

## UNIVERSITY OF BIRMINGHAM

## COUNCIL

1st July 2015 at 9.00am

## MINUTES

Members present: Mr Ed Smith CBE (Pro-Chancellor, in the Chair); Mr Derrick Anderson; Professor Kathleen Armour; Mr Alan Davey CBE; Mr David Davies OBE; Mr Martin Devenish; Professor Sir David Eastwood (Vice-Chancellor and Principal); Professor Jon Frampton; Mr Robert Halton; Mr Malcolm Harbour CBE; Mr Richard Haywood (Deputy Pro-Chancellor); Ms Sukhvinder Kaur-Stubbs; Mr Richard Keys; Mrs Caragh Merrick (Treasurer); Dr Norman Price OBE; Dr Ranjit Sondhi CBE; Professor Adam Tickell (Provost and Vice-Principal); Ms Poppy Wilkinson (President of the Guild).

Also present: Professor David Adams (Pro-Vice-Chancellor and Head of College); Professor Anthony Arnall (Acting Pro-Vice-Chancellor and Head of College); Professor Saul Becker (Pro-Vice-Chancellor and Head of College); Mr Chris Granger (Director of Finance); Professor John Heath (Pro-Vice-Chancellor); Mr Jack Mably (President of the Guild Elect); Mrs Colette McDonough (Assistant Secretary); Professor Myra Nimmo (Pro-Vice-Chancellor and Head of College); Ms Heather Paver (Director of HR); Mr Lee Sanders (Registrar and Secretary); Professor Michael Whitby (Interim Pro-Vice-Chancellor); Professor Richard Williams OBE (Pro-Vice-Chancellor and Head of College), Ms Olivia Kew-Fickus (Director of Strategic Planning) (for Minutes 15/35 to 15/38).

Apologies: Ms Joulie Axelithioti (Postgraduate Officer); Dame Christine Braddock; Professor Peter Fryer; Professor Jeff Bale (Pro-Vice-Chancellor).

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

15/35 Minutes of previous meeting

**Resolved:** that the minutes of the meeting held on 22nd April 2015 be approved (CO.15.07.01). There were no matters arising from the minutes.

15/36 Pro-Chancellor's Items

**Noted:** that the University had won the Diversity and Inclusion Award at the HR Excellence Awards 2015. The University was congratulated on this achievement.

**Considered**: a report from the Vice-Chancellor (CO.15.07.02).

(1) Sector Developments

**Reported** that:

- (a) Jo Johnson, Minister for Universities and Science, had announced the introduction of a Teaching Excellence Framework. This would be the subject of consultation with the sector in the Autumn;
- (b) a saving of £450m in the budget of the Department for Business, Innovation and Skills had been confirmed for 2015/16 but the detail of how this would affect the University's income had not been announced. The Comprehensive Spending Review (CSR) and Chancellor's budget in July were expected to give more information on cuts from 2016/17 onwards, noting the concern that the budget of the Department of Business, Innovation and Skills would not be protected from future public spending reductions and higher education represented the largest proportion of that budget;
- (c) there was also uncertainty over the EU Referendum and immigration policy, noting the significant implications of both issues for the sector (for example, in respect of European research funding). The importance of ensuring that the University contributed to an informed debate on the EU Referendum was particularly emphasised;
- (d) the University was continuing to focus on generation and diversification of its income (particularly through effective recruitment of international and postgraduate students) in view of the volatile higher education environment.

(2) Senior Appointments

**Reported** that:

- (a) the candidate search for the Pro-Vice-Chancellor (International) had resumed;
- (b) Nick Blinco, Director of Engagement, had been appointed as Acting Vice-Principal (Advancement) at the University of Melbourne. The remit of the post of Director of Engagement had been reviewed with overall responsibility for business engagement transferring to Chris Granger, Director of Finance. Interviews for the role of Director of Development and Alumni Relations were scheduled for 20th and 21st July 2015. The outcome would be reported to Council in due course.

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

**Considered**:

- (a) the final draft of the Strategic Framework 2015-2020 (CO.15.07.03A);
- (b) the proposed Key Performance Indicators (KPIs), the proposed Key Performance Targets (KPTs) and the approach to communications and engagement and to developing college strategies (CO.15.07.03B).

**Reported** that:

- (a) the approval of the University's Strategic Framework for the next five years represented a significant milestone in the development of the institution;
- (b) the Framework reflected the ambition of the University but was flexible to enable the University to enhance its performance and be responsive in the volatile higher education environment;

- (c) members of Council were thanked for their significant contribution throughout the process of development of the Framework;
- (d) the presentation and discussion of the Framework during the previous evening had been most productive and positive, noting in particular the presentation by the College of Social Sciences which had demonstrated how the Framework could be articulated and operationalised at College level;
- (e) the University-level KPTs would be developed further, informed by the College and Professional Services' KPTs, and would be considered again by Council in November 2015. Council noted that the KPTs would be stretching but achievable;
- (f) the importance of ensuring the timeliness and comparability of the KPTs, noting that the KPTs would use the most up-to-date data available and comparative measures wherever possible;
- (g) in addition to the KPTs, UEB monitored key aspects of the University's performance on a monthly basis;
- (h) it was suggested that reports on major proposals being considered by Council could indicate how they would contribute to the Strategic Framework.

**Resolved** that:

- (i) the Strategic Framework 2015-2020 be approved as set out in Paper CO.15.07.03A, subject to a number of minor textual amendments;
- (ii) the KPIs as set out in Paper CO.15.07.03B and the approach to development of the University-level KPTs and College/Professional Services KPTs be approved;
- (iii) the Director of Strategic Planning and her team be thanked for their work on development of the Strategic Framework.

15/39 Budget for 2015/16 and 3 Year Forward Look

**Considered**: the budget for 2015/16 and 3 Year Forward Look (CO.15.07.04).

**Reported** that:

- (a) future funding reductions might not match the planned position of the University and therefore close review and reworking of the budget was to be expected throughout 2015/16 for review by SPRC and Council;
- (b) the three year forward look was indicative (given the uncertainties of the financial environment);
- (c) ***[NOT FOR PUBLICATION]***
- (d) the shape of the University's financial position for the next four years was intended to reflect a balance of prudence around potential risks as well as a sustainable model whilst seeking to maintain the financial flexibility and ability to invest and respond to the volatile higher education environment;
- (e) ***[NOT FOR PUBLICATION]***

**Resolved**: that the Budget for 2015/16 and 3 Year Forward Look be approved as set out in Paper CO.15.07.04.

15/40 Report of the Strategy, Planning and Resources Committee

**Considered**: the report of the Strategy, Planning and Resources Committee (CO.15.07.05).

(1) Collaborative Teaching Laboratory Phase 1

**COMMERCIAL IN CONFIDENCE**

**Considered:** the proposal for Phase 1 of the Collaborative Teaching Laboratory (CTL) (Appendix 1 to Paper CO.15.07.05).

**Reported** that:

- (a) the CTL would provide a state of the art facility for practical STEM teaching via the creation of an Engineering Lab in the existing Mechanical and Civil Engineering building (Phase I) and a new facility with Wet, Dry and E-Lab facilities in a new building (Phase II), to be situated adjacent to the Learning Centre;
- (b) planning was underway for both phases with Phase I currently at Stage E and due to open for teaching at the start of the 2016/17 academic year and Phase II at Stage C with the building due to open in September 2018;
- (c) the total capital cost of CTL was estimated at £40m. £5m had been secured via a successful HEFCE bid. It was noted that the HEFCE funding had to be spent by March 2016;
- (d) further work was being undertaken, led by the Provost and Vice-Principal, to ensure that the objectives of increased effectiveness and efficiency in education and technical support were met and that the curriculum review, and the requirement to ensure best value, could inform the business plan and building design for Phase II;
- (e) a detailed business case would be prepared for SPRC and Council, noting that the costs of Phase I were firm but the indicative costs of Phase II were expected to be refined by further value engineering and the work at (d) above.

**Resolved** that:

- (i) the Collaborative Teaching Laboratory (CTL) Phase I capital expenditure (£4.7M), and the Phase I operational costs be approved, noting that this recommendation was within the delegated authority for capital projects approval by SPRC (between £2.5m and £5m) but was being made to Council in view of the total capital project cost of CTL which was estimated at £40m;
- (ii) the business case for Phase II of the CTL be brought back to Council for approval in the Autumn.

(2) New Core Project Initiation Document

**COMMERCIAL IN CONFIDENCE**

**Considered:** the proposed replacement of the Finance, HR, Payroll IT systems known as the 'New Core Project' (Appendix 2 to Paper CO.15.07.05).

**Reported** that:

- (a) the New Core Project presented an opportunity substantially to re-design and future proof Finance and HR business processes and would contribute to broader change in operations in the University. The project was expected to generate efficiency savings in Finance and HR operations;
- (b) a key aim of the project was to ensure input and engagement from a wide range of users. The overall timeline was for a phased implementation with HR and Payroll to be implemented in June 2017 with Finance to launch in Q1 2018. These timings were provisional and subject to review once the preferred solution was identified;
- (c) a decision on preferred vendor(s) and systems scope was expected by

February 2016. This would form the basis for consideration and approval by SPRC and Council supported by a fully costed business plan and quantified benefits analysis;

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

(e) the Audit Committee had been fully briefed on the project and was content with progress to date and the work on assurance for the project.

**Resolved** that:

- (i) the PID for replacing the University's Finance, HR, Payroll IT Systems be approved;
- (ii) engagement in the procurement process be approved to identify a preferred solution as the basis for a detailed business case which would be brought back to SPRC and Council in Q1 2016 for approval.

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

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

(5) Key Performance Targets Update - June 2015

**Resolved**: that the KPTs Update for June 2015 at Appendix 5 to Paper CO.15.07.05 be approved.

(6) July 2015 Financial Forecast Return to HEFCE

**Resolved**: that the July 2015 Financial Forecast Return at Appendix 6 to Paper CO.15.07.05 be approved for report to HEFCE.

(7) ASSUR - Interim Update

**Considered**: the interim update on the Annual Sustainability Assurance Report (Appendix 7 to Paper CO.15.07.05).

**Resolved**: that the University was sustainable in light of overall institutional performance, including admissions data, the University's approach to investment, league table performance, the budget for 2015/16 and the forward look for the following three years and the most recent KPT Update, noting the conclusions in the 2015/16 Budget and Forward Look, which confirm a financially sustainable position over the next four years. SPRC would take a final view on institutional sustainability for the ASSUR in light of the end of year financial accounts, for recommendation to Council, in November 2015 and submission to HEFCE.

(8) University of Birmingham Guild of Students: Budget and Compact 2015/16

**Resolved**: that the Guild Budget and Compact Report for 2015/16 be approved as set out in Appendix 8 to Paper CO.15.07.05, noting that the Guild Budget for 2015/16 included no change to the baseline.

(9) Proposed Endowment Changes

**Resolved**: that the proposed changes to three restricted endowments - the Frank Barnes Postgraduate Travelling Scholarship, Lord Cecil Chancellor's Fund and The Vice Chancellor's Fund - be approved as set out at Appendix 9 to Paper CO.15.07.05.

15/41 Report of the Membership Committee

**Considered:** a report from the meeting of the Membership Committee held on 16th June 2015 (CO.15.07.06).

**Reported:** that the completion of the term of office of Dr Norman Price meant that there was a gap in respect of manufacturing and research innovation/exploitation expertise which the Membership Committee might wish to consider when reviewing future candidates for membership of Council.

**Resolved** that:

- (i) Mr David Stead be appointed as a new member of Council for four years from 1st August 2015 to 31st July 2019;
- (ii) Mr David Davies be re-appointed to serve on Council for a second term of office of four years from 1st August 2015 to 31st July 2019;
- (iii) appointments to the vacancies in the membership of Council Committees for 2015/16 be approved as set out in Paper CO.15.07.06;
- (iv) the requirement of the Code of Practice on Corporate Governance be waived in respect of Investment Sub-Committee to allow for three members with relevant expertise to be co-opted to serve on the Sub-Committee, the third co-opted member to be appointed for one year from 1st August 2015 to 31st July 2016 using the procedure for transaction of business over the summer (following further consultation (by correspondence) with the Membership Committee on the proposed candidate);
- (v) Mr David Davies be appointed to serve as a trustee of BPAS for one year from 1st August 2015 to 31st July 2016.

15/42 Effectiveness Review of Council

**Considered:** the arrangements for the next effectiveness review of Council (CO.15.07.07).

**Reported:**

- (a) that the 2010 Effectiveness Review, chaired by Dr Chris Banks, had led to substantial and wide-ranging changes to University governance, including Council membership and modus operandi, and a significant overhaul and streamlining of Council Committees and their business. Since the last review, the annual feedback from the one-to-one meetings with members of Council had indicated that Council and its Committees were operating effectively. It was not envisaged, therefore, that the 2015 Effectiveness Review would need to be a deep review, tackling major governance issues, but it would be an opportunity to reflect and make further enhancements;
- (b) that the effectiveness review also provided a timely opportunity to consider the revised Higher Education Code of Governance which had been published by the Committee of University Chairs in December 2014. This was the sovereign governance code for Universities and took account of best practice in higher education and other sectors;
- (c) the proposed membership of the Panel and inclusion of an external perspective by delivery of a board effectiveness workshop in October;
- (d) that the annual one-to-one meetings with the Pro-Chancellor, Deputy Pro-Chancellor and Treasurer would be used to secure feedback from members of Council for the effectiveness review.

**Resolved:** that the arrangements for the next Effectiveness Review of Council be approved as set out in Paper CO.15.07.07.

15/43      Counter-Terrorism and Security Act 2015

**Considered:** the approach and work undertaken to date to prepare the University for the implementation of the Counter-Terrorism and Security Act 2015 (CTSA) (CO.15.07.08).

**Reported** that:

- (a) the CTSA placed a new duty on higher education institutions to “have regard to the need to prevent people from being drawn into terrorism” but was not yet in force for higher education institutions because guidance on extremist speakers had to be brought back to Parliament. It was possible that this would occur before Parliament rose in July, but could be deferred until September;
- (b) the Guild of Students Board of Trustees and the University of Birmingham School were also currently considering the implications of the CTSA to ensure their compliance;
- (c) the University was in touch with Birmingham City Council regarding the implications of the CTSA, particularly in respect of the Government's Prevent Strategy;
- (d) the University undertook an annual business continuity exercise which had included relevant scenarios;
- (e) the University and the Guild of Students already worked hard to promote and support the diversity of the University's large community and would continue to do so, noting in particular the work of the Good Campus Relations Group;
- (f) guidance on the external speaker aspects of the CTSA was awaited and would be reviewed in due course to ascertain the implications for the University.

**Resolved:** that the approach and work undertaken to date to prepare the University for the implementation of the CTSA based on guidance issued so far be approved, noting that once the implementation date was confirmed for higher education and further guidance published a final report with any further actions would be brought back to UEB and Council.

15/44      University of Birmingham Guild of Students Articles of Association and Byelaws Amendments

**Resolved:** that the amendment of the Articles of Association and Bye-Laws for the Guild of Students be approved as set out in Paper CO.15.07.09, noting that approval for further amendments to the Bye-Laws might be sought in the Autumn.

15/45      Annual Assurance Report on Health and Safety

**Resolved:** that the Annual Assurance Report on Health and Safety (CO.15.07.10) be approved.

15/46      Senior Appointments Update

**Considered:** the update on progress with senior appointments (CO.15.07.11).

**Resolved** that:

- (i) Professor Una Martin be appointed to the role of Deputy Pro-Vice-Chancellor (Equalities) from 1st August 2015 to 31st July 2018;
- (ii) the approval of the appointment of the Deputy Pro-Vice-Chancellor (Staffing) would be sought from Council by correspondence.

15/47 Report of the Audit Committee

**Noted:** the report of the meeting of the Audit Committee held on 9th June 2015 (CO.15.07.12), noting in particular the HEFCE Annual Assessment of Institutional Risk (i.e. that the University was 'not at higher risk').

15/48 Report of the Senate

**Noted:**

- (a) the report of the meeting of the Senate held on 10th June 2015 (CO.15.07.13);
- (b) the work of Senate on teaching quality assurance;
- (c) **[NOT FOR PUBLICATION]**

15/49 Capital Projects over £5m

**COMMERCIAL IN CONFIDENCE**

**Received:** a report from the Director of Estates (CO.15.07.14), noting in particular that a contract had been negotiated with Shaylor Construction for delivery of the BIFoR facility at Norbury Park, in line with the agreed programme and pre-tender estimate. The approved capital allocation would be reduced to approximately £14.2m.

15/50 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.15.07.15).

15/51 Arrangements for Transaction of Business between Meetings of Council

**Resolved:** that the arrangements for transaction of business during the summer vacation be approved (CO.15.07.16).

15/52 Any Other Business

(1) Quality Assessment

**Reported:** that HEFCE had published proposals for a new approach to quality assessment in England, Wales and Northern Ireland. The University would respond to the consultation by the deadline of 18th September 2015.

(2) Retiring Members

On behalf of Council, the Pro-Chancellor thanked:

- (a) Dr Norman Price who had served for two terms as a member of Council since 1st August 2007;
- (b) Poppy Wilkinson who had completed two years as President of the Guild of Students;
- (c) Professor Jon Frampton who would be completing his term as a member of Council on 31st July 2015;
- (d) Professor John Heath who would be completing his term as Pro-Vice-Chancellor (Estates and Infrastructure) on 31st July 2015;
- (e) Professor Richard Williams, Pro-Vice-Chancellor and Head of College, who had been appointed as Principal and Vice-Chancellor of Heriot-Watt University with



- effect from 1st September 2015;
- (f) Professors Tony Arnull and Michael Whitby for their work as Acting Pro-Vice-Chancellor and Head of the College of Arts and Law and Interim Pro-Vice-Chancellor (Research and Knowledge Transfer) respectively.

15/53 Programme of Meetings 2015/16

**Noted**: the programme of meetings of Council for 2015/16:

Tuesday 13th October 2015, 6.30pm, Council Dinner  
Wednesday 14th October 2015, 9.00am to 5.00pm, Council Strategy Day  
Thursday 26th November 2015, 5.00pm, Council Presentation and Dinner  
Friday 27th November 2015, 9.00am, Council Meeting  
Tuesday 2nd February 2016, 5.00pm, Council Presentation and Dinner  
Wednesday 3rd February 2016, 9.00am, Council Meeting  
Wednesday 20th April 2016, 10.00am, Council Strategy Day and Dinner  
Tuesday 28th June 2016, 5.00pm, Council Presentation and Dinner  
Wednesday 29th June 2016, 9.00am, Council Meeting