

# Minutes

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**Meeting title:** Council

**Date:** 23 October 2008

**Time:** 1.30pm

**Location:** Birchwood

**Present:** Dame Valerie Strachan (*in the Chair*), Mr S Deuchar, Professor R Holdaway, Mr A J Jukes, Professor J Kilburn, Dr M Read, Mr M J Snell, Ms A Tanfield \*, Professor W A Wakeham, Mr A J Walker, Professor A A Wheeler, Professor D M Williams

**In attendance** The Registrar and Chief Operating Officer, Director of Finance, Professor D Humphris, Professor P A Nelson and Dr K A Piggott

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\* not present for restricted business \*\* not present for minute 13 \*\*\* present for minute 13 only

**Note:** This Council business meeting took place as part of the strategic awayday held at Birchwood to begin discussions about future strategies in preparation for the arrival of the new Vice-Chancellor. Informal notes of the 'forward look' session were taken and circulated separately.

## Unrestricted

### 7. Obituary

The Vice-Chancellor announced with great regret the death of Professor Caroline Thomas on 20 October 2008. There would be a private family funeral, but it was likely that a University memorial service would be organised. The suggestion of endowing a PhD studentship for a woman from Africa to study in the Politics Division was currently being explored. Members stood in silence as a mark of respect.

### 8. Vice-Chancellor's report

The Vice-Chancellor reported briefly under the following headings:

*Pay award:* The University would be paying the final instalment of the pay award with November salaries, backdated to 1 October. Information to this effect had been placed on the electronic Noticeboard, and the Vice-Chancellor would also be sending an individual letter to staff.

*Future Pay Bargaining:* The Vice-Chancellor updated members on current discussions, reminding them that Council had previously approved a policy on the withholding of pay in the event of a dispute. This had been notified to the Campus Trades Unions and discussed with Heads of Schools. Discussions about the future of national pay bargaining would begin in January.

*USS:* The group discussing the future of USS had had its first meeting – the aim was to deliver results by April 2009. The Vice-Chancellor outlined some of the key issues under consideration.

### 9. University Insurance Arrangements

**Received** A paper from the Director of Finance headed 'University Insurance Arrangements 2008/09' dated 9 September 2008.

The Director of Finance presented the paper and briefly explained the University's decision to accept the insurance cover offered by AON/Zurich rather than UMAL. The University remained a member of UM (Special Risks) for terrorism cover. It was pointed out that one of the benefits of the new arrangements was that the University now had a direct relationship with its insurers.

**Noted** The report and the University's insurance arrangements.

**Resolved** That Ms McFadyen, the University's Insurance Officer, be thanked for her work in connection with securing these arrangements.

10. **Update on Lloyds Register and the capital programme**

This item is commercially confidential and is covered in a confidential minute for Council members only.

11. **Proposals and Recommendations from the InEx Review: report to Council on progress and request for determination**

**Received** A paper from Professor Wheeler, headed 'Proposals and Recommendations from the InEx Review: report to Council on progress and request for determination' dated October 2008. (Note: Appendix B1 associated with this paper was considered under restricted business).

Professor Wheeler presented the paper and was pleased to report that the InEx project was on track to deliver as planned on all workstreams. He drew attention to the 'Dashboard' presented to Council to assist in monitoring InEx against its targets (annex 1 of the circulated paper). There was good progress with income generation - research income was likely to reach £83million against a target of £73million, and the income target for international student income (£27.7million) was likely to be met or exceeded. Savings attributable to InEx came to £1.4million, largely resulting from the introduction of the salary sacrifice scheme and the formation of iSolutions. Growth in staff numbers had been brought under control through the activities of the workstreams and tight controls on replacement posts. So far staff reductions arising out of the workstreams had been secured through natural wastage, non-replacement or redeployment; however the recommendations now brought forward from the communications workstream, on which Council was asked to reach a Determination could, if accepted, lead to redundancy (see also minute 13).

Some concern was expressed as to whether the total headcount was falling sufficiently quickly. It was explained that the figures masked the fact that about 20FTE staff had been displaced to externally funded posts at the NIHR Evaluation Trials and Studies Coordinating Centre. The further development of iSolutions should assist - twelve posts had already been lost and it was likely that a proposal would be brought forward in the New Year for a larger staff saving (c.10%). The University had initially concentrated on stopping growth (on which it had delivered) - the next stage would be to accelerate the pace and extent of business change.

Professor Wheeler reminded members that the University also needed to find additional savings of between £5million and £15million to cover the funding gap created by the pay settlement and likely changes to USS, and to bring the University to a more sustainable financial footing. Contingency planning was also important, given the global financial climate, uncertainty over RAE income, etc. A process was in hand to hypothecate these savings for every business unit, following discussions with senior managers, but it already seemed likely that the higher rate of savings was not achievable without significant business change. In response to a query as to what it would mean for the University to be put on a fully sustainable footing Professor Wheeler commented that what was needed was for the University to be in a position to conduct its day-to-day operations without compromising the ability to invest in academic developments and infrastructure. The Director of Finance indicated that if capital grants remained at their current level, and £15 million surplus could be generated the University would be sustainable. Members indicated that the University should do all it could to seek to achieve the maximum level of additional savings. It was noted that should there be further external changes the figures would need to be reconsidered.

- Resolved**
- (i) That the progress made in implementing the InEx Review following the decisions taken at Council on 10 July 2008 be noted.
  - (ii) That the 'Wave one' revised proposals for the Communications Workstream be endorsed as set out in Appendix A1 dated 9 October 2008.
  - (iii) That the proposed approach to identifying further savings of between £5million and £15million set out in the circulated paper dated October 2008 be approved.

12. **Report from the Nominations Committee**

The meeting of the Nominations Committee scheduled to take place earlier in the day had been postponed, and this item was therefore withdrawn.

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