

## UNIVERSITY OF BIRMINGHAM

## COUNCIL

27th November 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 Martin Devenish; Professor Sir David Eastwood (Vice-Chancellor and Principal); Mr Robert Halton; Mr Malcolm Harbour CBE; Mr Richard Haywood (Deputy Pro-Chancellor); Ms Sukhvinder Kaur-Stubbs; Mr Richard Keys; Dr Helen Laville; Mr Jack Mably (President of the Guild); Professor Hisham Mehanna; Mrs Caragh Merrick (Treasurer); Dr Ranjit Sondhi CBE; Mr David Stead; Professor Adam Tickell (Provost and Vice-Principal).

Also present: Professor David Adams (Pro-Vice-Chancellor and Head of College); Professor Jeff Bale (Pro-Vice-Chancellor); Professor Saul Becker (Pro-Vice-Chancellor and Head of College); Ms Rose Bennett (Postgraduate Officer 2015/16); Mr Chris Granger (Director of Finance); 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 Andy Schofield (Pro-Vice-Chancellor and Head of College); Professor Tim Softley (Pro-Vice-Chancellor); Professor Michael Whitby (Pro-Vice-Chancellor and Head of College); Mr Brendan Casey (Director of Academic Services) (for Minute 15/79).

Apologies: Ms Joulie Axelithioti (Postgraduate Officer); Dame Christine Braddock; Mr David Davies OBE; Professor Peter Fryer.

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

15/71 Minutes of previous meeting

**Resolved:** that the minutes of the meeting held on 14th October 2015 be approved (CO.15.11.01). There were no matters arising from the minutes.

15/72 Pro-Chancellor's Items

**Considered:** the report of the Pro-Chancellor on the one-to-one meetings held over the summer (CO.15.11.02).

**Reported** that:

- (a) the overall tenor of the feedback from the one-to-one meetings with members of Council had been extremely positive and constructive. There was a strong consensus amongst members of Council that governance was strong and individual comments/suggestions made were in pursuit of Council's commitment to continuous improvement;
- (b) the outcome of the one-to-one meetings had informed the formulation of the recommendations of the Effectiveness Review of Council (Minute 15/76 refers);
- (c) recommendations for appointment to the current vacancies in the membership of Council were expected to be submitted to Council in April 2016.

**Considered:** a report from the Vice-Chancellor (CO.15.11.03).

(1) Green Paper and Nurse Review of Research Councils

**Reported** that:

- (a) the Government had published its higher education Green Paper on 6th November 2015 - *Fulfilling our Potential: Teaching Excellence, Social Mobility and Student Choice*. The proposals included the introduction of a new framework for assessing teaching quality (Teaching Excellence Framework (TEF)) (with the establishment of a link between teaching assessment outcomes and differentiated fee increases, within an overall index-linked fee cap), quicker routes to market for new providers, and a reformed regulatory infrastructure which would create an Office for Students;
- (b) the recommendations of the Nurse Review of Research Councils had been published. These included:
  - (i) the strengthening of Research Councils in the effective formulation of strategy, promotion of research, and engagement with their communities, by evolving the partnership of the seven Councils making up RCUK into Research UK. This would be headed by a highly distinguished scientist acting as the single Accounting Officer, reporting to a single oversight Board consisting of an independent Chair and non-executive directors including the highest quality scientific leaders familiar with the academic, philanthropic and business research communities;
  - (ii) establishment of a Ministerial Committee to develop new cross-Government arrangements to enable the discussion of strategic research priorities and funding of research, to provide a place for engagement between policymakers and research funders, and to put science at the heart of Government;
- (c) the future structure of dual support arrangements in the light of (a) and (b) was subject to extensive debate;
- (d) there were concerns about the establishment of quicker routes to market for new providers (for example, in terms of quality and subject breadth of new providers);
- (e) the University was influencing the debate arising from (a) and (b), including by preparation of its formal response to the consultation on the Green Paper which had to be submitted by 15th January 2016. This response would include the comments of the University on the recommendations of the Nurse Review;
- (f) the Government was expected to commission a review of the arrangements for the next Research Excellence Framework.

(2) Comprehensive Spending Review

**Reported** that:

- (a) a briefing on the key issues for the University which were announced in the joint Comprehensive Spending Review and Autumn Statement on 25th November 2015 was tabled (CO.15.11.03A);
- (b) **[NOT FOR PUBLICATION]**
- (c) the confirmation of the award of £60m to the Midlands Energy Research Accelerator, of which the University expected to receive £20m., was welcomed.

(3) Midlands Engine Summit

**Reported:** that the University was hosting political, business and higher education leaders from across the East and West Midlands for a Midlands Engine Summit on 4th December 2015. The Midlands Engine was a new model which brought the East and West Midlands together to lobby more effectively for inward investment and compete with London, the South-East, and the 'Northern Powerhouse'.

15/74 KPTs for Strategic Framework

**COMMERCIAL IN CONFIDENCE**

**Considered:** the proposed institutional Key Performance Targets (KPTs) for the Strategic Framework (CO.15.11.04).

**Reported** that:

- (a) the Strategic Framework and the new set of Key Performance Indicators had been approved by Council in July 2015. It was agreed at that time that KPTs would be brought back to SPRC and Council for approval, following testing over the summer;
- (b) **[NOT FOR PUBLICATION]**
- (c) College-level and Professional Services KPTs had also been developed and were aligned with the University-level KPTs;
- (d) the reporting cycle would provide a more real-time assessment of performance than the previous set of KPTs;
- (e) **[NOT FOR PUBLICATION]**
- (f) **[NOT FOR PUBLICATION]**
- (g) Council and SPRC would receive an update on these KPTs twice per year: in January and June;
- (h) **[NOT FOR PUBLICATION]**

**Resolved** that:

- (i) the institutional KPTs be approved as set out in Paper CO.15.11.04;
- (ii) **[NOT FOR PUBLICATION]**

15/75 Strategy, Planning and Resources Committee

**Considered:** the report from the meetings of the Strategy, Planning and Resources Committee held on 13th October and 10th November 2015 (CO.15.11.05).

(1) Collaborative Teaching Laboratory Phase II

**COMMERCIAL IN CONFIDENCE**

**Considered:** the business case for Phase II of the Collaborative Teaching Laboratory (CTL) (Appendix 1 to Paper CO.15.11.05).

**Reported** that:

- (a) the CTL would be a signature facility for the University which represented a £42.2m investment in Science, Technology, Engineering and Mathematics (STEM) subjects with a vision to transform practical teaching in this area. Support for this investment had been reflected in a successful bid to HEFCE for a contribution of £5m towards the capital costs;
- (b) the CTL would consist of an Engineering Lab in the existing Mechanical and Civil Engineering building (Phase I) and a Wet Lab, Dry Lab, E-Lab and

- Discovery Lab in a new building (Phase II) to be situated adjacent to the Learning Centre. Phase I had been approved by UEB and Council in June 2015 and was on track for opening at the start of the 2016/17 academic year;
- (c) approval was sought to proceed with Phase II capital expenditure of £37.5m, including equipment and revised revenue expenditure of £2.9m, over the period to 2019/20 covering both phases (£2.1m for Phase II), of which half was offset by existing spend. The additional recurrent costs of the new facility from 2019/20 onwards were estimated at £488k p.a.;
  - (d) Phase II was due to open for teaching in September 2018;
  - (e) **[NOT FOR PUBLICATION]**
  - (f) the investment in the CTL was on the basis of highly serviced space neutrality (i.e. the provision of 2286m<sup>2</sup> of new space would mean that the equivalent amount of old space could be de-commissioned);
  - (g) **[NOT FOR PUBLICATION]**

**Resolved:** that the overall revised CTL Phase II capital expenditure of £37.5m be approved as set out at Appendix 1 to Paper CO.15.11.05, including equipment and the revenue expenditure totalling £2.1m.

- (2) **[NOT FOR PUBLICATION]**
- (3) Annual Accountability Returns

**Considered:** the University's Annual Accountability Returns to HEFCE for 2014/15.

- (a) Financial Tables

**Resolved:** that the financial tables for 2014/15 and the commentary explaining material variations be approved as set out in Appendix 3 to Paper CO.15.11.05.

- (b) Annual Monitoring Statement

**Resolved:** that the Annual Monitoring Statement for 2014/15 be approved as set out in Appendix 4 to Paper CO.15.11.05.

- (c) Annual Sustainability Assurance Report (ASSUR)

**Resolved** as set out in Appendix 5 to Paper CO.15.11.05 that:

- (i) the University is sustainable, in light of institutional performance and the 2014/15 end-of-year accounts;
- (ii) the submission of the ASSUR takes place as planned; and
- (iii) the ASSUR letter be authorised for signature by the Pro-Chancellor and submission to HEFCE in early December 2015.

- (4) Recruitment and Admissions Update

#### **COMMERCIAL IN CONFIDENCE**

**Considered:** the summary of home undergraduate applications received by the 15th October Medicine/Oxbridge deadline (Appendix 6 to Paper CO.15.11.05).

**Reported** that:

- (a) to (e) **[NOT FOR PUBLICATION]**
- (f) there remained a high degree of volatility at this early stage of the cycle and the next milestone in the cycle was the 15th January 2016 UCAS deadline;

- (g) **[NOT FOR PUBLICATION]**
  - (h) further updates on admissions would be provided via SPRC to Council.
- (5) Research Grants Performance 2014/15

**COMMERCIAL IN CONFIDENCE**

**Considered:** the University's Research Grants Performance for 2014/15.

**Reported** that:

- (a) to (e) **[NOT FOR PUBLICATION]**
  - (f) the research grants performance targets for 2015/16 were stretching but achievable;
  - (g) **[NOT FOR PUBLICATION]**
- (6) **[NOT FOR PUBLICATION]**

15/76 Effectiveness Review of Council

**Considered:** the findings of the Effectiveness Review of Council (CO.15.11.06).

**Reported** that:

- (a) the overall conclusion of the Effectiveness Review Panel was that Council could continue to be assured of its effectiveness having regard to the Committee of University Chairs (CUC) Higher Education Code of Governance and other good governance practice. Indeed, the review had been a valuable opportunity to reflect and make further enhancements to what was already a high performing Council and effective governance at the University. This view was strongly supported by Kevin Greenleaves, Consultant, who provided an external perspective for the review. Having worked with boards in a wide variety of sectors, Kevin's feedback on the effectiveness of Council had been very positive, commending, amongst other things, the unified nature of Council and the rich diversity of views and level of curiosity of members of Council.
- (b) a major piece of work to inform the Review had been the mapping of the University's current practice against the CUC Higher Education Code of Governance which was published by the CUC in December 2014. This was the sovereign governance code for universities and took account of best practice in higher education and other sectors. The mapping exercise demonstrated that the University was compliant with the seven primary elements of the Code but that there were opportunities to explore further enhancement of existing practice in the light of the Code;
- (c) the outcome of the one-to-one meetings at Minute 15/72 had also informed the formulation of the recommendations of the Review;
- (d) the recommendations of the Panel covered:
  - (i) Membership of Council;
  - (ii) Operation of Council;
  - (iii) Information, Communication and Reporting;
  - (iv) Relationship of Council with Senate;
  - (v) Committees of Council;
  - (vi) Equalities and Diversity;
  - (vii) Future Governance;
- (e) that the Chair of the Review Panel thanked his fellow members for their contribution to what had been a robust process and the Assistant Secretary for her support of the Panel;
- (f) members of Council welcomed the opportunity to take advantage of the

- opportunities for wider engagement identified by the Panel. However, it was recognised that the pressure of other commitments and time constraints for some members of Council, particularly those with professional roles elsewhere, meant that they were not always able to take up such opportunities;
- (g) in respect of the proposal to disestablish the Knowledge Transfer and Engagement Sub-Committee of SPRC and merge its business with the Research Committee, it was noted that the attention of Council would continue to be drawn to any key issues considered under the new remit of the Research Committee in the report from Senate to Council;
  - (h) an Action Plan would be prepared to manage implementation of the recommendations approved by Council. The Review Panel would be re-convened to review progress against the Action Plan and a report on progress with implementation would be submitted to Council in November 2016.

**Resolved**: that the recommendations of the Effectiveness Review of Council be approved as set out at Appendix 1 to Paper CO.15.11.06.

15/77 Report of Audit Committee

**Considered**: the report from the meetings of the Audit Committee held on 13th October and 17th November 2015 (CO.15.11.07).

**Reported** that:

- (a) the Annual Report of the Audit Committee at Appendix 2 to Paper CO.15.11.07 included the opinion of the Audit Committee to both Council and to the Vice-Chancellor in his capacity as the Accounting Officer, in respect of internal control, governance, the provision of data to certain external parties, value for money, and matters concerned with the approval of the Annual Report;
- (b) the opinion of the Audit Committee to Council in relation to governance had been given subject to the approval by Council of the report and recommendations of the Effectiveness Review of Council. Given that the report of the Effectiveness Review of Council had been approved (Minute 15/76 above), the Chair of the Audit Committee confirmed the opinion of the Audit Committee on governance as follows:
  - (i) the University's risk management and internal control and governance arrangements taken as a whole, including in respect of data provided by the University to HEFCE, HESA and other public bodies, are adequate and effective;
  - (ii) suitable arrangements are in place to secure economy, efficiency and effectiveness;
  - (iii) the statements on corporate governance and internal control included in the Annual Accounts fairly reflect the systems that exist, including their inherent limitations; and
  - (iv) the Responsibilities of the Council as stated in the Annual Report as regards the financial statements have been adequately discharged.

**Resolved** that:

- (i) the terms of reference of Audit Committee be amended as set out in Paper CO.15.11.07;
- (ii) Deloitte be re-appointed as External Auditor for the year ending 31st July 2016;
- (iii) the Annual Assurance Return to HEFCE for 2014/15 be approved.

15/78 Annual Report and Accounts for the year ending 31st July 2015

**COMMERCIAL IN CONFIDENCE**

**Considered:** the University's Annual Report and Accounts for the year ending 31st July 2015 (CO.15.11.08) which comprised the:

- (a) final report from Deloitte, the external auditors for the University;
- (b) University letter of representation for submission to the external auditors;
- (c) University Annual Report and Accounts for the year ending 31st July 2015, confirming that the Council had discharged its corporate governance responsibilities;
- (d) mapping of responsibilities of Council to Sources of Comfort.

**Reported** that:

- (a) the Annual Report and Accounts had been subject to a high degree of scrutiny, including consideration by Audit Committee (17th November 2015) and Strategy, Planning and Resources Committee (10th November 2015);
- (b) the surplus, before exceptional items, of £38m, generated by the University enabled it to re-invest in its community and future.

**Resolved** that:

- (i) the Annual Report and Accounts for the year ending 31st July 2015 be approved as set out in Paper CO.15.11.08, confirming that Council had discharged its corporate governance responsibilities;
- (ii) the University letter of representation be approved for signature by the Pro-Chancellor and submission to the external auditors.

15/79 Counter-Terrorism and Security Act 2015

**Considered:** a further update on work undertaken to date to prepare the University for the implementation of the Counter-Terrorism and Security Act 2015 (CTSA) (CO.15.11.09).

**Reported** that:

- (a) Council in October 2015 had considered a detailed update on the Counter-Terrorism and Security Act (CTSA) and the Prevent Duty. This had included the latest information on guidance published for higher education on external speakers and HEFCE's proposals for regulating and monitoring universities' compliance with the Duty;
- (b) the outcome of the HEFCE consultation on the regulatory arrangements was still awaited. However, it was assumed these would involve submitting in January a self-assessment of institutional readiness to comply with the Prevent Duty, followed by a detailed report on progress in Spring/Summer 2016. Thereafter, HEFCE would require an annual report from the Council, probably to coincide with other HEFCE returns in November/December;
- (c) in the meantime, the University was pressing on with work to comply with the CTSA and Prevent Duty, building on the strong foundations already in place, which had previously been reported to UEB and Council. The University continued to work in partnership with the Guild and were seeking to approach the Prevent Duty in the context of student vulnerability;
- (d) as an important next step in this work, and in advance of the expected self-assessment return in January, the University was now bringing to Council two key documents for approval:
  - (i) the University's Risk Assessment and Action Plan for CTSA and Prevent (Appendix A to Paper CO.15.11.09);

- (ii) the University's Code of Practice on Freedom of Speech and External Speakers, revised in light of the CTSA and Prevent Duty (Appendix B to Paper CO.15.11.09);
- (e) the University would need to make a series of judgements on how best to operationalise the implementation of the CTSA and Prevent Guidance, noting the way forward had been proposed on the basis of a proportionate approach to compliance with the requirements of the CTSA and Prevent Guidance, balanced with the requirements to promote Freedom of Speech;
- (f) the Risk Assessment and Action and Revised Code of Practice on Freedom of Speech had been considered by UEB on 16th November 2015 and were approved by UEB for submission to Council. The collective view of UEB was that a balanced and proportionate approach should be taken and this was reflected in the Risk Assessment and Action Plan and the Code;
- (g) the attention of Council was drawn to Paragraphs 2.2 and 3.1 of the Code of Practice on Freedom of Speech and External Speakers where it was proposed that the process of risk assessment should only apply to normal University-organised teaching (such as a lecture on a programme of study) or a research seminar where the event involved a potentially extremist speaker, or VIP speaker (such as an Ambassador), or the event raised other risks (for example, health and safety issues). There were hundreds of such teaching and research events on campus each year and it was impractical and disproportionate that all had to follow the process for events and external speakers in the Code. Council strongly endorsed this proportionate and balanced approach, noting that if in doubt the organiser of the event should seek advice, before proceeding with the event, as to whether the Code applied. The Code included a section on where to seek such advice;
- (h) Paragraph 7.3 of the Code of Practice on Freedom of Speech and External Speakers which covered infringement of the law by a speaker would be adjusted to provide more examples of where the Chair or Principal Organiser might intervene;
- (i) the need to raise the general awareness of staff and students of the wider cultural issues around the CTSA and Prevent Duty as part of the implementation of the University's approach to the new requirements;
- (j) where an event included speakers with extremist views that, in the opinion of the Authorising Officer, raised issues in relation to the University's legal responsibilities, a specific condition could be imposed that those speakers were challenged with opposing views as part of that same event, rather than in a separate forum. It was recognised though that this could mean that the event was postponed if suitable opposing speakers could not be identified in time for the event to proceed as planned.
- (k) members of Council expressed their strong support for the balanced and proportionate approach set out in Paper CO.15.11.09.

**Resolved** that:

- (i) the University's approach to the CTSA and Prevent Duty be approved as set out in Paper CO.15.11.09, and in accordance with the points noted above;
- (ii) the University Risk Assessment and Action Plan for CTSA and the Prevent Duty be approved as set out in Appendix A to Paper CO.15.11.09;
- (iii) the revised Code of Practice on Freedom of Speech and External Speakers be approved as set out in Appendix B to Paper CO.15.11.09, subject to the amendment in (h) above.



**COMMERCIAL IN CONFIDENCE**

**Considered:** the outcome of the review of the Institutional Risk Register (CO.15.11.10).

**Reported** that:

- (a) with the launch of the new Strategic Framework and KPTs, the University had taken the opportunity to refresh and revise its Institutional Risk Register and risk management framework;
- (b) the Register had been significantly streamlined to offer a more focused, clear and relevant document, and had been split into two parts: Strategic and Institution-wide Operational. The major change had been the adoption of a risk appetite framework. For the University of Birmingham, risk appetite had been considered in relation to the broad levels of tolerance the University was willing and comfortable to accept in pursuit of its aims and objectives;
- (c) UEB would continue to be responsible for institutional risk management and the scoring of risks and mitigating actions and would monitor the Risk Register on a quarterly basis. The Audit Committee would continue to review and provide oversight of the operation of the overall institutional risk framework and process. UEB will monitor the Risk Register on a quarterly basis. Audit Committee would consider the Risk Register twice a year, and Council would consider the Register annually alongside the University's KPTs;
- (d) the University was particularly grateful to David Noon, Deloitte, who had hosted two excellent risk management workshops for members of UEB and the Audit Committee on risk methods and the University's revised approach to risk management;
- (e) UEB and the Audit Committee had considered the revised approach and recommended it to Council for approval as set out in Paper CO.15.11.10;
- (f) the proposed new format was commended as a significant evolution of the University's approach to risk management.

**Resolved** that:

- (i) the Institutional Risk Register be approved as set out in Paper CO.15.11.10;
- (ii) the Pro-Chancellor would write to David Noon to thank him for his work and contribution to the review of the Institutional Risk Register.

**Considered:** a report from the meeting of the Senate held on 11th November 2015 (CO.15.11.11).

**Reported** that:

- (a) the University had, by virtue of its membership of Universities UK, signed up to the commitments of the Universities UK Concordat to Support Research Integrity. The Concordat recommended that an annual statement be presented to the University's Council, including confirmation of actions taken during the year to support research integrity;
- (b) Senate had approved the University's Self-Evaluation Document which had been submitted to the Quality Assurance Agency (QAA) in advance of the Higher Education Review (HER) during the week commencing 15th February 2016. The SED was attached at Appendix 2 to Paper CO.15.11.11 to provide assurance to Council on the effectiveness of the University's preparations for the Review, noting the complexity of the documentation which had been

- produced in accordance with the requirements of the QAA and was supported by an evidence base of in excess of 1,000 documents;
- (c) the Guild of Students had submitted the student submission for the Review;
  - (d) the significant amount of work undertaken by the Pro-Vice-Chancellor (Education) and the team who had produced the SED and its evidence base was recognised by Council;
  - (e) the option of increasing the number of degree ceremonies to four per day was being investigated by the University. This would mean that some ceremonies would not include honorary graduates. The holding of four ceremonies per day would be piloted in July 2016 and Council would be advised of the outcome in due course.

**Resolved:** that the University's Annual Research Integrity Statement to Council be approved as at Appendix 1 to Paper CO.15.11.11.

15/82 Senior Appointments Update

**Noted:** the appointment of Professor Robin Mason as Pro-Vice-Chancellor (International). He was currently Pro-Vice-Chancellor and Executive Dean of the University of Exeter Business School and Professor of Economics. The appointment had been approved by Council by correspondence the previous week.

15/83 Manor House - Insurance Settlement and Update on Disposal of Site

**COMMERCIAL IN CONFIDENCE**

**Considered:** the current status of efforts to dispose of the Manor House site (CO.15.11.03).

**Resolved** that:

- (i) the potential settlement with the University insurer in respect of the Manor House fire be approved in principle as set out in Paper CO.15.11.03;
- (ii) authority to approve the final settlement of the insurance claim be delegated to the Pro-Chancellor, Treasurer and Vice-Chancellor.

15/84 Guild of Students Articles and Bye-Laws

**Considered:** the proposed amendment of the Articles of Association and ByeLaws for the Guild of Students (CO.15.11.14). These consisted of:

- (a) changes to the Guild's democratic structures;
- (b) amendment to the Guild's objects to reflect new democratic structures;
- (c) complementary changes to the Byelaws relating to the outcome of the General Meeting, and additional administrative changes.

**Resolved:** that the amendment of the Articles of Association and ByeLaws for the Guild of Students be approved as set out in Paper CO.15.11.14.

15/85 Remuneration Committee

**Noted:** a report from the meetings of the Remuneration Committee held during 2015 (CO.15.11.15).

15/86 Capital Projects over £5m

**COMMERCIAL IN CONFIDENCE**

**Received:** a report from the Director of Estates (CO.15.11.16).

15/87 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.15.11.17).

15/88 Any Other Business

On behalf of Council, the Pro-Chancellor thanked Mr Richard Keys for his service as a member of Council and Chair of the Audit Committee since 1st August 2010.

The Pro-Chancellor also announced that he would write to Ms Joulie Axelithioti, on behalf of Council, to thank her for her contribution as a student member of Council during the past year.

15/89 Programme of Meetings 2015/16

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

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