

UNIVERSITY OF BIRMINGHAM

COUNCIL

24th November 2010

MINUTES

Members present: Mr J E K Smith (Pro-Chancellor, in the Chair); Mr C N Banks CBE (Deputy Pro-Chancellor); Mrs M C Davies; Mr M Devenish; Professor D S Eastwood (Vice-Chancellor and Principal); Mr M G Gilbert (Treasurer); Mr R Halton; Professor M J Hilton; Mr R Hunter, (Vice-President (Education and Access), Guild of Students); Mr R J Keys; Mr G R Mackenzie OBE; Professor J M Marshall; Ms D Meredith (President, Guild of Students); Dr N Price OBE; Hon Alderman D Roy; Professor C Ryan; Professor A J Schofield; Professor M C Sheppard (Provost and Vice-Principal); Mr I Squires; Dr J S Taunque MBE

Also present: Mrs G Ball (Director of Finance); Dr S J L Gower (Assistant Secretary); Professor J K Heath (Pro-Vice-Chancellor); Mrs L Lucas (Head of Internal Audit) for item 10/74; Mrs H Paver (Director of HR); Professor E W Peck (Pro-Vice-Chancellor and Head of College); Professor M C Press (Pro-Vice-Chancellor and Head of College); Mr M Rowley (Partner, KPMG) for item 10/74; Professor M Whitby (Pro-Vice-Chancellor and Head of College); Professor L S Young (Pro-Vice-Chancellor and Head of College)

Apologies: Dr R C Horton; Professor A J Randall (Pro-Vice-Chancellor); Mr L Sanders (Registrar and Secretary); Ms C Snowball CBE; Ms S Vickers; Professor N P Weatherill (Pro-Vice-Chancellor and Head of College)

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

10/67 Minutes of previous meeting

Resolved: that the Minutes of the meeting held on 28th September 2010 (CO.10.11.01a/01b) be approved.

10/68 Matters arising not addressed elsewhere on the agenda

There were none.

10/69 Pro-Chancellor's Items

Received: a report from the Pro-Chancellor (CO.10.11.02).

10/70 Vice-Chancellor's items

Received: a report from the Vice-Chancellor containing a number of items for information (CO.10.11.03).

House of Lords Reception and Circles of Influence

Reported: that the campaign, which had been launched only a year earlier, had proved remarkably successful and was already close to achieving its target of £60m. The campaign team was determined not to lose momentum and was already considering the themes for the next stage of the campaign, to be launched next year.

Resolved: to congratulate the staff of the Development and Alumni Relations Office on the outstanding success of the campaign.

Noted: that the Director of Finance would provide a brief information note on the proposed allocations from the campaign.

Senior Visit to China

Reported: that two senior delegations had visited China in October, building on a range of interactions the University already had with that country. In particular, the visits marked the formal opening of the University's Shanghai and Beijing offices and the launch of a new PhD Scholarship scheme for Chinese doctoral research students. The University was looking at the possible creation of a University of Birmingham Guangzhou Centre, where there had been a longstanding collaboration involving the Medical School. The Global Engagement group was strongly supportive of these developments.

Local Enterprise Partnership (LEP)

Reported: that a Development Board, chaired by Ms Bridget Blow, had been set up to define the remit and role of the LEP. It was hoped that the University would be represented at board level on the LEP. A significant challenge was to secure big business engagement in the LEP. It was anticipated that the Development Board would complete its work by April.

Integrated Timetabling and Space Management

Reported: that the new timetabling system would rationalise more than forty separate timetabling processes that existed across the campus. It was important to ensure that timetabling was undertaken more efficiently, to maximise the use of learning spaces and to identify opportunities for their refurbishment. The new package would also make personalised timetabling information more readily available to students.

Student Loans Company

Reported: that the Pro-Chancellor had been appointed Non-Executive Chairman of the Student Loans Company.

Resolved: to congratulate the Pro-Chancellor on his appointment.

Implications of the Browne Review and the Government's Comprehensive Spending Review

Noted: the following points which arose in the course of the discussion at the meeting and at the presentation and discussion at the Council evening on 23rd November.

- (a) A vote in parliament on the fee cap proposals was expected in December. The Funding Council was likely to receive the annual grant letter in early January and universities their grant letters in March. OFFA was likely to publish its guidelines for Widening Access agreements (which would also cover scholarships and financial aid) in the new year. Any university which intended to charge higher than £6k would have to submit a revised OFFA agreement. It seemed likely that universities would be required to do this by Easter. While Council might be asked to make a decision on fees at its February meeting, this was dependent on the timeliness of the government and OFFA guidance and the deadlines of OFFA; it was therefore also possible that the proposals on fees would come to the April Council.
- (b) A working group, with a set of associated workstreams, chaired by the Vice-Chancellor, had been set up by the Registrar and Secretary. It was already meeting to draw up an action plan to address the key issues arising from the Browne Review and the Government's response. The group would engage the Guild on these issues, especially on enhancing the student experience.
- (c) The new market would be articulated around value and quality. The University was seeking to identify what could be done to enhance current provision, recognising that the quality of the Birmingham experience was already very high. Additional investments were being considered that would improve the quality of the student experience – these were the subject of discussions, led by the above working group. Possible areas included improvements in tutorial support and contact hours, enhancing the learning environment, improving student employability, and investing in student facilities such as sport and the Library. The outcome of these discussions would inform decisions on the University's fee levels. The aim was to define the University by the quality of its provision and student experience rather than simply the fees charged.
- (d) The University was also identifying what was working well at present in Access and Widening Participation, and this would form the basis of the revised OFFA agreement.
- (e) A fee of over £7k would be required simply to make good the reductions in funding for teaching that had already been announced. The HE sector needed to do more to convey this message.
- (f) Competition law meant that each university needed to set its own fee independently without knowledge of what others would charge. No member of Council should therefore enter into discussions on fees with members of other institutions.
- (g) The University had market research information from applicants and existing students, together with national studies, on which to draw in considering its educational offer and fee.
- (h) A point was noted that when the final recommendation is presented to Council, information on the range of issues which had informed the proposals would be helpful.
- (i) The Guild and the NUS understood that in the current financial climate a graduate contribution was necessary, but they were alarmed by the extent of the reduction in state funding. In particular they felt that HE was being subjected to more than its fair share of public sector funding cuts. The Guild was committed to working constructively with the University in addressing these issues and enhancing the student experience.

10/72

Report from the Strategy Planning and Resources Committee

Considered: a report with several recommendations for Council from the meetings of the Strategy, Planning and Resources Committee held on 26th October and 17th November 2010 (CO.10.11.04).

BPAS

Noted: that this item was solely for the information of Council at this point. A formal proposal would be presented to Council at a future meeting in the light of legal advice on the suggested actions.

Resolved: that the following matters be approved as set out in the Report of SPRC:

- (i) Priority items from the Estates Strategy and Capital Plan
- (ii) Lay members on Redundancy Panels
- (iii) Continuing Consultation on Birmingham Archaeology Review
- (iv) Continuing Consultation on Research Fellows in Education
- (v) Annual Accounts for the year ending 31st July 2010 (minute 10/74 refers)
- (vi) HEFCE Annual Accountability Return (minute 10/75 refers).

10/73

Report of the Audit Committee

Considered: a report from the meeting of the Audit Committee held on 2nd November 2010 (CO.10.11.05).

Received:

- (a) the Annual Report of the Audit Committee, noting the Committee's opinion;
- (b) a note on the University's Compliance with Charitable Law.

Resolved: to approve

- (a) the accounting policies as set out in the Annual Accounts (CO.10.11.06);
- (b) the Annual Assurance Return;
- (c) revised terms of Reference for the Audit Committee;
- (d) the reappointment of KPMG as External Auditor for the year ending 31st July 2011.

10/74

Annual Accounts for the year ending 31st July 2010

Considered: (CO.10.11.06)

- (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 31st July 2010, confirming that Council had discharged its corporate governance responsibilities, and the accounts for each of its subsidiaries.

Received:

Oral reports from:

- (a) Mr Mike Rowley 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, which had run very smoothly. The University's cash flow and performance meant that it was well positioned as the HE sector moved into challenging times.
- (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 Mr Richard Keys, who chaired the Audit Committee on 2nd November 2010, 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 31st July 2010 be approved and adopted as set out in paper CO.10.11.06, 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;
- (d) the Finance Office, the Internal Auditor and the Audit Committee be thanked for their work with respect to the Annual Accounts.

10/75

Financial Forecasts

Received: the Financial Forecast Summary (CO.10.11.07)

Noted: that

- (a) the University had accepted an offer from HEFCE to postpone submission of the detailed financial tables until April 2011, in order account to be able to take of the full implications of the Browne Review and the Government's Comprehensive Spending Review, which would not be known until HEFCE and the University received their grant letters in the new year;
- (b) Council would receive the full Financial Forecast at a meeting in the Spring Term.

Resolved: that the Financial Forecast Commentary be approved for submission to HEFCE.

10/76 Appointment of Pro-Vice-Chancellors (Research & Knowledge Transfer and Education)

Considered: a paper on the appointments of the Pro-Vice-Chancellor (Research and Knowledge Transfer) and the Pro-Vice-Chancellor (Education) (CO.10.11.08).

Noted: that

- (a) Professor Tickell's appointment had been recommended unanimously by the interview panel following a national and international search. Senate had been consulted on, and had endorsed, this recommendation at its meeting on 17th November;
- (b) interviews for the post of Pro-Vice-Chancellor (Education) were to take place on 26th November. The Deputy Pro-Chancellor and President of the Guild were members of the interview panel for this post.

Resolved:

- (a) to approve the appointment of Professor Tickell as Pro-Vice-Chancellor (Research and Knowledge Transfer);
- (b) that the Pro-Chancellor be given delegated authority of Council to approve a recommendation from the Vice-Chancellor on the appointment of the Pro-Vice-Chancellor (Education), following his consultation with Senate.

10/77 Report of the Membership Committee

Considered: a report from the meeting of the Membership Committee held on 17th November 2010 (CO.10.11.09)

Resolved: that

- (a) following accepted best practice in other sectors, the Deputy Pro-Chancellor, Mr C N Banks, assume the chairmanship of the Remuneration Committee with immediate effect, and that the Pro-Chancellor, Mr J E K Smith, serve as an ordinary member of the Committee;
- (b) Mr I Squires be appointed as a member of the Investment Sub-Committee with immediate effect for the period to 31st July 2014.

Noted: that discussions were still taking place regarding the appointment of a BPAS trustee.

10/78 Report of the Senate

Received: a report from the meeting of the Senate held on 16th November 2010 (CO.10.11.10).

10/79 Report of the Remuneration Committee

Received: a report from the meeting of the Remuneration Committee held on 29th September 2010 (CO.10.11.11).

- 10/80 Actual Financial Outturn for the year ended 31st July 2010
Received: a report (CO.10.11.12).
- 10/81 Annual Reports of University Subsidiary Companies
Received: the Annual Reports for the University Subsidiary Companies for the financial year ending 31st July 2010 (CO.10.11.13).
- 10/82 Capital Projects Update
Received: a progress report on capital projects above £5M approved by Council (CO.10.11.14).
- 10/83 Items approved between Meetings of Council
Received: a list of items approved since the last meeting of Council (CO.10.11.15).
- 10/84 Affixing of the University Seal
Received: a report noting the transactions which had required use of the University Seal since the last meeting of Council (CO.10.11.16).
- 10/85 Any other business
Format of meetings
Noted: by the Pro-Chancellor that this meeting of Council was the first to take place in its new format. He invited members to let him have their views on matters such as timings, the use of starring and the conduct of business.
- 10/86 Date of next meeting
Reported: that the next meeting of the Council would take place on **Wednesday 2nd February 2011** at 10.00 a.m. This would be preceded on the evening of **Tuesday 1st February** by a presentation on the College of Engineering and Physical Sciences by the Head of College at 5.30 p.m., followed by dinner.