

## UNRESERVED MINUTES

THE UNIVERSITY OF LIVERPOOL

COUNCIL (1021)

### MEETING OF THE COUNCIL

13<sup>th</sup> May 2015

**Present:** The President (in the Chair), the Vice-Chancellor, the Pro-Chancellor, the Deputy Vice-Chancellor, the Provost (Innovation), Mr J Haymer (Lay Officer), Dr A Scott (Lay Officer), Mr C Baker, Professor Helen Carty, Dr P Johnson, Sir Colin Lucas, Dr R Platt, Mrs P Young, Professor S Dawson, Dr F Marret-Davies, Professor R McGrath, the President of the Guild of Students.

**Apologies:** Dame Lorna Muirhead, Mrs A Pointing, Professor F Beveridge.

**Clerk to Council:** Mr A Flett.

### DISCLOSURES OF INTEREST

#### 1. DISCLOSURES OF INTEREST

Members of Council were invited to disclose any potential conflicts of interest they had pertaining to the items on the agenda. Any such conflicts are noted under relevant minute headings.

### MINUTES/COMMUNICATIONS

#### 2.1 MINUTES OF THE PREVIOUS MEETING, HELD 10<sup>th</sup> FEBRUARY 2015

It was **AGREED** that:-

- i. The minutes of the meeting held 10<sup>th</sup> February 2015 should be approved as an accurate record.

#### 2.2 BUSINESS ITEMS AGREED AT THE COUNCIL AWAY DAY HELD 25<sup>TH</sup> MARCH 2015

It was **AGREED** that:-

- i. The note of the business items agreed at the Council Away Day held 25<sup>th</sup> March 2015 should be approved as an accurate record.

#### 2.3 PRESIDENT'S COMMUNICATIONS

- a. Action Taken on Behalf of Council Since the Last Business Meeting

Council **ENDORSED** the following actions, taken on its behalf by the President since the last business meeting.

*Recommendations arising from the last meeting of Senate, held 18<sup>th</sup> March 2015, to:-*

- i. Disestablish the Department of Obesity and Endocrinology Research, and reorganise the Institute of Aging and Chronic Disease around the remaining three departments.
- ii. Subsume the current Department of Gastroenterology into the Department of Cellular and Molecular Physiology, within the Institute of Translational Medicine.
- iii. Make a number of changes to the Graduation Prizes in Medicine to regularise these, including:-
  - Aligning them to the new curriculum and current University structure;
  - Discontinuing the publication of prizes which can no longer be awarded.
- iv. Approve a new Fitness to Study Policy, and withdraw the Policy on the Required Suspension/Withdrawal on Health Grounds in Exceptional Circumstances.

*Recommendations by the Vice-Chancellor, acting on behalf of Senate to:-*

- v. Make revisions to Ordinance 57 (Degree of Doctor of Clinical Psychology) to reflect minor changes to this programme.
- vi. Make revisions to Ordinance 20 (Assignments of Degrees to the Faculties and Affiliated Institutions) to reinstate the award of Master of Design (MDes), for a proposed new XJTLU programme, MDes Transdisciplinary Design, to be delivered from 2015-16.
- vii. Make a number of minor changes to the parameters and administrative arrangements for the Felicia Hemans Prize for Lyrical Poetry, including:-
  - Dropping the word 'lyrical' from the description of the poems to be submitted;
  - Changing the closing date to the end of October each year;
  - That the prize be judged by the current holder of the Miriam Allott Creative Writing Fellowship (rather than the professors of English Literature).

*A recommendation from the Joint Committee on Honorary Degrees:-*

- viii. That, notwithstanding the constitution of the Joint Committee on Honorary Degrees, an additional member of the Senate should be appointed to serve on the Committee.

*Other recommendations to:-*

- ix. Make amendments to Ordinance 20 (Joint Degrees) to take into account joint awards being delivered in conjunction with Chulalongkorn University, Thailand, and the College of Medicine, University of Malawi.
- x. Endorse amendments to the Liverpool Council of Education's Articles of Association, and remove the University's rights and privileges in relation to the charity, in line with the current nature of the relationship.
- xi. Offer an Honorary Degree to Jack Nicklaus, golfer, businessman and philanthropist. This offer has subsequently been accepted.

## 2.4 VICE-CHANCELLOR'S COMMUNICATIONS

### a. VC's Engagements

It was **REPORTED** that, since the last business meeting of Council, the VC had met with or attended the following:-

- A Russell Group dinner (17<sup>th</sup> February 2015);
- The N8 Board Meeting (20<sup>th</sup> February 2015);
- A UUK Members' Meeting (19<sup>th</sup>/20<sup>th</sup> February 2015);
- The UCAS Board (27<sup>th</sup> February 2015);
- The Russell Group Away Day (5<sup>th</sup>/6<sup>th</sup> March 2015);
- The Russell Group lunch on immigration (10<sup>th</sup> March 2015);
- The National Centre for Universities and Business Board (14<sup>th</sup> April 2015);
- The Equality Challenge Unit Funders' Forum (15<sup>th</sup> April 2015);
- Douglas Blackstock (Chief Operating Officer, QAA) (17<sup>th</sup> April 2015);
- Liverpool Science Park Board/Knowledge Quarter Mayoral Development Zone Boards (22<sup>nd</sup> April 2015);
- Sir Robin Saxby (29<sup>th</sup> April 2015);
- The Russell Group Board Meeting (30<sup>th</sup> April 2015);
- The Yeats 150<sup>th</sup> Anniversary Evening at the Institute of Irish Studies (6<sup>th</sup> May 2015);
- The Athletic Union Awards (8<sup>th</sup> May 2015).

### b. General Election

It was **REPORTED** that:-

- i. The recent General Election had resulted in a Conservative majority.
- ii. In practice this was likely to mean the following for universities:-
  - No change in tuition fees for the foreseeable future;
  - Increased pressure on the BIS budget;
  - Uncertainty pending the outcome of a referendum on membership of the EU;
  - Continuing debate about immigration with potential consequences for OSI student recruitment.
- iii. Mr Jo Johnson had been appointed Minister of State (Minister for Universities and Science) at the Department of Business, Innovation and Skills.

### c. Funding Update

It was **REPORTED** that:-

- i. Preparations for the launch of the bond were running to schedule.
- ii. Moody's were expected to reveal the outcome of the recent credit rating exercise within the next few weeks.
- iii. The University had been working closely with legal advisors to produce a prospectus for the bond. This was not a 'selling' document, but one that provided factual information about the University and its risk profile to potential investors.
- iv. The University had been advised that Council members' names and external interests should be listed in the prospectus (Council being the University's ultimate

governing body). This information was already publically available as one of the conditions of the University's charitable status.

It was **NOTED** that:-

- v. While Council had approved the decision to launch the bond, it had delegated the detailed work of preparing and approving relevant documentation to University senior officers and a small sub-group of Council.

It was **AGREED** that:-

- vi. The draft prospectus should be circulated to Council before finalisation, with members invited to comment if they wished. This would be accompanied by an explanation of the process to date, assurances regarding the accuracy of the prospectus's contents, and legal advice outlining their own responsibilities in relation to the prospectus.

c. Appointment of PVC Education

It was **REPORTED** that:-

- i. The University had appointed Gavin Brown as Professor and Pro-Vice-Chancellor for Education.
- ii. He has been Dean of Undergraduate Studies at the University of Lancaster for the last 8 years.
- iii. Professor Brown would be responsible for the development of the University's Widening Participation strategy; for ensuring the quality of the University's academic standards, and for the provision of an innovative and high-quality student experience.
- iv. He would join the University in June.

d. Sector Matters

It was **REPORTED** that:-

- i. The UUK President, Professor Sir Christopher Snowden, had suffered a serious accident, and would be recovering for some months.
- ii. As UUK Vice-President for England and Northern Ireland, the Vice-Chancellor would be deputising for Professor Snowden in a range of forums.

## **ITEMS FOR APPROVAL OR NOTE**

### **3.1 CUC HIGHER EDUCATION CODE OF GOVERNANCE**

Council **RECEIVED** an analysis of the consistency of current University practice with the new CUC Higher Education Code of Governance.

It was **REPORTED** that:-

- i. Compliance with the CUC Code was voluntary.
- ii. The Code formed part of the emerging regulatory framework for Higher Education.
- iii. Generally speaking, University practice was consistent with the advice contained in the Code. Where this was not the case, this tended to be in relation to the forum in which issues were discussed, rather than a lack of University engagement. For example, the University had a well-developed approach to equality and diversity, but this was not currently reported on directly to Council as recommended in the Code.
- iv. A number of actions were in hand, which, when complete, would make University practice more consistent with the Code. These included-
  - A review of the Committee structure;
  - A revised Scheme of Delegation;
  - The development of a framework for the recruitment of lay members, to be reviewed after one year;
  - Effectiveness Reviews of both Council and Audit Committee, due to take place in 2015/16. Progress reports on the action plans arising from these would be made annually.

It was **NOTED** that:-

- v. The Code had been reviewed and endorsed by a range of sector bodies (e.g. Universities UK, and the Russell Group). This, and previous practice, created a general expectation that universities would seek to engage with it.
- vi. The Code had no force in law in its own right. However, much of the advice it contained reflected other legal and regulatory requirements, such as the University's responsibilities in relation to the Charities Act.
- vii. It was anticipated that the Code - and the rest of the developing regulatory framework - was preliminary to legislation. While the primary purpose of any legislation was expected to be closer regulation of private providers and other new entrants to the sector, it would, inevitably, affect all universities.

It was **AGREED** that:-

- viii. The analysis presented should be endorsed.
- ix. Council should receive for its approval annually a report on equality and diversity. This should consider staff and student data, describe progress against objectives, and make proposals regarding the approach and objectives for the following year.
- x. Strategic committees should include in annual reports to Council an assessment of equality and diversity issues for their area.
- xi. An Equality and Diversity Report for the institution should be published annually.
- xii. Nominations Committee should be asked to consider the appropriateness of setting diversity targets for Council membership.
- xiii. Policy and processes for recruitment to Council should be reviewed in one year, after the introduction of a revised framework for this. The outcomes of this review should be included in the Annual Report of the Nominations Committee to Council.
- xiv. Summary guidance on Council members' responsibilities should be updated and reissued annually.
- xv. Council's own contribution to institutional performance should be considered alongside the Q4 performance report.

- xvi. A 'self-assessment' report on levels of consistency with the Code should be brought back to Council annually.
- xvii. The Council Statement of Primary Responsibilities should be redeveloped using relevant information from the statutory framework as the source, to match more closely the model Statement included in the Code.
- xviii. The Corporate Governance Statement within the Financial Statements should be expanded to include:-
  - Reference to the University's practice being consistent with the revised Code.
  - Reference to the University's Policy on Public Interest Disclosure.
  - An overview of performance against agreed objectives for the year in question.
  - An overview of Council recruitment policy and practice, and a description of its equality and diversity policy.
- xix. Audit Committee should be asked to:-
  - Consider the need – and mechanisms for – more detailed reviews of due diligence processes for activities (especially external) that were deemed high risk.
  - Consider the need for increasing the range of publications subject to quality management system review.
- xx. Council agendas should be made available within the University
- xxi. A cycle for policy renewal should be introduced, with all policies to be reviewed at least every five years unless specified otherwise. Approval documentation should make clear in when the policy will be renewed. The implementation of major policies should be subject to audit review at least once in its life cycle.

### 3.2 HEFCE ANNUAL ASSESSMENT OF INSTITUTIONAL RISK

Council **RECEIVED** a letter from HEFCE, outlining the Funding Council's assessment of the University's risk status, and additional financial and estates benchmarking information.

It was **NOTED** that:-

- i. Based on statutory returns, HEFCE deemed the University to be 'not at higher risk', the most favourable rating.
- ii. HEFCE also confirmed its view that, based on the information provided in statutory returns, the University was complying with the terms of the Financial Memorandum/Memorandum of Assurance and Accountability.

### 3.3 ACCESS AGREEMENT 2016/17

Council **RECEIVED** the draft 2016/17 Access Agreement for the University.

It was **REPORTED** that:-

- i. The Agreement represented an extension of the University's existing approach to Widening Participation. This had seen the University consistently rated the leader in the Russell Group for WP.
- ii. The University remained first in the Russell Group for recruitment from:-

- Low Participation Neighbourhoods (9.6% at Liverpool, against an average of 5.54% in the Russell Group);
  - Lower Socio Economic Groups (23.8% at Liverpool, against an average of 19.8% in the Russell Group);
  - State Schools and Colleges (87.7% at Liverpool, against an average of 74.2% in the Russell Group).
- iii. The University planned to spend c. £11.5m (27.6% of higher fee income) to support its approach to WP in 2016/17 as follows:-
- £1.25m on Access and Outreach;
  - £0.67m on Student Success;
  - £9.6m in Bursaries and Scholarships.
- iv. The draft had been submitted to OFFA for approval.

It was **NOTED** that:-

- v. The University's success in the area of Widening Participation was one of its most distinctive characteristics. It would be important to keep this in mind during the development of the new Strategic Plan.
- vi. The University's success in this area was due to a number of factors, including:-
- The priority it gave to this activity;
  - The relatively high proportion of local students it recruited, and their socio-economic profile;
  - Co-operation with the Guild to promote access;
  - The relatively high proportion of professional and vocational degrees it offered. These tended to be more attractive to candidates from less advantaged backgrounds.

It was **AGREED** that:-

- vii. The draft Access Agreement should be endorsed strongly.
- viii. All concerned in drafting the Access Agreement should be congratulated for producing such an excellent document.

## **PLANNING AND RESOURCES COMMITTEE**

### **4.1 Report of the Meetings of the Planning and Resources Committee held 17<sup>th</sup> March and 21<sup>st</sup> April 2015**

Council **RECEIVED** the report of the meetings of the Planning and Resources Committee held 17<sup>th</sup> March and 21<sup>st</sup> April 2015.

a. Changes to Financial Strategy and Policy

It was **REPORTED** that:-

- i. The Committee had recommended to Council proposals to:-
- Raise the minimum level of cash holdings required of the University from £30m to £60m in the event of the public bond being issued, with any variation from this needing approval through the University's governance structures.

- Lift the minimum value of items qualifying for capitalisation from £5k to £25k.
- ii. The change in minimum cash holdings had been proposed due to the reduced headroom for borrowing that would be available to the University once the bond was in place.
- iii. Increasing the minimum value of items qualifying for capitalisation brought the University more in line with standard practice in the sector, and would reduce the administrative burden in this area.
- iv. Both changes would come into effect from 1<sup>st</sup> August 2015.

It was **NOTED** that:-

- v. Planning and Resources Committee had been reassured that, should the bond be launched successfully for £250m as planned, cash held in the University's accounts would comfortably exceed £60m for some time.

It was **AGREED** that:-

- vi. Both proposals should be approved as proposed.

b. Revised Procurement Strategy and Policy

It was **REPORTED** that:-

- i. The Committee had recommended to Council a Revised Procurement Strategy and Policy on the basis that:-
  - The University had undertaken procurement maturity assessments in 2013, 2014 and 2015.
  - These exercises had suggested that while improvements were being made, activity remained rated as 'tactical' (the third quartile of the sample).
  - The revised Strategy and Policy were part of an action plan designed to improve this position.

It was **NOTED** that:-

- ii. The University's performance in this area had been consistently disappointing for some time.
- iii. Council felt it should be relatively simple to rectify this, and that doing so could lead to material financial savings for the University.

It was **AGREED** that:-

- iv. The draft Procurement Strategy and draft Procurement Policy should be approved as proposed.
- v. Improvement in this area should be sought as a matter of urgency.

## SENATE

### 5.1 Report of the Meeting of Senate held 18<sup>th</sup> March 2015

Council **RECEIVED** a report of the meeting of Senate held 18<sup>th</sup> March 2015.

It was **NOTED** that:-

- i. All of the actions recommended to Council by this meeting of Senate had, for reasons of timing, been approved by the President acting on behalf of Council, as reported under item 3.3 a.
- ii. Senate had also considered the Annual Report on the Monitoring of Written Student Complaints for the Academic Session 2013/14. A summary of the report had been included in Council papers, with the full report made available via the Council members' intranet.

## OTHER COMMITTEES OF COUNCIL

### 6.1 AUDIT COMMITTEE

- a. Report of the meeting held 12<sup>th</sup> March 2015

Council **RECEIVED** a report of the meeting of the Audit Committee held 12<sup>th</sup> March 2015.

It was **NOTED** that-

- i. The Committee had discussed the following:-
  - The re-tendering of internal and external audit contracts;
  - Various reports from the internal auditors;
  - The 2013/14 Data Assurance Report;
  - Preparations for the implementation of the new Accounting Standard;
  - The format of its meetings and methods of horizon scanning.
- ii. The Committee would report back to Council on the appointment of internal and external auditors at the next meeting.

### 6.2 NOMINATIONS COMMITTEE

- a. Annual Report of the Nominations Committee

Council **RECEIVED** the Annual Report of the Nominations Committee

It was **REPORTED** that:-

- i. The report considered the latest position in respect of the constitution and membership of Council and succession planning. It reflected the outcomes of a recent exercise to review the skills, knowledge, experience and diversity of Council.

- ii. Diversity information had been collected from Council members for the first time this year, with the following being noticeable.
  - age range – no members were aged between 22 and 45;
  - disability – no members had declared a known disability;
  - nationality – no members had indicated a nationality other than the United Kingdom of Great Britain and Northern Ireland or European Union;
  - sexual orientation – no members had declared that their sexual orientation as other than straight/heterosexual.
- iii. In relation to the above, the Committee had agreed to develop a framework for the recruitment of lay members including:-
  - A formal role description and person specification for lay members.
  - The use of the skills matrix to support recruitment, and ensure the best range of experience and expertise possible amongst lay members.
  - The use of diversity and equality information to support recruitment, and ensure compliance with legislation and best practice in this area.
  - In the short term, the use of variations to standard terms of office to ensure an even schedule of lay member recruitment, rather than the potential for grouping that currently exists.
  - Linking an individual's continuation in the position of lay member beyond each term of office explicitly to regular discussion of their experience of Council with the President and the Clerk (these discussions to be extended to all members).

b, Report of the meeting held 21<sup>st</sup> April 2015

Council **RECEIVED** the report of the meeting of the Nominations Committee held 21<sup>st</sup> April 2015.

It was **AGREED** that the following proposals should be approved:-

- i. The appointment of Ms Nichola Kearsley to serve as a lay member on the Research Ethics Sub-Committee for Physical Interventions.
- ii. Appointments of lay members to the research ethics sub-committees should be for a period of three academic years, with an option for an individual to be re-appointed for a maximum of two further periods of three years.
- iii. Nominations Committee should make recommendations to the Council for the appointment of the four University-appointed trustees of the Friends of Ness Gardens Committee, noting that the Friends of Ness Gardens would be invited to propose suitable individuals and those appointees may or may not be current employees of the University.

### 6.3 REMUNERATION COMMITTEE

a. Report of the meeting held 17<sup>th</sup> March 2015

Council **RECEIVED** and **NOTED** the report of the meeting of the Remuneration Committee held 17<sup>th</sup> March 2015.

## 6.4 SAFETY COMMITTEE

### a. Report of the meeting held 23<sup>rd</sup> April 2015

Council **RECEIVED** a report of the meeting of the Safety Committee held 23<sup>rd</sup> April 2015.

It was **REPORTED** that:-

- i. Work to develop a more strategic approach to safety continued. It was intended that new strategy would be brought back to the next meeting of Council for approval.
- ii. Consideration was also being given to the role and terms of reference for the Safety Committee. It was felt that to allow the Committee to function properly as a sub-committee of Council, and for the University to fulfil better other institutional obligations, there was a need for a separate consultative body for negotiation over safety issues with the trades unions.
- iii. The investigation into the recent explosion in Chemistry had now been concluded. The report was thorough, measured and well received by the Committee. Two possible causes of the explosion had been identified.
- iv. Chemistry and other similar departments had rigorous safety procedures in place and were subject to regular and exhaustive inspection. However, the new strategy would support them in moving from a compliance culture to being more proactive in preventing issues arising.

It was **NOTED** that:-

- v. The revised strategy would be underpinned by a clear five year plan for safety, with defined objectives. Safety performance reporting would incorporate consideration of progress against these objectives.

## ROUTINE ITEMS

### 7.1 USE OF THE UNIVERSITY SEAL

Council **NOTED** that a report on the use of the University Seal since the last meeting had been made available through the Council Members' intranet.

### 7.2 HR SUMMARY REPORT OF ACTION TAKEN UNDER DELEGATED POWERS

Council **NOTED** that a report on the HR summary report of action taken under delegated powers had been made available through the Council Members' intranet.