

UNIVERSITY OF WARWICK

COUNCIL

Minutes of the meeting of the Council held on 21 March 2007

Present: Mr J Leighfield (Chair), Mr M Angle, Professor S Bassnett, Professor L Bridges, Professor A Caesar, Professor Y Carter, Mr P Dunne, Mr M Greenlees, Mr J Higgins, Mr David Holmes, Professor J Jones, Professor R Lindley, Mr A Rivett, Mr N Sanders, Professor M Smith, Professor Sir John Temple, Miss R Thorne, Professor N Thrift, Mr P Varney, Mr B Woods-Scawen.

Apologies: Mr B Duggan, Sir George Cox, Mr M Dunn, Ms Penny Egan, Professor R Freedman, Miss V Gooding, Professor A Harris, Ms S J Hobson, Mr G Lyons, Professor S B Palmer, Professor M Whitby.

In Attendance: Registrar, Director of Finance, University Secretary, Ms Y Salter Wright, for item 57/06-07 Director of Development and Ms C Leaver.

51/06-07 Minutes

RESOLVED:

That the minutes of the meeting of the Council held on 13 December 2006 be approved.

52/06-07 Award of Honorary Degrees (minute 43/06-07 refers)

REPORTED: (by the Pro-Chancellor)

(a) That the following persons had accepted the University's invitation to receive honorary degrees at the degree congregations to be held in July 2007:

Mr Don Berwick (DSc)
Professor Avinash Dixit (LLD)
Mr Simon Halsey (MA)
Mr Geoffrey Hill (DLitt)
Professor Christopher Peacocke (DLitt)
Mr David VandeLinde (LLD)

(b) That Dr Eric Woods, Mr Pascal Lamy and Professor Erwin Hahn had already accepted the University's invitation for the award of honorary degrees at the July 2007 degree congregations.

(c) That Lord Sainsbury of Turville has accepted the University's invitation for the award of an honorary degree from the University in January 2008.

(d) That Professor Michael Mallett had accepted the University's invitation for the award of an honorary Doctor of Letters from the University to be awarded at a special ceremony to be held in Venice on 10 November 2007 alongside the award of an Honorary Doctor of Letters by the University to Lady Frances Clarke, as part of the University's 40th anniversary celebrations in Venice.

(e) That the names of those on whom honorary degrees would be conferred remain confidential to members of the Council until replies had been received to all the invitations and the official list had been published by the University.

53/06-07 Membership of the University Council

REPORTED:

That, following the receipt of positive responses from members of the Council to the recommendation of the Nominations Committee, Mrs Penny Egan had been appointed to the lay membership of the Council for the period to 31 July 2009.

54/06-07 Strategic Discussion Topics for Meetings of the Council

CONSIDERED:

Proposals for topics for strategic and informed debate at future meetings of the University Council drawn up in the light of discussion at the Council and Strategy Committee Awayday held on 24 November 2006 (C.30/06-07) and supplemented by a questionnaire inviting members to comment on the presentation of standard items on the agenda of Council meetings (tabled at the meeting).

RESOLVED:

- (a) That the proposed strategic items for discussion at future meetings of the Council be approved as set out in paper C.30/06-07 and that the following additional potential topics be included in the list of potential topics for discussion:

Strategic Risk
Reputation
The macro environment of the HE sector
The development of the Warwick Business School
Fundraising and Development

- (b) That the Pro-Chancellor and the Vice-Chancellor review the list of proposed strategic items for discussion and, in the light of the emerging University Strategy and priorities, determine which items should be included as items for strategic discussion at the Council in the next academic year.
- (c) That the University Secretary collate the responses of members to the questionnaire circulated at the meeting with a view to improving the presentation of standard and non-standard items of business at Council meetings and to assist in the development of a statement of delegated authorities for the Council.

55/06-07 Effectiveness Review of the Council

REPORTED: (by the Pro-Chancellor)

That in accordance with good practice in the governance arrangements of the University it was intended that an Effectiveness Review of the Council would be undertaken during the 2007/08 academic year, the last comprehensive review having been undertaken in 2002 and that terms of reference for the Review together with proposed membership of the Review group would be brought forward for the approval of the Council.

Vice-Chancellor's Business(a) HEFCE Assurance Review

REPORTED: (by the Vice-Chancellor)

That the University had been subject to an HEFCE Assurance Service Review in January 2007 to examine the arrangements which the University has in place to assure itself that its processes and systems are robust across five key areas and that the University had been assessed as providing a high level of assurance with grades for each of the five areas assessed as follows:

Governance; High
Audit; Satisfactory
Risk Management; Satisfactory
Strategic Management; High
Financial; High

(b) New Director of HR

That Mr Paul Stephenson, formerly Director of HR at Severn Trent Water, had recently been appointed as the University's new Director of Human Resources.

(c) Millburn House

CONSIDERED:

An oral report from the Vice-Chancellor and the Registrar on the need to allocate a further £210k to meet the costs of refurbishing Millburn House to accommodate the Department of the History of Art following the necessary change in the allocation of space in Millburn House which had previously been allocated to the National Academy for Gifted and Talented Youth.

REPORTED:

That the University's current decision making processes for the appraisal and approval of capital projects required review to ensure they were efficient and that they met both best practice and the needs of the University.

RESOLVED:

That the allocation of a further £210k to meet the costs of refurbishing Millburn House to accommodate the Department of the History of Art be approved.

57/06-07

University Strategy

CONSIDERED:

The draft University Strategy for the period 2007 to 2012 prepared in the context of the Warwick's Future consultation exercise, together with a presentation from the Vice-Chancellor and a summary report of the points raised and comments received on the Strategy document at the meeting of the Senate on 14 March 2007.

RESOLVED:

- (a) That the Council welcome and support the draft University Strategy and in particular the values and goals made explicit in the document.
- (b) That, following further consultation and development within the University, the revised and final University Strategy document, together with an initial Implementation Plan for the Strategy, be brought forward for consideration by the Senate at its meeting on 4 July and for final consideration and approval by the Council at its meeting on 11 July alongside the University Five Year Financial Plan.

58/06-07

Report from the Senate

CONSIDERED and ADOPTED a report on selected items considered at the meeting of the Senate held on 14 March 2007 (C.32/06-07) together with an oral report from the Vice-Chancellor on the following items of business discussed at the meeting of the Senate.

- (a) Research Issues including the significant cuts in Research Council Funding, shortfalls in research grant and contract income and the 'reform' of research assessment and funding from 2008 onwards
- (b) The establishment of Phase 1 of the Midlands Physics Consortium
- (c) International League Tables and the development of a University strategy for raising the University's rankings in the tables
- (d) The establishment of a University Institute for Advanced Study
- (e) The future Plan for the Warwick Arts Centre
- (f) The potential transfer of the Essential Skills Professional Development Centre in to the University's Centre for Lifelong Learning, noting that there are potential TUPE issues associated with the transfer of the three staff members attached to the Centre
- (g) The UUK Report on the Economic Benefits of a Degree
- (h) The Establishment of a new Warwick Medal for Writing
- (i) Undergraduate and Postgraduate Student Admissions and the review undertaken of target setting, recruitment and admissions following the shortfall in student numbers for entry in 2006/07

Report from the Finance and General Purposes Committee

CONSIDERED and ADOPTED with the resolutions set out below a report from the meetings of the Finance and General Purposes Committee held on 6 February and 9 March 2007 (C.33/06-07 {Parts 1 and 2}) together with an oral report from the Treasurer.

(a) Re-financing and Restructuring of the University's Borrowing Requirements

CONSIDERED:

- (i) A report from the Finance and General Purposes Committee on its consideration of and recommendations on proposals for the proposed refinancing, interest rate hedging and restructuring of the University's current and future borrowing requirements (FGPC RAI21/06-07).
- (ii) An update report on the proposed refinancing and restructuring of the University's current and future borrowing requirements (supplement to paper C.33/06-07 {Part 1,II}) together with a slide presentation delivered by the Treasurer.

RESOLVED:

- (i) That the Finance Director, in consultation with either the Chair of the Council, the Vice-Chancellor or the Treasurer, be authorised to enter into arrangements for the re-financing and restructuring of the University's borrowing requirements as follows, in accordance with the recommendations of the Finance and General Purposes Committee as set out in paper FGPC RAI21/06-07, and comprising:
 - (A) a £40m amortising term loan, with repayment in quarterly instalments over a period of thirty years, to replace £40m of the existing £53m borrowings of the University the balance of the existing debt to be repaid from University cash surpluses;
 - (B) a £40m bullet repayment term loan of up to thirty years;
 - (C) a £20m revolving credit facility with the possibility of conversion into a term debt at a future date.
- (ii) That the definition of a University income generating asset for the purposes of entering into arrangements for the re-financing and restructuring of the University's borrowing requirements be as follows:

'A University activity which can demonstrate that the net surplus generated by the asset would repay a repayment loan, capital and interest, over twenty five years at the rate of interest obtainable at that point in time.'
- (iii) That the Finance Director, in consultation with either the Chair of the Council, the Vice-Chancellor or the Treasurer, be authorised:
 - (A) to enter into the most appropriate contract to break the existing University interest rate hedging arrangements;

- (B) to enter into an exclusive arrangement with preferably one of the major banks, but more than one if appropriate, to provide exclusive University debt structures and terms;
 - (C) to enter into the most appropriate delayed start loan profile that matches the expected draw down of cash in the 2007/08 updated University Capital Plan (including interest rate hedging);
 - (D) to engage a legal firm with specialised experience of debt financing to advise the University on the contractual terms of the arrangements for the re-financing and restructuring of the University's borrowing requirements.
- (iv) That, in identifying the most appropriate provider of finance, additional consideration be given as to whether, as part of the negotiated arrangements, the bank or banks selected would be willing to fund any other University programmes.
 - (v) That the detailed parameters for final approval of the arrangements for the re-financing, interest rate hedging and restructuring of the University's borrowing requirements be determined by the Chair of Council, the Vice-Chancellor and the Treasurer within the framework of the strategy outlined resolution (i) above.
- (b) Relocation of the Estates Office/Increase in costs for the Zeeman Building, additional capital costs.

CONSIDERED:

A report from the Finance and General Purposes Committee on its consideration of and recommendations on proposals to release additional funds to construct a new multi-purpose building incorporating the Estates Office and a proposed extension to the Zeeman Building (FGPC.53 and FGPC.66/06-07) noting that the Building Committee had concluded that these proposals represented value for money for the University.

RESOLVED:

That an additional sum of £2,694k be provided for within the University Financial Plan to meet the costs of construction of a new multi-purpose building incorporating the Estates Office and an additional sum of £652k to meet the costs of the proposed extension to the Zeeman Building.

- (c) Tennis Centre, Additional Capital Costs

CONSIDERED:

A report from the Finance and General Purposes Committee on its consideration of and recommendations on proposals to release additional funds to meet the costs of completion of the Indoor Tennis Centre (FGPC.56/06-07) noting that the Building Committee had concluded that this proposal represented value for money for the University.

RESOLVED:

That an additional sum of £349k be released to meet the costs of completion of the Indoor Tennis Centre.

(d) Proposed Parameters and Objectives for the 2006/07 Financial Planning Process.

CONSIDERED:

A report from the Finance and General Purposes Committee on its consideration of recommendations from the Financial Plan Sub-Committee on the parameters and objectives to be set for the 2006/07 financial planning process.

RESOLVED:

On the recommendation of the Finance and General Purposes Committee, that the following parameters and objectives be set for the 2006/07 financial planning process:

- (i) A maximum deficit of £5m in 2007/08 rising to a target surplus of £10 - £12m in 2010/11;
- (ii) Annual growth rates for research income of 10%;
- (iii) Growth rate for postgraduate research students 1000 to 1500 above 2006/07 forecasts;
- (iv) Salary increases fixed until 2008/09 and then increasing by 3%;
- (v) 3.5% increases in student fees for independently funded courses from 2008/09.

60/06-07

Report from the Building Committee

CONSIDERED and ADOPTED with the resolution set out below a report from the meeting of the Building Committee held on 9 March 2007 (C.34/06-07) together with an oral report from the Chair of the Building Committee.

Proposal for a New Building for the Warwick Medical School

CONSIDERED:

A recommendation from the Building Committee on the proposed site of the Extension to the Medical Teaching Centre (Translational Medicine).

RESOLVED:

That the proposed new Medical Teaching Centre Extension (Translational Medicine) be located on the Gibbet Hill Campus on the site where the Estates Office is currently located subject to the development of a full business case.

61/06-07 Equality and Diversity Committee

CONSIDERED and ADOPTED with the resolution set out below a report from the meeting of the Equality and Diversity Committee on 5 February 2007 (C.36/06-07) together with an oral report from the Chair of the Committee.

(a) Gender Equality Scheme

CONSIDERED:

The draft Gender Equality Scheme and Action Plan for the University (paper EDC 14/06-07 {revised}).

RESOLVED:

That the draft Gender Equality Scheme and Action Plan for the University be approved as set out in paper EDC 14/06-07.

(b) Race Equality Annual Report

CONSIDERED:

The Annual Report on the University's progress on Race Equality issues during the academic year 2005-06 (paper EDC 15/06-07{revised}).

RESOLVED:

That the Race Equality Annual Report be approved as set out in paper EDC 15/06-07{revised}.

62/06-07 Audit Committee

CONSIDERED and ADOPTED with the resolution set out below a report from the meeting of the Audit Committee held on 24 January 2007 (C.45/06-07) together with an oral report from the Chair of the Committee.

University External Auditors Tender Process

RECEIVED:

The Committee's report of the tender process adopted by the Committee for selection of the University's external auditors together with notes from the External Audit Selection meeting held on 24 January .

RESOLVED:

On the recommendation of the Audit Committee, that KPMG be re-appointed as the External Auditors for the University for the period to 2012.

63/06-07 Appointment of the University Chancellor

RECEIVED:

A paper concerning the appointment of the University Chancellor (C.36/06-07).

REPORTED: (by the Pro-Chancellor)

That at a meeting in July the Senate and the Council sitting in joint session would be asked to approve the re-appointment of Sir Nick Scheele as Chancellor of the University for a one year period until 31 July 2008 and to establish a Committee to seek a successor to Sir Nick as Chancellor of the University with effect from 1 August 2008.

64/06-07 Appointment of Lay Members of the Council 2007-2010

REPORTED:

- (a) That the period of office of the following lay members of Council would expire on 31 July 2007:

Mr M Angle
Sir George Cox
Ms V Gooding
Mr N Sanders
Sir John Temple
Mr P Varney

- (b) That nominations for lay members of the Council had been invited from all members of the University and that an advertisement for appointment to lay membership of the Council would shortly be placed in the national press.

65/06-07 Recurrent Funding 2006/07

RECEIVED:

A copy of the letter from the HEFCE on the recurrent grant allocation to the University for the academic year 2007/08 together with a report from the Academic Registrar (C.37/06-07).

66/06-07 University Risk Status Summary 2006/07

CONSIDERED:

A summary report outlining the current risk status for each of the key risks of the University (C.38/06-07).

RESOLVED:

- (a) That the overall risk portfolio as presented in paper C.38/06-07 was within an acceptable risk portfolio threshold for the University.
- (b) That the Registrar be asked to pursue the point raised at the meeting concerning the relevance to the University and its evaluation of risk of the National Security Risk Register recently made available to Local Authorities.

67/06-07 Appointment of Pro-Vice-Chancellors

REPORTED:

- (a) That the current periods of office of Professor Bassnett, Professor Lindley and Professor Whitby as Pro-Vice-Chancellors would expire on 31 July 2007.
- (b) That Professors Bassnett and Lindley were eligible for re-appointment for a second two year term of office and Professor Whitby is eligible for re-appointment for a third two-year term of office.

RECEIVED:

- (a) An oral report from the Chair of the Advisory Committee on the Appointment of Pro-Vice-Chancellors of the procedures adopted by the Committee during the Spring term in accordance with Ordinance 3 governing the appointment of Pro-Vice-Chancellors.
- (b) An oral report from the Vice-Chancellor on his intention to undertake further consultation during the early part of the summer term on his proposals for the appointment of Pro-Vice-Chancellors for the period 1 August 2007 to 31 July 2009 prior to seeking the approval of the Council to the proposed appointments at its meeting in the summer term.

RESOLVED:

That the Council note the Vice-Chancellor's proposals for consulting with members of the Senate during the summer term, through the Vice-Chancellor's Advisory Committee on the Appointment of Pro-Vice-Chancellors, notwithstanding the terms of Ordinance 3 and the fact that this will delay confirmation of final decisions on the appointment of Pro-Vice-Chancellors for 2007 to 2009 beyond the end of the Spring term.

68/06-07 Awards and Distinctions

RECEIVED:

A paper setting out the awards and distinctions that have been conferred on members of the University since the meeting of the Council held on 13 December 2006.

69/06-07 University Council Meeting Dates

RECEIVED:

The schedule for meetings of the University Council until the Summer Term 2008 noting that there was an error on the schedule for meetings on 23 November which should follow the pattern of the meeting held in 2006 which was a meeting of the Council commencing at 10am followed by lunch and a half Awayday in the afternoon (paper C.40/06-07(revised) was tabled at the meeting).

70/06-07 Student Members of the Council

REPORTED:

That Mr Jonathan Sinclair Kirby, a third year student in the Department of English and Comparative Literary Studies, has been elected President of the Union of Students for the academic year 2007/2008 and that Ms Dawn Foster, a 2nd year English Literature student, has been elected as the second student member of the Council for the academic year 2007/2008.

71/06-07 University Research Ethics Committee

RECEIVED:

The Annual Report from the University Research Ethics Committee for the academic year 2005/06 (C.41/06-07) approved by the Committee at its meeting on 14 December 2006.

72/06-07 University Health and Safety Committee

CONSIDERED:

A report from the meeting of the University Health and Safety Committee held on 16 February 2007 (C.42/06-07).

Policy for the Reward and Recognition of Departmental Health and Safety Officers

CONSIDERED:

The draft policy outlining the reward and recognition of Departmental Health and Safety Officers within the University (paper USC 29/06-07).

RESOLVED:

That the proposed policy regarding the reward and recognition of Departmental Health and Safety Officers within the University be approved as set out in paper USC 29/06-07.

73/06-07 Amendments to University Regulations

CONSIDERED:

Proposed amendments to University Regulations 8, 10, 11, 13, 14, 16, and 33 (C.43/06-07).

RESOLVED:

That the proposed amendments to University Regulations 8, 10, 11, 13, 14, 16 and 33 be approved as set out in paper C.43/06-07.

74/06-07

Deeds

REPORTED:

That, in accordance with Council minute 33/77-78, a copy of the deeds executed on behalf of the Council since the meeting of the Council on 15 March 2006 is available for consultation in the registry and will be attached to the minutes in the official minute book (C.44/06-07).

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