A meeting of the Council was held in Room 201, The Carrington Building, on Thursday 26 November 2009 at 2.15pm.

Present: The President
The Vice-President
The Treasurer
The Vice-Chancellor
The Deputy Vice-Chancellor (Professor T A Downes)
The Pro-Vice-Chancellor (Professor R L Robson)
The Pro-Vice-Chancellor (Professor C M Williams)

Ms S Brennan
Mr R Buller
Mrs H M Dominick
Professor R H Ellis
Mr J D Fishburn
Professor S Hawker
Dr J C F Hayward
Dr A M Hodge
Councillor P M Jones
Professor P M Leopold

Professor S J Mithen
Dr I Mueller-Harvey
Mr H W A Palmer
Professor J Pemberton
Dr A P Reed
Sir John Sunderland
Councillor P Swaddle
Professor S F Walker
Dr J D Wilkins

The University Secretary

In attendance: The Director of Academic Services
The Director of Facilities Management
The Director of Finance and Corporate Services
The Director of Student Services

Apologies were received from Mr T Bartlam, Pro-Vice-Chancellor (Professor Berry), Professor Bones, Mr R Dwyer, Mr R E R Evans, Mr T Gilchrist, Mr P Walsh and the Director of External Affairs.

The President welcomed Ms Brennan and Councillor Swaddle to their first meeting of the Council.

The President reported the deaths of:

Professor N J Atkin: Nick Atkin had been appointed Lecturer in History in 1986 and had been promoted to Senior Lecturer in 2000. The personal title of Professor of Modern European History had been conferred upon him in October 2004. Professor Atkin had served as Head of the School of History from 2003 to 2005 and as Head of the
School of Humanities from 2005 to 2008, and was a serving member of the Senate at the time of his death.

**Lady Muir Wood**: As Dr Winifred L. Wood, Lady Muir Wood had been appointed Assistant Lecturer in Applied Mathematics in 1967 and Lecturer from 1969. She had been accorded the personal title of Senior Lecturer in 1978 and had retired in 1982.

**Mrs J. Knight**: Jill Knight had been appointed as an administrator in Research Accounts in the Finance Office in 1980 and had retired in 2006.

*09/33 The minutes (09/13-09/31) of the meeting held on 7 July 2009 were confirmed and signed.

09/34 **Terms of Reference** (Item 2(a))
* The Committee received a statement of its Terms of Reference.

09/35 **Disclosure of Interests** (Item 2(b))
* The Committee noted a paper from the University Secretary in regard to Disclosure of Interests.

09/36 **Report on the exercise of Vacation Powers** (Item 2(c))
* The Council received a report on the exercise of Vacation Powers

09/37 **Report of the Strategy and Finance Committee held on 12 October 2009 relating to items for report** (Item 2(d))
* The Council received the report of the meeting of the Strategy and Finance Committee held on 12 October 2009 relating to items for report.

09/38 **Delegation of Powers by the Council** (Item 2(e))
* The Council received a paper on the Delegation of Powers by the Council.

09/39 **Availability of Council papers** (Item 2(f))
* The Council received, for its information, a paper relating to availability of Council papers.

**Resolved:**
“1. That the following reports, now submitted, be received:

- Report on the exercise of Vacation Powers;

“2. That the Record of Delegation of Powers by the Council be approved.”

09/40 Documents sealed and to be sealed (Item 2(g))
* The Council received a list of documents sealed and to be sealed.

Resolved:

“That the Council approve the action taken by the Officers and Members in affixing the University Seal to documents sealed since the last Ordinary Meeting of the Council and authorise the Seal of the University to be affixed to the documents to be sealed as now reported.”

Items for Discussion and Decision

09/41 Report of the Vice-Chancellor

(a) The Vice-Chancellor made a presentation to the Council (copy inserted in Minute Book) which set the prevailing financial and political context for higher education in terms of the recently published framework for higher education Higher Ambitions. He stressed, as he had in the course of his annual series of talks to staff that there was much in which the University and its members should justifiably take great pride, including the recent award of a Queen’s Anniversary Prize for World–class Archaeology. The importance of focussing on excellence was paramount and, occupying as it did a ‘top twenty’ position in the winning of Research Council awards, the National Student Satisfaction survey and the outcome of the recent Research Assessment Exercise, Reading was better placed than most to face the future with confidence.

(b) The Vice-Chancellor informed the Council that that Professor Berry had indicated her intention to stand down from the Office of Pro-Vice-Chancellor on 31 July 2010 upon appointment as Director of Postgraduate Research Studies. He reminded the Council that the distribution of duties amongst the Pro-Vice-Chancellors was not Statutorily defined but was determined by the Vice-Chancellor. Accordingly, he had determined that Professor Williams, whose term of office as Pro-Vice-Chancellor continued until 31 July 2012, have particular oversight of research and enterprise with effect from 1 August 2010; and he had further determined that the two Offices of Pro-Vice-Chancellor which were to be filled alongside that of Deputy Vice-Chancellor with effect from 1 August 2010 have particular oversight of teaching and learning and of international and external affairs respectively.
Resolved:

“That the Report of the Vice-Chancellor, now submitted, be approved.”

09/42 Report of the meeting of the Audit Committee held on 12 November 2009 (Item 4(a))

* The Council received the Report of the meeting of the Audit Committee held on 12 November 2009.

Dr Wilkins, as Chair of the Audit Committee, expressed satisfaction with the responsiveness of management to the relatively few Grade 1 recommendations made by Internal Audit Services during the course of the year but felt that some further evolution of behaviour was required across the University if risk management were to become a truly dynamic and living process. The Audit Committee had been particularly pleased with the progress that had been made in regard to severance payments (where the Remuneration Committee had taken a lead), “blue claim forms” (in respect of which a Working Party chaired by the Director of Finance and Corporate Services was soon to meet) and the environment (in relation to the management of which two posts had been established within the Facilities Management Directorate). Work was to be undertaken in the coming year with a view to ensuring that, despite overall budgetary reductions, an appropriate level of resource remained available to Internal Audit for the provision of specialised services.

09/43 Financial Statements for the year ended 31 July 2009 (Item 4(b))

* The Council received the Financial Statements for the year ended 31 July 2009, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

The Director of Finance and Corporate Services explained that the Financial Statements were dominated on this occasion by accounting requirements arising from the merger with Henley Management College, the effects of which had resulted in a recorded surplus for the year to some £19.5m. The University’s asset base had grown to some £315.5m but the President reminded the Council that the University was already exploiting this robust position to the tune of some REDACTED S.43 in current borrowings.

The Council noted that ten separate entities now came within the scope of the Financial Statements. There was perforce an increasing emphasis on the consolidated position and the Treasurer asked that consideration be given to making the component accounts available for electronic consultation rather than by circulation in hard copy.

In response to a question from Councillor Jones, the Director of Finance and Corporate Services explained that the factors which had led to an increase in the numbers of senior staff (defined as those earning over £100k per annum) included the nationally agreed pay settlement effected during the year and the merger with
Henley Management College. The President assured the Council that the Remuneration Committee has exercised appropriate restraint in all its recent decisions.

09/44 Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2009 (Item 4(c))

* The Council received the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2009, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

The Director of Finance and Corporate Services noted that KPMG intended to give an unqualified audit opinion and that the issues which had been brought to the University’s attention were, for the most part, operational in nature. The accounts for the South African subsidiary of the Henley Business School would not be signed off until an appropriate tax provision had been agreed with the South African authorities but KPMG had been content to sign off the consolidated accounts on the basis that this outstanding matter would have little material impact overall. The Director of Finance and Corporate Services expressed confidence that the necessary provision would be agreed during December 2009.

09/45 Draft Letter of Management Representation and Letters of Support to the University’s Auditors (Item 4(d))

* The Council received the Draft Letter of Management Representation and Letters of Support to the University’s Auditors, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

In particular, the Council pronounced itself content that the actual and proposed severance costs for senior staff of the former Henley Management College, which were fully in line with the University’s expectations at the time of merger, were properly accounted for in the financial year ended 31 July 2009.

09/46 Annual Assurance Return to HEFCE (Item 4(e))

* The Council received a copy of the Annual Assurance Return to HEFCE for its information.

Resolved:

1. “That the Report of the Audit Committee now submitted, be approved;”

2. “That the Financial Statements for the year ended 31 July 2009, now submitted, be approved and adopted;”

3. “That the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2009, be received;”
4. “That the President be authorised to sign the Letter of Management Representation to KPMG and that the Director of Finance and Corporate Services be authorised to sign the letters of support for the University's subsidiary companies.”

5. “That the Annual Assurance Return to HEFCE be noted”.

09/47 Financial Forecasts 2009-10 to 2014-15 (Item 5)

* The Council received the Financial Forecasts 2009-10 to 2014-15, which had been submitted previously to the Strategy and Finance Committee.

The Director of Finance and Corporate Services explained that the Forecasts were underpinned by REDACTED S.43. The President reminded the Council that the challenge facing the University could yet be intensified by further reductions in HEFCE grant that were difficult at this stage to predict.

In discussion, members fully recognised the importance of the re-shaping agenda but were mindful that the need to remove costs without reducing income represented a difficult balance to achieve. Against this background, Sir John Sunderland asked that a worst-case sensitivity analysis be applied to the Forecasts for 2010-11 and beyond and that the implications of this be considered by the Strategy and Finance Committee in the first instance. In response to a question from Councillor Jones, the Director of Finance and Corporate Services explained the likely sequencing of property disposals and, in so doing, reminded the Council of the commercial confidentiality of this information.

Mr Palmer raised a concern that the possible re-financing of the residential estate as one consequence of the Halls Redevelopment Programme should not impact adversely on the quality of the student experience. The Director of Finance and Corporate Services provided an assurance that this was a key consideration in the tendering process that was currently underway; and the President reminded members that a final decision in the matter lay with the Council. In response to a question from the President of the Students' Union, it was explained that a planned residential development by a private provider on the site of the former Mansfield Hall was not part of the Halls Redevelopment Programme.

In response to a question from Dr Mueller-Harvey regarding staff access to the Counselling Service, the Deputy Vice-Chancellor explained that budgetary provision for this aspect of the facility had been transferred from the Student Services Directorate to Human Resources. Staff would have continued use of the Service but not on the unconstrained, self-referral, basis that had operated hitherto.

Resolved:
“That the Financial Forecasts to 31 July 2015 be used as the basis for the University’s submission of Financial Forecasts to HEFCE”.

09/48 Report of the meeting of the Strategy and Finance Committee held on 12 October 2009 relating to items for discussion and decision

* The Council received reports from the meetings of the Strategy and Finance Committee held on 12 October 2009 relating to items for discussion and decision.

In regard to item 6(a), Corporate Plan 2008-13, the Vice-Chancellor reminded the Council that fifteen high-level targets attached to the Plan were intended to provide a ‘dashboard’ of indicators: action taken towards meeting one target might render it more difficult to achieve another and, from time to time, it was inevitable that the changing external environment would require certain targets to be re-cast, re-calibrated or both.

In regard to item 6(b), Reshaping the University, the Deputy Vice-Chancellor explained that two progress reports from the Project Board had so far been made to the Senior Management Board with others scheduled for December 2009 and January 2010. Regular reports were to be made on progress towards the achievement of the necessary savings in the Academic Schools, to stand alongside the companion reports already made in respect of Central Funds and the Directorates.

In regard to the separate reviews which had been initiated in respect of the School of Systems Engineering and the Centre for Advanced Computing and Emerging Technologies (ACET), Dr Mueller-Harvey posed a series of detailed questions relating to the financial and managerial arrangements which applied to self-financing centres in general and to the two areas of activity under review in particular. The Deputy Vice-Chancellor asked that these be put to him in writing in order that answers might be provided while Pro-Vice-Chancellor (Professor Williams) noted that these issues had already been raised with, and were being addressed by, the group appointed to review the School of Systems Engineering. She explained that this review, which she was chairing, had been occasioned not by financial factors but by questions relating to research performance, a disparate range of teaching activities and a perceived lack of cohesion amongst senior staff.

In response to a question from Sir John Sunderland, the Vice-Chancellor explained the rationale for deferring a decision on an optimal Faculty structure for the University until a later point in the process; and in response to a question from Dr Hodge, the Vice-Chancellor gave an assurance that external stakeholders were being invited to contribute to the reshaping exercise where appropriate.

In regard to item 6(c), Student Accommodation Project, the Council noted the membership of the Student Accommodation Project Group as established by the Senior Management Board.

In regard to item 6(d), Major Capital Projects, the Director of Facilities Management reported that a lease had yet to be signed in connection with the Library Book Repository but that negotiations to date bore promise of resulting in a design solution appropriate to the University needs. The Facilities Management Directorate was actively pursuing a solution to the logistical and site planning issues which
were fundamental to the Whiteknights Utilities Infrastructure project. The President of the Students' Union was pleased to report widespread satisfaction amongst students with the new Nursery facility that had recently been completed.

In regard to item 6(e), Analysis of Research Grants and Contracts: FQ4 2008-09, the Council noted with pleasure outcome for the year which saw the value of new awards rise to a total of £36.5m as compared to £30.7m in 2007-08.

In regard to item 6(f), Student Recruitment, October 2009, Pro-Vice-Chancellor (Professor Robson) reported that International undergraduate and postgraduate recruitment had exceeded earlier expectations, and that some 150 more International students had enrolled in 2009 than in 2008. The Henley Business School had made a significant contribution to this achievement.

In regard to item 6(g), Report of the Health and Safety Committee, Summer Term 2009, the Council received a factual update from Pro-Vice-Chancellor (Professor Williams) which Dr Wilkins commended as a welcome initiative. He urged that reportable incidents (RIDDORS) be analysed with a view to identifying any persistent themes or common causes.

Resolved:

“That:

(a) the Report on the Corporate Plan 2008-13, now submitted, be approved;
(b) the Report on Reshaping the University, now submitted, be received;
(c) the Report on the Student Accommodation Project, now submitted, be received;
(d) the Report on Major Capital Projects, now submitted, be received;
(e) the Analysis of Research Grants and Contracts: FQ4 2008-09, now submitted, be received;
(f) the Report on Student Recruitment: October 2009, now submitted, be received;
(g) the Report of the Health and Safety Committee: Summer Term 2009, now submitted, be received”.

09/49 Report of the Appointments Committee (Item 7)

* The Council received the Report of the meeting of the Appointments Committee held on 12 October 2009.

Resolved:

“1. That with reference to item 2,
(i) exceptionally, Mr R. Buller be re-appointed to membership of the Council in Class 3 to serve for a further and final period from 1 August 2010 to 31 July 2013 with the expectation that he serve until 31 July 2012; and

(ii) Professor S. Hawker and Dr A.P. Reed each be re-appointed to membership of the Council in Class 3 to serve for a further period from 1 August 2010 to 31 July 2013.”

“2. That with reference to item 3, Dr P.T. Warry be re-appointed as Treasurer to serve for the period 1 August 2010 to 31 July 2011.”

“3. That with reference to item 4,

(i) Mr R. Buller be appointed to the Appointments Committee (vice Councillor Mrs P. Helliar-Symons) for the period to 31 July 2010;

(ii) Mrs J.M. Scott be appointed to the Deputy and Pro-Vice-Chancellor Committee;

(iii) Dr A.M. Hodge be re-appointed to the panel from which the membership of a Grievance Committee is drawn under the terms of Statute XXXIII for the period to 31 July 2012;

(iv) Mr R. Dwyer be re-appointed to the panel from which the membership of an Appeal Body is drawn under the terms of Statute XXXIII for the period to 31 July 2012.”

“4. That with reference to item 5, Councillor Mrs P. Helliar-Symons be appointed to membership of the Court for the period to 31 July 2014.”

“5. That the Report of the meeting of the Appointments Committee held on 12 October 2009, now submitted, be approved.”

09/50 Report of the Support Services Policy Committee (Item 8)

* The Council received the Report of the meeting of the Support Services Policy Committee held on 12 October 2009.

The Vice-President reminded the Council of the Committee’s intention to concentrate on a particular theme at each of its meetings: in the Autumn Term it had focussed on student accommodation and in the Spring Term it was to devote attention to the Library and IT Services. The President of the Students’ Union expressed the hope that the University would continue to offer its present levels of assistance to those students who rented accommodation from the private sector. More generally, it was suggested that she might wish to make a presentation to a future meeting of the Council on her perceptions of student satisfaction and any related issues of moment.

Resolved:
“That the Report of the meeting of the Support Services Policy Committee held on 12 October 2009, now submitted, be approved.”

09/51 Report of the Remuneration Committee (Item 9)

* The Council received the Report of the meeting of the Remuneration Committee held on 12 October 2009.

Resolved:

“That the Report of the meeting of the Remuneration Committee held on 12 October 2009, now submitted, be approved.”

09/52 Report of the Senate (Item 10)

* The Council received the Report of the meeting of the Senate held on 7 October 2009.

Resolved:

“1. That, with reference to item 1, the following members of the Academic Staff who are retiring early be accorded the title of Honorary Fellow from 1 October 2009 until their normal retirement date:

   Dr J.H.M. Jones
   Mr A.R. Rowley.

“2. That, with reference to item 2, the following be accorded the title of Visiting Professor:

   (a) School of Agriculture, Policy and Development

      Professor D. Blandford for a further period ending 31 July 2012.
      Dr N. Lampkin for the period ending 30 September 2012.
      Dr M. Deadman for the period ending 30 September 2012.

   (b) School of Biological Sciences

      Dr A.D. Reith for the period ending 31 July 2012.

   (c) School of Chemistry, Food and Pharmacy

      Dr A.-M. Minihane for the period ending 31 July 2012.
      Dr N. Stoner for the period ending 31 July 2012.
      Professor B. Jarvis for a further period ending 30 September 2012.

   (d) Henley Business School
Professor D. Ling for a further period ending 31 July 2012.

(e) School of Human and Environmental Sciences

Professor J. Potter for a further period ending 31 December 2012.
Professor W. Rodwell for a further period ending 31 December 2012.
Dr L. Vandeput for the period ending 31 July 2012.

(f) School of Systems Engineering

Professor E. Stansfield for a further period ending 31 July 2012.

“3. That the Report of the meeting of the Senate held on 7 October 2009, now submitted, be approved.”

09/53 Interim Report of the Restructuring Committee in respect of the School of Health and Social Care (Item 11)

* The Council received the Interim Report of the Restructuring Committee in respect of the School of Health and Social Care.

Mrs Scott, as Chairman of the Restructuring Committee, reported that it had been the Committee’s intention to make its Final Report to the Council at this stage and it remained the case that it would have been possible procedurally for it to do so. However, at its second meeting with the staff of the School and their Trades Union representatives, the Committee, in seeking to explain how its work was necessarily distinct from ongoing discussions with Thames Valley University in regard to a possible transfer of activity to that institution, had encountered a clear view from the individuals affected that it was difficult for them to treat the two matters independently as they considered their own futures. In recognition of this concern, and the unusual circumstances presented by the possibility of transfer, the Committee had agreed to make an Interim Report only at this stage and to delay its Final Report until the early part of 2010. In consequence, the Committee expected to meet on at least one further occasion, possibly preceded by a third meeting with the staff of the School and their Trades Union representatives.

The Council noted that common themes to have emerged from meetings of the Restructuring Committee with staff included:

(a) widespread concern at the manner and means by which the recommendations of the review group and the decision of the Council had been conveyed to the staff of the School – in the case of the Council resolution, staff reported that they had heard of it first from journalists seeking comments on the decision;
(b) perceptions of unnecessary delay between the decision of the Council and the first meeting of the Restructuring Committee with the staff of the School;

(c) feelings of lack of support and failure of communication throughout the process which, despite the Committee’s best endeavours, persisted.

It asked that University management reflect upon these issues and comment

Resolved:

“That the Interim Report of the Restructuring Committee in respect of the School of Health and Social Care, now submitted, be approved.”