

## UNIVERSITY OF BIRMINGHAM

## COUNCIL

29th June 2016 at 9.00am

## MINUTES

Members present: Mr Ed Smith CBE (Pro-Chancellor, in the Chair); Mr Derrick Anderson; Professor Kathleen Armour; Ms Rose Bennett (Postgraduate Officer); Mr David Davies OBE; Professor Sir David Eastwood (Vice-Chancellor and Principal); Mr Robert Halton; Mr Malcolm Harbour CBE; Mr Richard Haywood (Deputy Pro-Chancellor); Dame Lin Homer; Ms Sukhvinder Kaur-Stubbs; 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); Mr Chris Granger (Director of Finance); Ms Ellie Keiller (President of the Guild of Students Elect); Mrs Colette McDonough (Assistant Secretary); Professor Myra Nimmo (Pro-Vice-Chancellor and Head of College); 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); Ms Olivia Kew-Fickus (Director of Strategic Planning) (for Minute 16/46 and 47); Mr Trevor Payne (Director of Estates) for Minutes 16/42 to 44); Mr Alaric Rae (Director of Student Recruitment) (for Minute 16/47).

Apologies: Dame Christine Braddock; Mr Alan Davey CBE; Mr Martin Devenish; Professor Peter Fryer; Mr Jack Mably (President of the Guild); Dame Una O'Brien; Professor Robin Mason (Pro-Vice-Chancellor (International)) and Ms Heather Paver (Director of Human Resources).

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

16/37 Minutes of previous meeting

**Resolved:** that the minutes of the meeting held on 20th April 2016 be approved (CO.16.06.01).

16/38 Matters Arising  
Minute 16/19, Appointment of Dame Lin Homer

**Resolved:** that the start of the term of office of Dame Lin Homer be revised to 29th June 2016.

16/39 Pro-Chancellor's Items

**Reported:**

- (a) the priorities for appointment of new members of Council which were as follows:
- (i) broadening the diversity of Council, particularly to achieve greater gender and ethnic diversity and to explore the possibility of attracting

- early career candidates (for example, with digital technology career experience);
- (ii) candidates based in the West Midlands Region who had the time to serve on Sub-Committees, Panels and Groups;
- (b) members of Council were encouraged to suggest candidates for appointment in accordance with these priorities to the Pro-Chancellor;
- (c) the annual one-to-one meetings with members of Council would be completed during the Summer.

16/40 Vice-Chancellor's Items

**Considered:** a report from the Vice-Chancellor (CO.16.06.02).

(1) Higher Education and Research Bill

**Reported:**

- (a) that the sector was currently planning on the basis that the Higher Education and Research Bill would proceed through Parliament (although the possibility of delay because of the national political situation following the EU Referendum was recognised). The Registrar and Secretary had been advising nationally on the wording and technical aspects of the Bill;
- (b) that the University was preparing its response to the technical consultation on the Teaching Excellence Framework.

(2) League Table Performance

**Reported:** that the University was congratulated on its performance improvements in the first two domestic league tables of the year.

(3) Prevent

**Reported:** the very positive outcome of the University's first Prevent duty monitoring assessment following the University's detailed submission of evidence to HEFCE in April. This, not necessarily replicated throughout the sector, affirmed the University's considered and proportionate approach to the duty.

(4) Industrial Action

**Reported** that:

- (a) BUCU had called off its local industrial action and declared settlement of its dispute with the University. This was because the review of Modern Languages had resulted in no compulsory redundancies;
- (b) the impact of the national industrial action by UCU on the University had been limited to date. 76 and 72 members of UCU had notified the University that they had participated in the strike action on 25th and 26th May 2016 respectively. There had been no boycott of marking or assessment and a small number of External Examiners had resigned. UCU was planning further national industrial action on 5th July 2016. This was not expected to have a significant impact on the operation of the University.

(5) EU Referendum

**Considered:** a briefing note on the implications of the outcome of the EU Referendum (CO.16.06.02A).

**Reported:**

- (a) that it was too early to fully assess the implications of the result for the University, particularly given that there would be a two year negotiating period following the triggering of Article 50 by the Government;
- (b) that the immediate focus was to reassure staff, students and applicants and emphasise business as usual;
- (c) that the Vice-Chancellor was commended for his excellent e-mail communications to staff regarding the Referendum;
- (d) the University had produced FAQs for staff, students and applicants, informed by advice from Universities UK, the Russell Group and BIS;
- (e) the scope for the University to play a key role in terms of encouraging and informing debate around the implications of Brexit, noting that:
  - (i) the University would make a significant contribution to the work being led by the Russell Group and Universities UK to shape the proposal for the future engagement of higher education with Europe;
  - (ii) the University was considering how it might engage with the local community on issues arising from Brexit;
- (f) that the University would not tolerate any incidents of abuse towards its staff and students linked to Brexit, noting:
  - (i) that the Directors of Human Resources and Student Services were monitoring and managing the response of the University to such incidents;
  - (ii) the University was working with the Guild of Students to reassure students;
  - (iii) that the University was working with representatives of the local community, including Birmingham City Council, to co-ordinate the response to such incidents in the City;
  - (iv) the need to particularly reassure non-UK students and staff.

**Resolved:** that the University's response to the outcome of the EU Referendum, particularly (f) above, be endorsed.

16/41 ***[NOT FOR PUBLICATION]***

16/42 University of Birmingham Estates Strategy 2016-2026 and Capital Programme Masterplan 2016-2021

- (1) Estates Strategy and Masterplan

**Considered:** the University's Estates Strategy and Masterplan (CO.16.06.03A).

**Reported:**

- (a) that the Estates Strategy for the ten year period to 2026 was structured as two distinct but linked and sequenced five year periods of activity and focus;
- (b) that a Capital Programme Masterplan for the five year period 2016-2021 had been developed covering all aspects of initial selection and prioritisation, procurement, construction, site impact and the capital cash flow;
- (c) that the total funding requirement for the Masterplan period to 2021 was £365m. Business cases for each of the projects contained in the Masterplan would be produced for consideration and approval and it was at the point of individual project approval that the University would be making a financial commitment to each project;
- (d) that the second five year period for the Estates Strategy 2021-2026 would need

- to be carefully mapped out in greater detail and must be developed in full consideration of the key estates principles set out in the Estates Strategy. There was sufficient time to develop this forward looking work and to develop a strategic direction of travel that ensured that the estate continued to develop in a safe and efficient manner that supported the University's Strategic Framework whilst retaining sufficient flexibility and agility to respond to emergent issues;
- (e) the measures set out in the Estates Strategy to strengthen management of space were welcomed, noting particularly the proposed review of the space chargeback system;
  - (f) members of Council commended the Estates Strategy and Masterplan as an outstanding piece of work and thanked the Director of Estates accordingly.

**Resolved:** that the Estates Strategy 2016-2020 and the Capital Programme Masterplan 2016-2021 be approved as set out in Paper CO.16.06.03A.

(2) Financial Status of the Capital Programme

**COMMERCIAL IN CONFIDENCE**

**Considered:** the current financial status of the capital plan and the forward cash position, as included in the Budget 2016/17 and Forward Look to 2019/20, to determine the external financing requirement to support delivery of the capital programme over the next five years and preferred financing option (CO.16.06.03B).

**Reported** that:

- (a) **[NOT FOR PUBLICATION]**
- (b) **[NOT FOR PUBLICATION]**
- (c) a final proposal would be submitted to Council, via SPRC, later in the year;
- (d) **[NOT FOR PUBLICATION]**

**Resolved:** to note the financial status of the capital programme and endorse the proposed approach to funding it as set out in Paper CO.16.06.03B.

16/43 **[NOT FOR PUBLICATION]**

16/44 Green Heart

**Considered:** the finalisation of the budget for the Green Heart Project at £16.9m (Appendix 4 to Paper CO.16.06.09).

**Reported** that:

- (a) Council had agreed the Green Heart project with an indicative budget of £12m in 2011 as part of the wider Estate programme encompassing the Library, Sports Centre and Student Hub;
- (b) since then more detailed work had been undertaken on the specification, including on the grounds and gradients as well as the quality of materials and scope of the project. This had enabled the calculation of a final budget of £16.9m that would be required to deliver the project;
- (c) the following factors had contributed to the revised budget amount:
  - (i) the inclusions within the design specification of higher quality paving, semi-mature trees and more substantial planting, as well as the utilisation of a bridge link to facilitate ease of access over the 8-metre gradient of the development area, increased the costs of Phase 1A and Phase 1B from £9.83m to £11.7m. This upgrade of materials was proposed in recognition of the campus centrality and importance of the

- site;
- (ii) the upgrade of University Square to the same specification of high-quality materials to match the rest of the Green Heart area, which increased the project costs for Phase 1c from £2.15m to £4.48m;
- (iii) the inclusion of £650k within the proposed budget for a new building to accommodate a food outlet between the new Library and Muirhead Tower to further enhance the experience of student, staff and visitors;
- (d) members of Council were assured that the phasing of the works for Green Heart had been designed to minimise disruption to the campus during its construction and that the benefits of the project would be communicated to staff, students and applicants.

**Resolved:** that the proposals at Appendix 4 to Paper CO.16.06.09 and finalisation of the budget for Green Heart at £16.9m be approved.

16/45 Budget for 2016/17 and 3 Year Forward Look

**COMMERCIAL IN CONFIDENCE**

**Considered:** the budget for 2016/17 and three year forward look (CO.16.06.04).

**Reported** that:

- (a) the budget for 2016/17 represented a sustainable position **[NOT FOR PUBLICATION]**
- (b) the University would review the budget for 2016/17 at the end of Quarter 1 in light of the impact of the result of the Referendum at that time, noting, for example, the potential implications for the valuation of BPAS which was currently in progress;
- (c) members of SPRC had been assured that the significant cash surplus did not mean that the University was foregoing any business opportunities.

**Resolved:** that the Budget for 2016/17 and three year Forward Look be approved as set out in Paper CO.16.06.04.

16/46 Update of Strategic Framework Key Performance Targets

**COMMERCIAL IN CONFIDENCE**

**Considered:** the update of Strategic Framework Key Performance Targets (CO.16.06.05).

**Reported** that:

- (a) **[NOT FOR PUBLICATION]**
- (b) **[NOT FOR PUBLICATION]**
- (c) the recruitment of more academic talent remained a key priority for the University;
- (d) to (f) **[NOT FOR PUBLICATION]**

**Resolved:** that the Key Performance Targets Update as set out in Paper CO.16.06.05 be approved.

**COMMERCIAL IN CONFIDENCE**

**Considered:** a recommendation from University Executive Board regarding Home/EU Undergraduate fee increases (CO.16.06.06).

**Reported** that:

- (a) the Government had announced that for all institutions achieving 'Meets Expectations' in TEF 1, to be implemented in 2016/17, the fee cap would be increased by 2.8% for the 2017/18 year, to £9,250. Institutions would also be permitted to apply this increased fee to students in their second (and later) years of study, as well as to the new intake;
- (b) the University would qualify for this increase, the first permitted in five years, and therefore a decision needed to be made on how to respond to the raised fee cap. The timescale for agreeing revised fees levels for 2017/18 was driven by the Office of Fair Access (OFFA) who had requested that institutions advise by 8th July whether they intended to increase fees from 2017/18 and to adjust their OFFA spend accordingly;
- (c) **[NOT FOR PUBLICATION]**
- (d) UEB had considered the matter at length and its recommended Option B, namely that the fee be increased on an annual basis from 2007/18 for students entering from that year. The existing £9k fee would be maintained for 2016/17 entrants and current students;
- (e) the University invested its fee income in the student experience. The benefits of protecting this fee income in real terms by taking the opportunity sanctioned by the Government to increase the Home/EU Undergraduate fee were therefore recognised;
- (f) the President of the Guild of Students Elect noted that, while the Guild was opposed to fee increases, she welcomed not increasing the fee for current students and 2016/17 entrants;
- (g) members of Council considered the recommended approach by UEB to be balanced, fair and equitable;
- (h) in light of the outcome of the EU Referendum, the University would reassure existing EU undergraduate students and those entering the University in 2016 and 2017 that they would be charged the same fees as their equivalent Home undergraduate students (provided this continued to be permitted by UK law).

**Resolved:** that, balancing considerations of income, market, and reputation, fees for new Home/EU Undergraduate students from 2017/18 be increased to £9,250. Continuing students (entering before 2017/18) would remain on the £9k level for the duration of their programme of study. For students entering from 2017/18, the fees would also be subject to annual increases while on their programme of study in line with the changes to government policy which now allowed variable fees. This would be reflected in the fee levels and offer letters to students. The actual fee charged from 2018/19 would be considered and set on an annual basis informed by factors such as the fee cap permitted by government, admissions, market considerations, TEF and the University's financial position.

*[Professor Adam Tickell declared an interest and withdrew from the meeting during consideration of this agenda item by virtue of his position as Vice-Chancellor Elect of the University of Sussex].*

16/48 Higher Education Review Report

**Considered:** the Higher Education Review Report (CO.16.06.07).

**Reported** that:

- (a) Birmingham was:
  - (i) one of only two universities to have received two commendations;
  - (ii) one of only two universities to have received nine items of good practice (no universities have received more than nine);
  - (iii) the only university to have received no recommendations and no affirmations;
- (b) the Pro-Vice-Chancellor (Education) and his team were congratulated on this outstanding achievement for the University;
- (c) the University would continue to raise awareness of this achievement, noting that further information would be provided to the Guild of Students so that they could also draw the attention of students to the outcome.

16/49 Strategy, Planning and Resources Committee

**Considered:** the report of the meetings of the Strategy, Planning and Resources Committee held on 20th April, 4th May and 14th June 2016 (CO.16.06.09).

(1) New Core

**Reported** that:

- (a) to (c) **[NOT FOR PUBLICATION]**
- (d) the importance of securing internal engagement with the implementation of New Core, noting the particular priority of communicating the plans and benefits of New Core to the academic community;
- (e) the importance of articulating the efficiencies and savings, not just in Finance and HR, but across the University which would be delivered by New Core (for example, in terms of new ways of working and new forms of delivery and savings in the Colleges). It was noted that detailed and realistic targets for cashable and allocative efficiencies would be developed during the design phase;
- (f) there was a comprehensive Risk Register for the New Core project which supplemented the information on risks provided in Appendix 1 to Paper CO.16.06.09.

**Resolved:** that the New Core Business Case be approved as set out at Appendix 1 to Paper CO.16.06.09 at a total cost of £20.7m including VAT, noting that progress with implementation of New Core would be monitored by Strategy, Planning and Resources Committee with assurance reports also being provided to Audit Committee on a regular basis.

(2) July 2016 Financial Forecast Return to HEFCE

**Resolved:** that the July 2016 Financial Forecast Return be approved for submission to HEFCE as set out in Appendix 2 to Paper CO.16.06.09.

(3) ASSUR Interim Update

**Resolved:** that the ASSUR Interim Update be approved as set out in Appendix 3 to Paper CO.16.06.09.

16/50 **[NOT FOR PUBLICATION]**

16/51 Appointment of the Provost and Vice-Principal

**Considered:** the appointment of the next Provost and Vice-Principal (CO.16.06.11).

**Resolved:** that Professor Tim Jones be appointed as Provost and Vice-Principal with effect from 1st September 2016.

16/52 Report of the Membership Committee

**Considered:** a report from the meeting of the Membership Committee held on 14th June 2016 (CO.16.06.12).

**Resolved** that:

- (i) Sir Terry Morgan be appointed as a new member of Council for four years from 1st August 2016 to 31st July 2020;
- (ii) Mr Derrick Anderson be re-appointed to serve on Council for a second term of office of four years from 1st August 2016 to 31st July 2020;
- (iii) appointments to the vacancies in the membership of Council Committees, the BPAS Trustee body and Court be approved as set out in Paper CO.16.06.12, including the waiving of Ordinance 2.17.3 to extend the second term of office of the members of Court highlighted in Appendix 4 of Paper CO.16.06.12 for two years (rather than the standard four year term specified by the Ordinance).

16/53 Audit Committee

**Considered:** a report from the meeting of the Audit Committee held on 9th June 2016 (CO.16.06.13).

**Resolved:** that Jon Darling be appointed as Head of Internal Audit with effect from 15th August 2016.

16/54 Senate

**Received:** a report from the meeting of Senate held on 8th June 2016 (CO.16.06.14).

16/55 Annual Health and Safety Assurance Report

**Resolved:** that the Annual Health and Safety Assurance Report (CO.16.06.15) be approved.

16/56 Capital Projects over £5m

**COMMERCIAL IN CONFIDENCE**

**Received:** a report from the Director of Estates (CO.16.06.16).

16/57 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.16.06.17).



16/58 Items Approved Between Meetings of Council

**Received:** a report noting items of business approved since the last meeting of Council (CO.16.06.18).

16/59 Arrangements for Transaction of Business between Meetings of Council

**Resolved:** that the arrangements for transaction of business during the summer vacation be approved (CO.16.06.19).

16/60 Any Other Business

(1) Retiring Members

On behalf of Council, the Pro-Chancellor thanked:

- (a) Robert Halton for his membership of Council since 1st January 2009;
- (b) Sukhvinder Kaur-Stubbs for her membership of Council since 1st August 2012;
- (c) Professor Kathy Armour who was standing down from the membership of the Council to take up her new role as Pro-Vice-Chancellor (Education);
- (d) Jack Mably for his service as President of the Guild of Students 2015/16;
- (e) Professor Jeff Bale who was completing his term as Pro-Vice-Chancellor (Education) and retiring from the University in July having first joined the University in 1992;
- (f) Professor Adam Tickell who was leaving the University after five years to become Vice-Chancellor of the University of Sussex;
- (g) Heather Paver who was leaving the University after 10 years of service as Director of Human Resources to set up her own business.

(2) Diary Dates

**Resolved:** that forthcoming diary dates would be circulated to members of Council, including the dates of the 2017 Annual University Meeting, 2017 Chancellor's Dinner and Degree Ceremonies.

16/61 Programme of Meetings 2016/17

**Noted:** the programme of meetings of Council for 2016/17:

Tuesday 4th October 2016, 6.30pm. Council Dinner

Wednesday 5th October 2016, 9.00am, Council Strategy Day

Tuesday 29th November 2016, 5.00pm, Council Presentation and Dinner

Wednesday 30th November 2016, 9.00am, Council Meeting

Tuesday 31st January 2017, 5.00pm, Council Presentation and Dinner

Wednesday 1st February 2017, 9.00am, Council Meeting

Tuesday 25th April 2017, 9.00am, Council Strategy Day and Dinner

Tuesday 27th June 2017, 5.00pm, Council Presentation and Dinner

Wednesday 28th June 2017, 9.00am, Council Meeting