innovative curriculum, noting the measures which had been introduced for September 2017 to address this. It was noted the 12 newly qualified teachers who had joined the School in September 2016 had stayed for a second academic year;
  - (iii) whether the metric for success should be broadened beyond the proportion who progressed to University to reflect the other choices made by students on leaving School;
  - (iv) **[NOT FOR PUBLICATION]**

**Resolved** that:

- (i) the annual report of the University of Birmingham School be approved;
- (ii) Mr Michael Roden be thanked for his work as the first Principal of the University of Birmingham School and wished every happiness for his retirement in July 2018.

18/11 Amendment of the Charter and Statutes of the University

**Considered:** the amendment of the Charter and Statutes of the University (CO.18.01.15).

**Resolved** that Council unanimously:

- (i) approved the amendment of the Charter of the University as set out at Appendix 2 of Paper CO.18.01.15 with effect from the date the Order is approved by the Privy Council, subject to such changes as the Privy Council may require and which are agreed by the University and subject to (iii) and (iv) below. This completed the first stage in the passing of a Special Resolution by Council to amend the Charter, noting that the second and final stage was to confirm approval of the amendment of the Charter at the next meeting of Council on 24th April 2018;
- (ii) the amendment of the Statutes of the University be approved as set out at Appendix 3 of Paper CO.18.01.15 with effect from the date the Order is approved by the Privy Council, subject to such changes as the Privy Council may require and which are agreed by the University and subject to (iii) and (iv) below;
- (iii) Senate on 21st March 2018 and Court on 8th March 2018 be invited to comment on the amendment of the Charter and Statutes of the University as set out at Appendices 2 and 3 of Paper CO.18.01.15;
- (iv) Council on 24th April 2018 would consider the comments of Senate and Court on the amendment of the Charter and Statutes and consider the passing of a Special Resolution of the Council to amend the Charter as set out at Appendix 2 of Paper CO.18.01.15 and an Ordinary Resolution of the Council to amend the Statutes as set out at Appendix 3 of Paper CO.18.01.15;
- (iv) note that, following the passing of the Special and Ordinary Resolutions, the University would seek approval of the amendments to the Charter and Statutes from the Privy Council. The amendments would take effect from the date that the

Order is approved by the Privy Council (expected to be June/July 2018).

18/12 Register of Interests

**Noted:** an update on the University's Register of Interests (CO.18.01.16).

**Reported** that:

- (a) members of Council and UEB were requested to keep their entries at Appendix 1 to Paper CO.18.01.16 under review and notify Colette McDonough of any changes;
- (b) members of Council were requested to review their entries at Appendix 2 to Paper CO.18.01.16 and notify Colette McDonough of any changes at the end of the meeting.

18/13 Amendment of Guild ByeLaws

**Resolved:** that the amendment of the Guild ByeLaws be approved as set out in Paper CO.18.01.17.

18/14 Report from the Council to Court

**Resolved:** that the report from Council to Court be approved (CO.18.01.18).

18/15 Report to Council on the work of Council-approved Panels during 2017

**Noted:** the Report to Council on the work of Council-approved Panels during 2017 (CO.18.01.19).

18/16 Capital Projects over £10m

**COMMERCIAL IN CONFIDENCE**

**Received:** a report from the Director of Estates (CO.18.01.20).

18/17 Affixing of the University Seal

**COMMERCIAL IN CONFIDENCE**

**Received:** a report noting the transactions which had required use of the University Seal since the last meeting of Council (CO.18.01.21).

18/18 Any Other Business

- (1) Professor Glyn Watson

**Reported:** that Professor Glyn Watson was thanked for his work as Interim Pro-Vice-Chancellor and Head of the College of Social Sciences, noting that he would commence his new role with the University as Provost for the University of Birmingham Dubai in March.

18/19 Programme of Meetings

**Noted:** the programme of meetings of Council for 2017/18:

Tuesday 24th April 2018, 9.00am, Council Strategy Day and Dinner

Tuesday 26th June 2018, 5.00pm, Council Presentation and Dinner  
Wednesday 27th June 2018, 9.00am, Council Meeting