

UNIVERSITY OF WARWICK

COUNCIL

**Minutes of the meeting of the Council held on 22 November 2013**

Present: Sir George Cox (Chair), Mr K Bedell-Pearce, Mrs V Cooke (Vice-Chair), Professor S Croft (Provost), Mr P Dunne, Mrs P Egan, Ms T Elliott, Mr J Higgins, Mr G Howells, Professor C Hughes (Pro-Vice-Chancellor for Education (Innovation, Widening Participation and Employability)), Professor C W Hughes, Professor T Jones (Pro-Vice-Chancellor for Research (Science and Engineering), Knowledge Transfer and Business Engagement), Mr C March, Sir David Normington, Mr N Sanders, Mr B Sundell, Professor S Swain, Professor Sir John Temple, Mr M Temple, Professor P Thomas, Professor N Thrift (Vice-Chancellor and President), Professor P Winstanley.

Apologies: Dame Fiona Caldicott, Ms V Heywood.

In Attendance: Ms R Drinkwater (Group Finance Director), Mrs P Glover (Head of Institutional Governance Services), Mrs C Henrywood (Assistant Registrar (Governance)), Ms J Horsburgh (Deputy Registrar), Mr K Sloan (Registrar and Chief Operating Officer).

36/13-14 Minutes

CONSIDERED:

The minutes of the meeting of the Council held on 10 October 2013.

RESOLVED:

That the minutes of the meeting of the Council held on 10 October 2013 be approved.

37/13-14 Conflicts of Interest

REPORTED:

- (a) That, should any members or attendees of the Council have any conflicts of interest relating to agenda items for the meeting, they should be declared in accordance with the CUC Guide for members of Higher Education Governing Bodies in the UK.

(by the Pro-Chancellor)

- (b) That Council members were encouraged, wherever possible, to inform the Registrar prior to the meeting of any potential conflicts of interest, and were also invited to do so now if appropriate.

NOTE: No declarations were made.

38/13-14 Council Effectiveness Review (CER) (minute 3/13-14 refers)

REPORTED: (by the Deputy Registrar)

- (a) That members of the Council would be consulted formally on proposals to revise the governance arrangements for committees of the Council.

- (b) That it was anticipated that the proposed changes would be considered by the Council early in 2014.

39/13-14 Vice-Chancellor and President's Business: Office of Fair Trading (OFT)

REPORTED:

That the Office of Fair Trading had launched an investigation into competition within the higher education sector, noting that some possible issues that OFT might explore included the legality of withholding degrees where non-academic debt was outstanding to the University, and the current restriction on students to apply to only one of the two Oxbridge institutions.

40/13-14 Vice-Chancellor and President's Business: Pro-Vice-Chancellors

REPORTED:

- (a) That, following the appointment of Professor S Croft to the position of Provost, the University would begin the process to recruit a new Pro-Vice-Chancellor.
- (b) That the portfolios of the current Pro-Vice-Chancellors had been reconfigured to strengthen the capacity of the senior academic management of the University.

41/13-14 Vice-Chancellor and President's Business: Horizon 2020

REPORTED:

That the funding for the Horizon 2020 was £9-10bn higher than anticipated, at £79bn, noting that Horizon 2020 was fast becoming a significant source of funding for UK universities.

42/13-14 Vice-Chancellor and President's Business: Research Grant Performance

REPORTED:

- (a) That the University was ninth in the league of universities securing funding from the UK Research Councils, and that congratulations be extended to the Pro-Vice-Chancellors for Research for their efforts towards this achievement.
- (b) That the University had recently secured funding for a series of Doctoral Training Centres (DTC's) from the Engineering and Physical Sciences Research Council (EPSRC), noting that four were full DTC's based at the University, and an additional collaborative centre, with a further centre remaining a possibility.
- (c) That one DTC was to fund Centre for Urban Science and Progress (CUSP) activity.
- (d) That this represented an excellent performance by the University as the DTCs would provide an additional 186 PhD studentships.

43/13-14 Vice-Chancellor and President's Business: USS Valuation

REPORTED:

- (a) That there had been negative publicity surrounding the interim USS valuation that indicated that there was a substantial deficit, noting that it was anticipated that further changes to the scheme would be required but that the situation required close monitoring given the potential impact on University finances.

(by the Group Finance Director)

- (b) That it was likely that under new financial reporting requirements that part of the USS valuation liability would be reflected on the University's balance sheet.
- (c) That some increase in contribution rate could be expected, noting that a one per cent increase in the University's contribution to the pension fund equated to an additional £1.4m cost per annum to the University.

44/13-14 Vice-Chancellor and President's Business: Student Loan Group

REPORTED:

That the Government had indicated that it was considering selling the pre-2010 student loan books, possibly on an institution-by-institution basis.

45/13-14 Registrar and Chief Operating Officer's Business: Key Performance Indicators (KPIs) and Risk Management

REPORTED:

That the KPIs and Risk Management Framework would be brought to the meeting of the Council to be held on 13 February 2013, noting that the KPIs and the Risk Management Framework would be refreshed to reflect the University Strategy, and would underpin the 2014 planning process.

46/13-14 Registrar and Chief Operating Officer's Business: Change of Away Day Date in 2014-15

REPORTED:

That the Annual Council Away Day for 2014-15 would be rescheduled to take place on 9 October 2014, at the start of the academic year, and would no longer incorporate a formal meeting of the Council.

47/13-14 Registrar and Chief Operating Officer's Business: Governance Arrangements

REPORTED:

That whilst it was clear that some elements of the University's governance framework worked well, there remained some tension around capital and financial decision-making, and therefore new proposals to optimise the decision-making process would be brought before the Council for consideration.

48/13-14 Annual Assurance Return to the HEFCE (Annex E)

CONSIDERED:

The draft of the University's Annual Assurance Return to the HEFCE (Annex E), including a required statement by the Council as trustees that, "in all material aspects, the institution has conducted its affairs during the year in accordance with its status as a charity" (C.23/13-14).

RESOLVED:

- (a) That Annex E, the Annual Assurance Return for the University of Warwick as set out in C.23/13-14, confirmed that the institution had conducted its affairs during the year in accordance with its status as a charity, be approved.
- (b) That the Vice-Chancellor and President signed Part 2 of the Return as a trustee on behalf of all members of the Council as trustees for return to the HEFCE in the meeting.

49/13-14 Academic Statistics Yearbook

RECEIVED:

The University's Academic Statistics Yearbook for the academic year 2013-14.

REPORTED: (by the Registrar and Chief Operating Officer)

That consideration of this item of business would be deferred to a future meeting of the Council.

50/13-14 Research Excellence Framework (REF) Submission

REPORTED: (by the Pro-Vice-Chancellor for Research (Science and Engineering), Knowledge Transfer and Business Engagement)

- (a) That the Council could be assured that all aspects of the REF submission were in hand, with the final checks and balances of the final circa 3,000 pages taking place prior to the final submission on Tuesday 26 November 2013.

(by Sir David Normington)

- (b) That the REF submission was core to the University and that it would be helpful for Council members to learn more about the process.

RESOLVED:

That a discussion regarding the REF process be held at a future meeting of the Council.

NOTE: That the University's REF response was submitted electronically on Tuesday 26 November 2013.

51/13-14 University's Response to HEFCE Financial Memorandum Consultation

RECEIVED:

The University's draft response to the HEFCE consultation on the Financial Memorandum for submission by 6 December 2013 (C.25/13-14{Restricted}, attached).

REPORTED: (by the Registrar and Chief Operating Officer)

- (a) That the HEFCE Financial Memorandum determined how funding flowed to the institution.
- (b) That the HEFCE's review of its Financial Memorandum with institutions took account of the Government's reforms to the funding of Higher Education.
- (c) That proposed changes to the financial memorandum were fairly limited as the HEFCE was operating within the existing legislative framework.
- (d) That the draft of the University's response had been considered by the Steering Committee, the Finance and General Purposes Committee and the Audit Committee.
- (e) That a few other points of concern for the University included:
  - (i) Consideration of the appropriateness of the use of trigger points in relation to the assessment of risks taken on by Higher Education Institutions (HEIs), noting the preference of Russell Group institutions for a mature discussion with the HEFCE, rather than a formulaic approach;
  - (ii) Recognition that universities were adopting more commercial models and that this should be reflected in the Financial Memorandum;
  - (iii) A concern regarding the proposed use of a Higher Education register of providers to flag issues about providers to students and other stakeholders, noting that it was understood that there would be a separate consultation on the proposed register; and,
  - (iv) A question as to whether the financial memorandum was the right place or mechanism to embody the HEFCE's primary responsibilities as charitable regulator, for example in relation to the monitoring of equality and diversity.
- (f) That the closing date for responses to the consultation was Friday 6 December 2013.

(by the Group Finance Director)

- (g) That minor amendments to the draft would be made following attendance at a sector consultation event, particularly in relation to question 4, as the HEFCE had intimated that there would be no further sector-wide consultation on the outstanding decision about the proposed approach to financial commitments, noting that impending changes to the accounting treatment of commitments might have consequences for some of the measures under consideration e.g. Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA).

52/13-14 Building Committee

CONSIDERED and ADOPTED, with the resolutions set out below, a report from the meeting of the Building Committee held on 21 October 2013 (C.26/13-14).

- (a) Warwick Business School (WBS) London Base business plan
- (b) National Automotive Innovation Centre (NAIC)
- (c) Campus Development Plan and Village Centre.

RESOLVED:

That the occupational lease for a property in London within the parameters contained within the WBS London Base business plan be approved.

53/13-14 University Health and Safety Executive Committee

CONSIDERED and ADOPTED, with the resolutions set out below, a report from the meeting of the University Health and Safety Executive Committee (UHSEC) held on 5 November 2013 (C.27/13-14):

- (a) Membership of UHSEC
- (b) Annual Report on Health and Safety to the Council
- (c) Audit of the University's Health, Safety and Well-Being Webpages
- (d) Demonstrating Compliance
- (e) University Health and Safety Committee (UHSC)
- (f) Review of Fire Safety
- (g) University Genetic Modification and Biosafety Committee (UHGMBC)
- (h) Flu Vaccinations for Staff
- (i) Road Safety Awareness.

RESOLVED:

- (a) That the changes to the membership of the UHSEC be approved.
- (b) That the 2012/13 Annual Report from UHSEC to Council be approved.

54/13-14 Warwick Arts Centre Annual Report 2012-13

CONSIDERED:

CONSIDERED and ADOPTED, with the resolutions set out below, the Warwick Arts Centre Annual Report and Accounts for the 2012-13 financial year (C.28/13-14):

- (a) Change to Terms of Reference
- (b) New Performance Works
- (c) Mead Gallery
- (d) Student Employment
- (e) Donations
- (f) Performance Summary
- (g) Income and Expenditure.

RESOLVED:

That the changes to the terms of reference of the Arts Centre Board be approved.

55/13-14 Awards and Distinctions

RECEIVED:

A paper that set out the awards and distinctions that had been conferred on members of the University since the last meeting of the Council held on 10 October 2013 (C.29/13-14).

56/13-14 Amendments to University Ordinances

CONSIDERED:

- (a) For the first time, proposed amendments to University Ordinance 14 on Honorary Degrees, as noted by the Senate (C.30/13-14).
- (b) For the second time, proposed amendments to University Ordinance 4 on the Appointment of Lay Members of the Council, as approved by the Senate (C.31/13-14).

RESOLVED:

- (a) That the proposed amendments to University Ordinance 14 on Honorary Degrees, as noted by the Senate and set out in paper C.30/13-14, be approved for the first time.
- (b) That the proposed amendments to University Ordinance 4 on the Appointment of Lay Members of the Council, as noted by the Senate and set out in paper C.31/13-14, be approved for the second time, including the approved minor amendments.

57/13-14 Amendments to University Regulations

CONSIDERED:

Proposed amendments to University Regulation 20 governing the Consideration of Honorary Graduands and Honorary Graduates, as approved by the Senate (C.30/13-14).

RESOLVED:

That the proposed amendments to University Regulation 20 governing the Consideration of Honorary Graduands and Honorary Graduates be confirmed.

58/13-14 \*Future Developments: California

**(COMMERCIAL AND IN CONFIDENCE)**

CONSIDERED:

An oral update regarding the development of the potential opportunity in California from the Pro-Chancellor, the Vice-Chair of Council, the Treasurer and the Provost.

59/13-14 \*Vice-Chancellor and President's Term of Office

**(COMMERCIAL AND IN CONFIDENCE)**

CONSIDERED:

An oral report from the Pro-Chancellor concerning the Vice-Chancellor and President's term of office.

60/13-14 \*Nominations Committee

**(COMMERCIAL AND IN CONFIDENCE)**

CONSIDERED:

A report from the meeting of the Nominations Committee on 21 November 2013, together with an oral report from the Registrar and Chief Operating Officer.

61/13-14 \*Remuneration Committee

**(COMMERCIAL AND IN CONFIDENCE)**

RECEIVED:

A report from the meetings of the Remuneration Committee held on 24 July 2013 and 21 August 2013 (C.33/13-14 {Restricted}), together with an oral report from the Pro-Chancellor.

62/13-14 \*Finance and General Purposes Committee

**(COMMERCIAL AND IN CONFIDENCE)**

CONSIDERED:

A report from the meetings of the Finance and General Purposes Committee (FGPC) held on 1 October 2013 and 14 November 2014 (C.21/13-14 {Restricted}) together with an oral report from the University Treasurer and the Group Finance Director.

63/13-14 \*Audit Committee

**(COMMERCIAL AND IN CONFIDENCE)**

CONSIDERED:

A report from the meeting of the Audit Committee held on 25 October 2013 (C.22/13-14 {Restricted}) together with an oral report from the Chair of the Audit Committee, Mr John Higgins.

As at 4 February 2014