

COMMERCIAL IN CONFIDENCE
University of Bristol
Minutes of Council

11 February 2011

- Present: Mr Denis Burn (Chair), Mr James Ashton-Bell, Professor Tim Bond, Mr Roy Cowap, Councillor Christopher Davies, Mr Andy Hollingsworth, Mr Colin Green, Dr Moira Hamlin, Professor Sally Heslop, Sir Ronald Kerr, Ms Pru Lawrence-Archer, Dr John Manley, Mr Robert Massie, Mrs Dinah Moore, Mr Bob Morton, Mr George Morton, Dr David Newbold, Mr David Ord, Mrs Cindy Peck, Mr Bill Ray, Ms Anne Stephenson, Mr Tom Steward, Professor Eric Thomas, Mr James Wadsworth, Mrs Cathy Waithe and Professor Avril Waterman-Pearson.
- In Attendance: Mr Derek Pretty, Mr Patrick Finch, Mr Andy Nield, Mr Guy Gregory, Professor Guy Orpen, Miss Sue Paterson, Ms Helen Galbraith.
- Apologies: Professor Paula Booth, Professor David Clarke, Mr Mohammed Saddiq, Ms Vikki Stace, Mr James Wetz.
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1. Apologies for Absence / Announcements

- 1.1 The Chair welcomed colleagues to the meeting and noted the apologies received. He extended a particular welcome to the two new members of Council who were able to attend, Dr John Manley and Dr Moira Hamlin.
- 1.2 Council congratulated Sir Ronald Kerr on the award of his knighthood in the New Years Honours 2011.

2. Minutes of the Last Meeting

- 2.1 CONFIRMED: The minutes of the meeting held on 19 November 2010.

3. Matters Arising and Actions Register

- 3.1 Outstanding actions on the Action Register were being taken forward. Senate had given its approval for the proposed re-structuring of the Equality and Diversity Committee and associated governance arrangements. Council would receive a report at its March meeting proposing revisions to Ordinance 22 (Associated Institutions).

4. Chair's Business

Action Taken using Council Chair's Powers*

- 4.1 Reserved Business Only **CN/11/001**
- 4.2 Reserved Business Only.

Council: Debate on the Student Experience

- 4.3 The student experience would be a substantive topic for discussion at the next meeting of Council in March. A Chair's Advisory Group would be meeting later in the day to hold a preliminary debate on this matter. Further information on the agenda and arrangements for the March meeting would be circulated in due course.

Royal Visit to Merchants' Academy

- 4.4 The Chair noted a visit from the Princess Royal to the Merchants' Academy earlier in the week. Several members of the University had attended, including the Registrar and Deputy Registrar, and the visit had been extremely successful.

Temporary Addition to Ordinance 17

- 4.5 In view of the current risk of industrial action with regard to pay, pensions and job security, the University wished to agree a draft temporary addition to Ordinance 17, designed to provide maximum flexibility to act in the interests of students in the event of industrial action by Trade Union members. Similar arrangements had applied in 2006 during a period of action by the Association of University Teachers (AUT) members. Senate would be asked to approve the Temporary Ordinance at its next meeting but, in view of the need to move quickly, it was suggested that the Chair utilise Chair's Powers to ratify this Ordinance on Council's behalf at the appropriate time.
- 4.6 AGREED: Delegated powers to the Chair of Council to ratify a temporary addition to Ordinance 17 should it be required.

5. Vice-Chancellor's Report

- 5.1 RECEIVED: The Vice-Chancellor's report, reference **CN/11/002** (previously circulated, copy in the minute book).

Higher Education Tuition Fees and Funding

- 5.2 The Department for Business, Innovation and Skills (BIS) had issued a guidance letter to the Office for Fair Access (OFFA) indicating some of the likely requirements for institutional Access Agreements, which all institutions would need to submit for approval if they wished to charge fees of more than £6k. Further guidance was expected shortly, but it was clear that fair access to the most prestigious institutions was a key facet of the Government agenda, as was the need to control student support costs by minimising the number of institutions charging the maximum fee. Council were reminded that the University would need to charge around £8k in fees simply to offset the funds being lost through HEFCE.
- 5.3 Council noted the considerable effort already invested by the University in widening participation activities, which had touched 17,000 potential applicants in 850 schools over the last year. However, despite these efforts the University's performance against national widening participation benchmarks was not improving, and the attainment of students in different social classes at A-level continued to be a limiting factor. Alternative approaches were already being explored, including the development of

foundation programmes to provide progression routes into degree-level study and partnership working with other institutions.

- 5.4 In parallel with the current challenges for home student recruitment, the UK Borders Agency (UKBA) was planning a change to visa rules in order to reduce net migration, which could have a major impact on the University's ability to attract overseas students. The University was working with relevant parties in seeking to minimise the impact of this change on student recruitment.

Admissions Update

- 5.5 NOTED: the admissions data outlined in paragraph 2 of the report. In summary, there had been a significant rise in both overseas undergraduate and in postgraduate applications compared to the previous year. Implementation of a new online admissions system for postgraduate programmes had been launched in September 2010, which simplified the application process for prospective students as well as allowing staff to view and process applications online.

Appointment of University Registrar

- 5.6 Council noted and endorsed the appointment of Dr Tony Rich as the new Registrar and Chief Operating Officer, replacing Mr Derek Pretty who retired in July 2011. Dr Rich was currently Registrar and Secretary at the University of Essex, a post he had held since 1999. The Vice-Chancellor noted that he and the senior team were extremely pleased with the appointment: Dr Rich had a great deal of experience and already enjoyed good visibility within the sector. A full CV would be appended to the minutes.

Personnel Issues

Voluntary Severance, Early Retirement and Redundancy Report

- 5.7 The University was continuing to consider the applications received through the voluntary severance and early retirement (VS/ER) scheme for support staff. To date, 108 cases had been accepted and 137 refused, with over 200 cases still to be considered.
- 5.8 Separate academic redundancy proposals were continuing to be progressed in the Faculties of Art and Medicine and Dentistry to target specific cost saving requirements. The University was currently in local dispute with the University and College Union (UCU) regarding potential compulsory redundancies, although dispute action was being held whilst the redundancy proposals were being worked through.
- ##### *Pay and Pensions*
- 5.9 Unison, Unite and the Britain's General Union (GMB) had all now accepted the national pay offer of 0.4%, but UCU had not. The University would now proceed to pay the offer in line with a recommendation from Universities and Colleges Employers Association (UCEA). UCU were currently preparing to ballot for industrial action on the pay award and job security.

- 5.10 In parallel with the above, UCU had rejected the proposed changes to the Universities Superannuation Scheme (USS) and were preparing a separate ballot on this issue. The overall risk of industrial action was therefore increasing significantly.
- 5.11 Impending national changes on pensions taxation rules could have a significant impact on University staff, potentially affected staff on incomes of £50-60k and above, depending on their level of service. A Chair's Advisory Group meeting on Senior Remuneration had been convened later in the month to discuss this issue.

Support Process Review (SPR)

- 5.12 The programme was generally progressing well. Revised structures for the Finance, Web and Marketing, and Research processes were now largely in place, and remaining structures were on target for implementation by the end of the academic year. A post-implementation review of structures would be initiated in September 2011, with a view to streamlining processes further and identifying additional savings.
- 5.13 The key risks and challenges for the SPR programme at present revolved around the logistics and impact of transition to new structures, including the physical relocation of staff into new faculty support teams, continuing with normal business whilst undergoing major restructuring, and providing support for staff in managing and coping with a difficult period of change. Council paid tribute to the SPR Programme Manager, Helen Galbraith, and to all those involved in the programme team for their hard work and resilience in taking the programme forward.

National Composites Centre (NCC)

- 5.13 The NCC was continuing to progress well. The building programme was under way, but had been subject to some delay, largely due to adverse weather conditions. A number of staff had now been appointed to the Centre, presently operating out of Airbus facilities but with the intention to relocate to the NCC itself in May, prior to building up to full operations in August. There were some significant challenges, including an ambitious expenditure profile, but these remained manageable.
- 5.14 It was noted that the Technology Strategy Board (TSB) on behalf of the Department for Business, Innovation and Skills (BIS) was currently running a high-profile bidding process for a number of UK Technology and Innovation Centres, beginning with a centre focused on high-level manufacturing. The NCC had submitted an expression of interest as part of a consortium of six partners. This had been well received and the NCC had been invited to submit a detailed proposal, the outcome of which should be known in the next couple of months.
- 5.15 Council noted the progress made and congratulated Professor Orpen, Patrick Finch, Andy Nield and Clare Smith, Senior University Lawyer, involved in the management of the NCC on their leadership and achievements.

Health and Safety Issues

- 5.16 There were no significant health and safety issues to bring to Council's attention.

New Years Honours

- 5.17 NOTED: The recognition of several University staff, alumni and honorary graduates in the 2011 New Years Honours. A full list of awards had been appended to the Vice-Chancellor's report.

Recent Grants and Awards

- 5.18 NOTED: A number of high-profile grants and awards made to University staff and students, detailed in paragraph 8 of the report. Notable achievements included the award of the Polar Medal to Professor Martyn Tranter 'for extreme human endeavour against the appalling weather and conditions that exist in the Arctic and Antarctic' and the award of a prestigious Doctoral Training Centre from the Economic and Social Research Council (ESRC) in conjunction with the Universities of Bath and Exeter.

6. Financial Report

- 6.1 RECEIVED and NOTED: a report from the Finance Director covering financial performance 2010/11, future prospects for HEFCE grant funding and home undergraduate tuition fees, treasury matters and pensions issues, reference **CN/11/003** (previously circulated, copy in the minute book).

Financial Performance 2010/11

- 6.2 Financial performance for the current year was strong and ahead of budget. The original budgeted surplus of £5m (before VS/ER costs) for the year was now forecast to increase to £10m, reflecting the impact of a substantial increase in overseas student recruitment. A contingency of approximately £7m would be retained, but much of this was already earmarked for the expected in-year reductions in HEFCE funding and the costs of the pay award.

- 6.3 Council had been provided with a useful 'Finance Dashboard' providing key financial performance data for the academic year 2010/11.

HEFCE grant funding

- 6.4 HEFCE had issued some guidance to the sector the previous week on likely reductions, at a sector level, in funding for the academic years 2010/11 and 2011/12. The University's preliminary grant for 2011/12 would be announced on 14 March, but it was likely that a further in-year cut would be imposed at a later stage, in reflection of the disparity between HEFCE and Government financial years. Based on the HEFCE guidance for the University, an in-year cut of some £3m for 2010/11 was expected, and a total reduction in the range of £6m to £9m for 2011/12. At present, there was insufficient information to allow accurate grant forecasting beyond 2011/12.

Treasury

- 6.5 The University was currently holding a considerable amount of cash. A drawdown of a further £60m from the Barclays loan was due in March 2011.

This had been discussed at Finance Committee and it had been agreed that the University should proceed with this drawdown given that the University now had a clear view on major capital project spending. Investment strategy was being carefully considered to ensure an appropriate balance between return and security. It was noted that the University might need to set up additional bank accounts to facilitate effective cash management, and the Council endorsed any such arrangements that were considered necessary by the Finance Director.

- 6.6 HEFCE had approved the removal of the University's net debt limit, previously set at £150m but now uncapped. This would provide the University with maximum flexibility to invest available monies.

Pensions

- 6.7 The UBPAS trustees had been challenged by the Pensions Regulator regarding their deficit recovery plan. The trustees had responded robustly but the issue was not yet closed. The consultation process for changes to USS was ongoing.

7. Matters for Discussion and/or Approval

Annual Report on the University's Support Services

- 7.1 RECEIVED: An annual report from the Registrar, reference **CN/11/004** (previously circulated, copy in the minute book).
- 7.2 The Registrar spoke to his report and noted the considerable achievements of the Support Services during 2009/10, outlined in section 3 of the report. These had been achieved in spite of the current funding challenges and the current volume, speed and complexity of change.
- 7.3 The year 2009/10 had seen a number of important changes in the senior management team of Support Services, outlined in section 4. The development of strong, sustainable teams at all levels was seen as a priority, and the breakdown of 'silos' within and across divisions was one of the key objectives of SPR.
- 7.4 In terms of resources, staffing within Support Services had reduced by 5% over the last two years, but pay costs had not, principally due to pay increases arising from incremental and promotional drift, pay awards and increases in National Insurance. However, given the numbers of applications approved as part of the VS/ER scheme for support staff, there was confidence that net pay savings would be delivered over the coming year.
- 7.5 Almost half of the total budget for Support Services took the form of non-salary expenditure, much of which was corporate costs intended to support the University as a whole such as books and periodicals, scholarships and bursaries, rents and rates, utilities and insurance. There were opportunities to streamline costs in this area through shared services, building on areas where the University already worked collaboratively such as energy procurement and libraries.

- 7.6 The most significant cost driver for non-salary expenditure was the size of the University's Estate, and every effort must be made to improve efficiency of use and, where possible, to reduce its size. Other key cost drivers included IT and systems development, major capital projects and improving the student experience.
- 7.7 The structural and process changes emerging from the SPR programme were critical in ensuring the future efficiency and effectiveness of support functions. The current model was expensive and uneven, although outstanding in some areas. The changes envisaged would provide a platform for greater consistency and further cost improvement.
- 7.8 The Registrar was congratulated for the achievements of the Support Services outlined in the report, and also for his own personal leadership over nearly twelve years in the role. The transformation of the Support Services into a professional and well-led organisation during the Registrar's tenure was felt to be outstanding.

Proposed Refurbishment of the Queen's Road Building

- 7.9 RECEIVED: A report on the proposed refurbishment of the Queen's Road Building, reference **CN/11/005** (previously circulated, copy in the minute book).
- 7.10 It had been recognised some time ago that the Queen's Road Building was no longer fit for purpose. Consideration had previously been given to the building of a new Students' Union and library complex, but costs had proved prohibitive. Demolition of the building was not a feasible option as it would be impossible to secure planning permission to rebuild on the same scale. Full and proper refurbishment of the building was therefore seen as the clear and appropriate choice.
- 7.11 Whilst the primary purpose in the refurbishment of the building was to invest in improved facilities for students, there was also potential for a range of other uses, including space for the University's International Foundation Year programme, continued provision of a swimming pool and provision of music and drama facilities to complement planned refurbishment of the Victoria Rooms in the future.
- 7.12 NOTED: That the proposal had been considered and approved by the University Planning & Resources Committee, the Estates Committee and the Finance Committee.
- 7.13 APPROVED: A total allocation of £25.3m for the refurbishment of the Queen's Road Building and the progression of the project to the construction phase. It was noted that, in doing so, while feasibility work on further projects would be developed, this would be the last major estate investment that could be fully committed for the immediate future.

Report from the Capital Investment Programme Board (CIPB)

- 7.14 RECEIVED: A report outlining recommendations and decisions from CIPB meetings on 26 November and 7 December 2010, reference **CN/11/006** (previously circulated, copy in the minute book).
- 7.15 NOTED: (i) That the Vice-Chancellor, on the advice of UPARC, had approved the allocation of £700k for energy efficiency works and Stoke Bishop halls, and £350k in 2011/12 for improving the Drama building. The latter followed the allocation of the same level of funding for 2010/11, and was recorded as one of the capital priorities for the Faculty of Arts.
- (ii) That the following decisions had been taken by CIPB (or the Chair of CIPB):
- (a) Minor allocations of capital funding of £120k for 2011/12 for drama equipment; £37.5k to supplement the Faculty of Medicine & Dentistry's contribution to the plans for the SPINE centre in the Dorothy Hodgkin Building and £50k as a contribution to the Medical Sciences subsequent costs, and £140k for the fit out of the second floor of Howard House for Mathematics.
 - (b) The evaluation of four projects by the Estates Office in consultation with the relevant Faculty, all of which would help to deliver an enhanced student experience. The projects included a tiered lecture theatre in 35 Berkeley Square; quality seminar space in Priory Road; the use of Senate Room for student study, and making use of currently under-used space in the Wills Memorial Building. CIPB had agreed that £1m would be kept aside for these and other works that would improve the student experience.
 - (c) In principle, work should be carried out on the second phase of the Earth Sciences refurbishment, with the extent of the work to be agreed with the Dean of Science.
 - (d) Further information should be presented to CIPB on projects including the Dynamics Library in the Queens' Building (Engineering); the refurbishment of Geographical Sciences, and the Cabot Institute.
 - (e) Approval of an updated document outlining the capital programme planning, evaluation, prioritisation and approval processes. Council noted that the changes to this document were not fundamental but had brought it up-to-date.
 - (f) Endorsement of the Bursar proceeding with the planning application for change of use of 1 Priory Road, with a decision on the scope of refurbishment works being taken once the outcome of that application was known. Once the top floor of 1 Priory Road had been vacated by its current occupants it should be made available, at minimum cost, for use by students from early 2011.

(g) The least expensive option (Option B) for the new Engineering Faculty Centre should be considered further, and Option A should be ruled out.

(h) The Old Biological Sciences building, once Biological Sciences had moved out, would be allocated firstly to provide a single home for the School of Mathematics and secondly for use by Geographical Sciences to cater for those parts of the School currently occupying rented space.

Senate Report

7.16 RECEIVED: Senate's report to Council, reference **CN/11/007** (previously circulated, copy in the minute book).

7.17 APPROVED:

(i) By Special Resolution, revision of Statute 19 to reflect changes to the definition of Class 5 (Student) membership of Senate.

(ii) Extension of the following Visiting Professorships to end-August 2015:

(a) Mr G N Hobbs, Chairman of Motorola Ltd., as a Visiting Industrial Professor in the Centre for Communications Research, Faculty of Engineering.

(b) Dr D F Burrows, Vice President, Euro-India Research & Development, as a Visiting Industrial Professor in the Department of Electrical & Electronic Engineering, Faculty of Engineering.

(iii) Award of the title of Emeritus Professor to the following members of staff:

(a) Professor David Ashton, Accounting & Finance

(b) Professor Len Hall, Pro Vice-Chancellor

(c) Professor James Maxwell, Chemistry

7.18 NOTED: The information set out in parts B and C of the Senate Report. Particular attention was drawn to the approval of a University policy on the use of A* A-level grades in making offers of admission.

8. Matters for Formal Decision or Approval

Student Appeals, Complaints and Disciplinary Matters*

8.1 Reserved Business – **CN/11/008**

Employment Tribunal Proceedings, Stage Two Staff Grievances and Appeals against Dismissal*

8.2 Reserved Business– **CN/11/009**

Chair Appointment Activity

8.3 NOTED: A report outlining chair appointment activity that had taken place since the previous meeting of Council, reference **CN/11/010** (previously circulated, copy in the minute book).

Appointment of Bristol Students' Union Legal Advisor

- 8.4 A paper proposing the appointment of a Legal Adviser to the Students' Union, reference **CN/11/011** (previously circulated, copy in the minute book).
- 8.5 APPROVED: The appointment of Mr John O'Sullivan, University Lawyer, as Legal Adviser to the Union.

Memorandum of Understanding between the University and the Students' Union

- 8.6 NOTED: A report from the Director of Legal Services and Deputy Secretary confirming the completion of a Memorandum of Understanding between the University and the Students' Union, reference **CN/11/012** (previously circulated, copy in the minute book).

Transfer of Foundation Degree in Counselling

- 8.7 RECEIVED: A report proposing the transfer of the University's Foundation Degree in Counselling to the University of Gloucestershire, reference **CN/11/013** (previously circulated, copy in minute book).
- 8.8 APPROVED: The transfer of the Foundation Degree in Counselling as proposed.

9. Reports for Information

- 9.1 RECEIVED: (i) The Report of the Annual Meeting of Court, reference **CN/11/014** (previously circulated, copy in the minute book).
- (ii) The Ethics of Research Committee Annual Report, reference **CN/11/015** (previously circulated, copy in the minute book).
- (iii) The Equality and Diversity Annual Report, reference **CN/11/016** (previously circulated, copy in the minute book).

10. Committee Reports

- 10.1 RECEIVED: (i) The report of the Student Affairs Committee meeting on 22 November 2010, reference **CN/11/017** (previously circulated, copy in the minute book).
- (ii) The report of the Estates Committee meeting on 21 January 2011, reference **CN/11/018** (previously circulated, copy in the minute book).

11. Dates of Next Meetings:

31 March 2011 (Consultation Day); 1 April 2011; 27 May 2011; and 7 July 2011

* Reserved Business