

## UNRESERVED MINUTES

THE UNIVERSITY OF LIVERPOOL

COUNCIL (1023)

### MEETING OF THE COUNCIL

18<sup>th</sup> November 2015

**Present:** The President (in the Chair); the Vice-Chancellor; the Pro-Chancellor; the Deputy Vice-Chancellor; the Pro-Vice-Chancellor for Research and Impact; Mr J Haymer (Lay Officer); Dr A Scott (Lay Officer); Mr C Baker; Dr P Johnson; Sir Colin Lucas; Dr R Platt; Mrs A Pointing; Mrs P Young; Professor F Beveridge; Professor R McGrath; Dr F Marret-Davies; the President of the Guild of Students.

**Apologies:** Professor Helen Carty; Dame Lorna Muirhead; the Pro-Vice-Chancellor for Education, Professor S Dawson.

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

**In attendance:** The Director of Finance for the following items:-

- 4.1 Annual Accountability Returns;
- 5.1 Report of the Planning and Resources Committee: Appointment of Investment Fund Managers.

## COUNCIL

### 1.1 COUNCIL MEMBERSHIP AND STATEMENT OF PRIMARY RESPONSIBILITIES

Council **RECEIVED** and **NOTED** its membership and Statement of Primary Responsibilities for 2015/16.

## DISCLOSURES OF INTEREST

### 2.1 DISCLOSURES OF INTEREST

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

## MINUTES/COMMUNICATIONS

### 3.1 Minutes of the Previous Meeting

It was **AGREED** that:-

- i. The minutes of the meeting held 1<sup>st</sup> July 2015 should be approved as an accurate record.

## 3.2 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:-

#### *Ordinance 20*

- i. The inclusion in Ordinance 20 (Assignment of Degrees to the Faculties and the Affiliated Institutions) of the award of 'Executive MSc' as a degree of the Faculty of Humanities and Social Sciences with effect from September 2015.

#### *Chairs*

- ii. The allocation of the title of 'Professor of Life Sciences' to the Personal Chair held by Professor Blair Grubb.

#### *Appointments to Committees/Groups*

- iii. The appointment of Professor James Stewart from the Institute of Infection and Global Health as the University's representative on the Friends of Ness Gardens Committee for the period 1<sup>st</sup> June 2015 to 31<sup>st</sup> May 2018.
- iv. The strengthening of research ethics processes by appointing leaders for this area in each Faculty and making them members of the Committee on Research Ethics. The appointment of the following individuals to these roles was also approved:
  - Health and Life Sciences: Professor James Gallagher;
  - Humanities and Social Sciences: Ms Louise Hardwick;
  - Science and Engineering: Dr Kathy Burrell.
- v. The appointment of Mrs Abi Pointing as a member of the Planning and Resources Committee for the period 2<sup>nd</sup> September 2015 to 31<sup>st</sup> July 2016.
- vi. The appointment of Mr Barry Flynn as a co-opted member of the Audit Committee for the period 28<sup>th</sup> September 2015 to 31<sup>st</sup> July 2016.

#### *Prizes and Awards*

- vii. The creation of new Athena SWAN student prizes in the School of Electrical Engineering, Electronics and Computer Science.

#### *Programme Ordinances*

- viii. A number of changes to programme ordinances, mainly of minor nature, for example to reflect changes to organisational structures, or to remove detail out of the ordinance and to refer to the relevant programme specification.

### 3.3 Vice-Chancellor's Communications

#### a. BIS Green Paper

It was **REPORTED** to Council that:-

- i. The BIS Green Paper: *Higher education: teaching excellence, social mobility and student choice* had been published on 13<sup>th</sup> November 2015.
- ii. It contained outline proposals for:-
  - The introduction of a Teaching Excellence Framework (the TEF), with the potential for universities to increase fees linked to results;
  - The introduction of an Office For Students (OFS) as a regulatory body, combining and realigning the remaining roles of HEFCE and OFFA;
  - Smoother mechanisms for providers to enter and exit the sector;
  - The likely creation of a single research funding body, splitting teaching and research funding.
- iii. Consultation on the Green Paper runs to the middle of January. Professor Gavin Brown was leading on the University's response. It was intended that Council should have a more detailed discussion of the Green Paper in the New Year.

It was **NOTED** that:-

- iv. Two other publications that would have wide-reaching implications for the sector were imminent:-
  - The Nurse Review of the Research Councils (expected 19<sup>th</sup> November 2015);
  - The Comprehensive Spending Review (expected 25<sup>th</sup> November 2015).

#### b. VC's Engagements

It was **REPORTED** that:-

- i. Since the last meeting of Council, the VC had visited, met with or attended meetings regarding the following:-
  - UCAS Strategy Away Days (24<sup>th</sup>/25<sup>th</sup> September 2015)
  - National Nuclear Laboratory/Liverpool Partnership (28<sup>th</sup> September 2015)
  - HEFCE Diversity Summit & Quality Assessment Review Steering Group (1<sup>st</sup> October 2015)
  - Unilever (5<sup>th</sup> October 2015)
  - Knowsley Council (6<sup>th</sup> October 2015)
  - UUK TNE Conference (7<sup>th</sup> October 2015)
  - STFC (9<sup>th</sup> October 2015)
  - Quality and Excellence Symposium, Leuven (13<sup>th</sup> October 2015)
  - ECU Board & Development Session (14<sup>th</sup>/15<sup>th</sup> October 2015)
  - UUK Executive Committee & UUK HE Global Advisory Board (16<sup>th</sup> October 2015)
  - Queens University Belfast/ Stormont (23<sup>rd</sup> October 2015)
  - St Helens Council (26<sup>th</sup> October 2015)
  - British Council Trustees (27<sup>th</sup> October 2015)
  - Russell Group Board and Dinner/ Theresa May MP (29<sup>th</sup> October 2015)

- Fermilab Chicago (31<sup>st</sup> October 2015)
- US America Inc Board (31<sup>st</sup> October 2015)
- US Alumni event (1<sup>st</sup> November 2015)
- Mehmood Khan, VP Pepsico (2<sup>nd</sup> November 2015)
- QAA Higher Education Review (w/c 9<sup>th</sup> November 2015)
- Luciana Berger MP (12<sup>th</sup> November 2015)
- UUK Harassment & Hate Crime Task Force & UK Funding Body Provision of Information Consultation Event (17<sup>th</sup> November 2015)

c. QAA Higher Education Review

It was **REPORTED** that:-

- The University was expected to learn the outcome of its QAA Higher Education Review, carried out in November, the following week.

### ITEMS FOR APPROVAL OR NOTE

#### 4.1 Annual Accountability Returns

Council **RECEIVED** the University's main annual returns to HEFCE as follows:-

- Value for Money Report;
- Mechanisms and Corrective Actions to Ensure Quality of the Student Experience is Maintained;
- Confirmation that Funding for High Cost Subjects is in Line with Provision;
- Annual Monitoring Statement;
- Teaching and Research CIF;
- Compliance with Research Concordat;
- Annual Sustainability Assessment;
- Financial Results Tables for 2014/15;
- Audited Financial Statements;
- Commentary: Explanation of Significant Variances Between the Current and July 2015 Submissions;
- External Audit Management Letter and Management Responses;
- Audit Committee Annual Report, including the Internal Audit Annual Report.

It was **REPORTED** that:-

- Drafts of these returns have been scrutinised by the Planning and Resources and Audit Committees.

It was **NOTED** that:-

- Financial highlights included:-
  - A growing overall operating surplus after depreciation and before tax of £34.5m (7.2% of income), compared to £19.9m the previous year.
  - Total income from continuing activities increasing to £480.4m, a rise of 10.4% on the previous year;
  - Research Grant and Contract income rising to £102m from £83m the previous year, albeit that this figure benefited from a favourable one-off Research and Development Expenditure Credit adjustment.

It was **AGREED** that:-

- iii. The returns should be approved for submission to HEFCE.

## 4.2 Strategic Review

### a. Green Paper

Council **RECEIVED** a report providing feedback from the Strategic Review Green Paper consultation.

It was **REPORTED** that:-

- i. Key themes to have emerged from the consultation were:-
  - The importance of communication, both internally and externally (for example promoting the University's successes);
  - Support for enhancing collaborations and partnerships, but with a clear message that these need to be more diverse than currently;
  - Support for expansion by increasing student numbers, but in doing so achieving a balance between quality and standards;
  - A desire to become world-class with importance placed on rankings;
  - The need to simplify processes and reduce bureaucracy;
  - The need for better training and development, reward and recognition, to improve satisfaction;
  - The need to recognise the importance of research that is not 4\* or 3\* but still has other specific value (for example impact);
  - The importance of a strong and well communicated University of Liverpool brand;
  - The importance of relationships with industry;
  - The need for better collaborative working between PS and academic staff.

It was **NOTED** that:-

- ii. Not all of the contributions made through the consultation would be taken forward as part of the developing University Strategy. Some were more applicable to the proposed sub-strategies (Research, Education, and Professional Services), while others would not be taken forward at all. It would be important to communicate how and why these decisions had been taken when communicating the new Strategy.
- iii. It was strongly felt that the University should support 2\* research only under exceptional circumstances and not as a general standard. There was a need to define under what circumstances this would be acceptable (for example, where it led to high impact; where it was part of a developing body of work that would cumulatively achieve a 3\* or 4\* rating; or where it was produced by ECRs who would, in time, produce higher quality outputs). This would need to be dealt with in detail in the Research Strategy. The emphasis for research had to remain on 3\* and particularly 4\* research.
- iv. Faculty responses to the consultation had been uniformly positive.
- v. A new set of KPIs would be developed for the new Strategy, with operational plans providing a clear, annually refreshed roadmap for meeting these.

b. White Paper

Council **RECEIVED** the draft Strategic Review White Paper.

It was **REPORTED** that:-

- i. This would be subject to detailed discussion at the Leadership Away Days, to be attended by Council members and Heads of Level 1, 2 and 3 units, the following week.
- ii. Subject to the outcomes of this and other forms of consultation, the White Paper was intended as a relatively close draft of the proposed final Strategy.

It was **NOTED** that:-

- iii. More might be done to make clear that online activity was viewed as one of the University's points of distinctiveness.
- iv. More might be done to make explicit the connection between teaching and research at the University.
- v. The final strategy would focus on strong, clear messages that could be commonly understood. To help communicate the points in the White Paper/final strategy, there was a suggestion that these should be illustrated with real world examples.

It was **AGREED** that:-

- vi. The White Paper should be published for consultation.
- vii. Council's thanks should be extended to all who had worked on the Strategic Review over the last nine months.

#### **4.3 Revised Arrangements for the Committee on Safety**

Council **RECEIVED**:-

- Management proposals to revise arrangements for the Committee on Safety and associated activity;
- A letter from the local Joint Trades Unions outlining their objections to the proposal.

It was **REPORTED** that:-

- i. The role of the Committee on Safety had been under discussion for over a year, with management – acting on guidance from Council - wishing to make it more strategic. This was with a view to enhancing performance in relation to Safety in a way that would not be possible if the Committee's focus remained on operational and consultative matters.
- ii. It was proposed that the Committee on Safety would focus on strategy and performance improvement and continue to report direct to Council, while a separate consultative committee, and range of sub-committees dealing with specific aspects of Safety, should be established.

It was **NOTED** that:-

- iii. Council took its role in relation to Safety extremely seriously, and retained overall responsibility for this area. Consequently these proposals were discussed in detail and at length.
- iv. Council felt that the reports it received from the Committee on Safety in its current form did not provide it with enough appropriate information or strategic insight to discharge this duty effectively.
- v. Council was satisfied that the proposed arrangements did not breach any legislative or statutory obligations.
- vi. Council was extremely supportive of the proposals in light of the lack of progress in this area over the last year, and its strong desire to oversee an improvement in performance in this area.

It was **AGREED** that:-

- vii. The proposed realignment of the Committee on Safety and associated activity should be implemented as proposed, subject to amending the membership of Committee on Safety to specify 'a representative drawn from the Guild of Students' rather than 'a student representative'.

## **PLANNING AND RESOURCES COMMITTEE**

### **5.1 Report of the meetings of the Planning and Resources Committee held 15<sup>th</sup> September and 5<sup>th</sup> November 2015**

Council **RECEIVED** a report of the meetings of the Planning and Resources Committee held 15<sup>th</sup> September and 5<sup>th</sup> November 2015.

*Revised terms of reference and membership for the Committee.*

It was **NOTED** that:-

- i. The Planning and Resources Committee's terms of reference had been updated to include HR related matters following the disestablishment of the Corporate Services and Facilities Committee.
- ii. The membership had been updated to include Mrs Abi Pointing (Lay Member) and Ms Carol Costello (Director of Human Resources) for the same reason.

It was **AGREED** that:-

- iii. The revised terms of reference and membership of the Planning and Resources Committee should be approved.

*Proposals for Professorial levels.*

It was **REPORTED** that:-

- iv. SEG, Senate and Planning and Resources Committee had strongly endorsed proposals to assign all Professors to one of four bands on the basis of contribution from the start of 2016/17.
- v. These proposals had been in development since 2011, and responded to Remuneration Committee's request that the University address equal pay considerations and develop an improved system of governance around pay levels. The key drivers were:-
  - Transparency;
  - Fairness;
  - A clear route to career progression;
  - Performance management.
- vi. The proposals included a set of statements intended to describe four different levels of contribution. These incorporated indicators for generic, research, teaching, practice and leadership activities.
- vii. Based on assessment against these criteria, Professors would be allocated to one of four bands, with pay linked to banding. Where an individual was allocated to a band with lower pay than their current salary, there would be a period of pay protection to allow them to develop their contribution. Allocation would be carried out through Heads of School/Institute in conjunction with the EPVCs.

It was **NOTED** that:-

- viii. Under this model, costs were expected to increase in the short term. However, estimates suggested that these increases were easily manageable within the scope of the University's finances. Costs would reduce again after two years following the expiry of the initial period of pay protection.
- ix. A number of other Russell Group universities had already implemented similar policies. In this context the University was confident that the framework would not prevent it from recruiting and retaining the best staff.
- x. The proposals would be supported by effective performance management.

*Appointment of New Investment Fund Managers.*

It was **REPORTED** that:-

- xi. Following a change in investment strategy and review of fund manager performance, a decision had been taken last session to tender for global equity and diversified growth fund managers.
- xii. A formal selection process had taken place, with Stanhope Consulting acting as external advisors.

It was **AGREED** that:-

- xiii. Baillie Gifford should be appointed fund manager for the global equity element of the fund and that Ruffer be appointed fund manager for the diversified growth fund element of the fund.

*ULLCo SPV Ltd.*

[The Deputy Vice-Chancellor and Dr Andrew Scott, disclosed interests in relation to this item as ULCCo SPV Board members.]

It was **REPORTED** that:-

- xiv. Discussions around the future of ULCCo SPV Ltd were ongoing. Work to make a recommendation to Council in due course was being pursued vigorously.

## **5.2 Q4 Performance Report**

Council **RECEIVED** the year end performance report for 2014/15.

It was **NOTED** that:-

- i. The Performance Report would require revising in light of the new University Strategy, to ensure that Council was given a clearer picture of overall performance and progress towards agreed objectives.

It was **AGREED** that:-

- ii. Further detail on the scope and performance of a number of the University's more distinctive modes of delivery, XJTLU, University of Liverpool in London, and Liverpool Online, would be brought back to Council this session.

## **SENATE**

### **6.1 Report of the meetings of the Senate held 10<sup>th</sup> September and 4<sup>th</sup> November 2015**

Council **RECEIVED** and **NOTED** the report of the meetings of Senate held 10<sup>th</sup> September and 4<sup>th</sup> November 2015. All recommendations in the report were dealt with elsewhere on the Council agenda.

## **OTHER COMMITTEES OF COUNCIL**

### **7.1 Audit Committee**

Council **RECEIVED** a report of the meetings of the Audit Committee held 6<sup>th</sup> October and 10<sup>th</sup> November 2015.

It was **REPORTED** that:-

- i. The Committee approved the Internal Audit Draft Risk Assessment and Audit Plan 2015-16, subject to any re-prioritisation that might be required during the year, for example to reflect any new risk profile arising from the Strategic Review/new Strategic Plan.
- ii. Issues identified in previous years by the auditors concerning the reconciliation of XJTLU's annual opening and closing balances had not occurred this year.

It was **AGREED** that:-

- iii. The Internal Audit Risk Assessment and Audit Plan 2015-16 should be endorsed.

## 7.2 Remuneration Committee

Council **RECEIVED** a report of the Remuneration Committee held 22<sup>nd</sup> October 2015

It was **NOTED** that:-

- i. The 3% pay increase approved by the Committee only applied to a very small number of senior staff, based on performance. Others would receive the same 1% inflationary increase as other staff.

It was **AGREED** that:-

- ii. Revisions to the Committee's terms of reference to bring them in line with CUC guidance by making explicit the Committee's responsibility for considering and determining the Vice-Chancellor's emoluments, should be approved.

## 7.3 Safety Committee

Council **RECEIVED** and **NOTED** a report of the meeting of the Safety Committee held 13<sup>th</sup> October 2015, including the Annual Health and Safety Plan for the session.

## 7.4 Nominations Committee

Council **RECEIVED** a report of the meeting of the Nominations Committee held 22<sup>nd</sup> October 2015.

It was **AGREED** to approve proposals to fill a number of current and forthcoming vacancies for Council-appointed members of University Committees as follows:-

<b>Committee</b>	<b>Nominee</b>	<b>Period of appointment</b>
Audit Committee	Dr Andrew Scott	1.1.16-31.7.17
Education Committee	Dr Paul Johnson	1.1.16-31.7.17
Friends of the University	Dr Lisa Hannah-Stewart	1.1.16-31.12.18
Investments Sub-Committee	Mr David McDonnell	21.11.15-31.7.17

Investments Sub-Committee	Mr Julian Rathbone*	1.1.16-31.7.18
Investments Sub-Committee	Mr Stephen Burrows	1.1.16-31.7.18
Military Education Committee	Mr Robert Connolly	1.1.16-31.7.18
Military Education Committee	Colonel Joe Harkon*	1.1.16-31.7.18
Nominations Committee	Mrs Abi Pointing	1.1.16-31.7.16
Research and Impact Committee	Sir Colin Lucas	1.1.16-31.7.17
Research and Impact Committee	Dr Roger Platt	1.1.16-31.7.17
Research and Impact Committee	Dr Andrew Scott	1.1.16-31.7.17
Tribunals, Appeals and Grievances Committees Panel	Mr David McDonnell	1.1.16-31.7.17
Tribunals, Appeals and Grievances Committees Panel	Dr Roger Platt	1.1.16-31.7.17

## 7.5 Research and Ethics Governance

### a. Annual Report of the Committee on Research Ethics

Council **RECEIVED** the Annual Report of the Committee on Research Ethics.

It was **AGREED** that:-

- i. The Policy on Ethical Approval for Research Involving Human Participants, Tissues or Personal Data should be endorsed, subject to iii.
- ii. The proposed applications procedures for ethical approval should be endorsed, subject to iii.
- iii. More explicit information should be given in both of the above to the circumstances in which they would and would not pertain (for example in relation to activities undertaken by organisations in which the University was one of several shareholders; a wholly owned subsidiary; working with partners; spin-out companies).

### b. Annual Report of the Committee on Research Governance

Council **RECEIVED** and **NOTED** the Annual Report of the Committee on Research Governance.

## 7.6 Joint Committee on Honorary Degrees

Council **RECEIVED** and **AGREED** a proposal that:-

- i. Veterinary Science alumni who studied at the University prior to 1951 and who took the MRCVS examinations but not the examinations for the BVSc should be awarded honorary Bachelor of Veterinary Science degrees. The degrees would be awarded at a specially-arranged ceremony.

## STRATEGIC COMMITTEES

### 8.1 Education Committee

Council **RECEIVED** a report of the meeting of the Education Committee held 29<sup>th</sup> September 2015.

It was **NOTED** that:-

- i. As part of the transition from the Student Experience Committee to Education Committee, agreed by Council in July 2015, new terms of reference and membership for the Committee had been prepared. Both had been endorsed by Senate.

It was **AGREED** that:-

- ii. The terms of reference and membership of the Education Committee for 2015/16 should be approved.

### 8.2 Research and Impact Committee

Council **RECEIVED** a report of the meeting of the Research and Impact Committee held 25<sup>th</sup> September 2015.

It was **NOTED** that:-

- i. As part of the transition from the Research and Knowledge Exchange Committee to Research and Impact Committee, agreed by Council in July 2015, new terms of reference and membership for the Committee had been prepared. Both had been endorsed by Senate.

It was **AGREED** that:-

- ii. The terms of reference and membership of the Research and Impact Committee for 2015/16 should be approved.

## ROUTINE ITEMS

### 9.1 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.

### 9.2 HR Summary Report of Action Taken Under Delegated Powers

Council **NOTED** that the HR Summary Report of Action Taken Under Delegated Powers since the last meeting had been made available through the Council Members' intranet.

## ANY OTHER BUSINESS

### 10.1 Thanks

Council **NOTED** that:-

- i. Professor Helen Carty's term of office on Council came to an end in December. She had indicated that, for family reasons, she did not wish to extend her membership.

It was **AGREED** that:-

- ii. She should be thanked for her contribution to Council since joining in 2012, and that she and her family should be wished all the best for the future.