A meeting of the Council was held in Room 201, The Carrington Building, on Friday 26 November 2010 at 2.15pm.

Present: The President

The Vice-President
The Vice-Chancellor
The Deputy Vice-Chancellor (Professor T A Downes)
The Pro-Vice-Chancellor (Professor S J Mithen)
The Pro-Vice-Chancellor (Professor R L Robson)
The Pro-Vice-Chancellor (Professor C M Williams)

Mr T Bartlam
Professor J L G Board
Professor G Brooks
Mr R Buller
Ms N Cazimoglu
Mrs H Dominick
Mr R Dwyer
Professor R H Ellis
Dr P Erskine
Mr R E R Evans
Professor S Hawker

Dr J C F Hayward
Professor A M Hodge
Ms J Lazarczyk
Professor G Marston
Dr I Mueller-Harvey
Mr H W A Palmer
Dr A P Reed
Mr S P Sherman
Sir John Sunderland
Professor S F Walker

The University Secretary

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

Apologies were received from Professor Berry, Mr Fishburn, Councillor Pugh, Councillor Swaddle and Dr Warry.

The President welcomed Professor Board, Professor Brooks, Ms Cazimoglu (attending as an alternate member), Dr Erskine, Ms Lazarczyk, Professor Marston and Mr Sherman to their first meeting of the Council. He observed that the Council faced a challenging year fraught with financial uncertainties and requiring of it a critical discretionary decision in regard to the future funding of Halls of Residence.
The President reported the deaths of:


Mr D.W.I. Brooke: David Brooke had been appointed Lecturer in Agricultural Engineering in 1964. He had transferred to the Department of Cybernetics in 1990 and had retired in 1993.

Professor T. Evans, FRS: Trevor Evans had been appointed Lecturer in Physics in 1961 and promoted to Reader in 1964. The personal title of Professor had been conferred on him in 1968. Professor Evans had been Warden of Wantage Hall from 1971 until 1984 and served as Head of the Department of Physics from 1984 to 1988. He had been elected to Fellowship of the Royal Society in 1988 and had retired in 1992.

Mrs P.A. Goldey: Patricia Goldey had been appointed Lecturer in the Agricultural Extension and Rural Development Centre in 1978 and had retired in 2006.

Dr A. Ibbetson. Alan Ibbetson had been appointed Lecturer in the Department of Geophysics (now Meteorology) in 1970 and had retired in 1994.

Professor D.D. Malvern: David Malvern had been appointed Research Associate in the Schools Council Sixth Form Mathematics Project in the School of Education in 1971. In 1973 he had been appointed Lecturer in the School of Education and had been promoted to Senior Lecturer in 1986. Professor Malvern had served successively as Head of the Department of Science and Technology Education and the School of Education, was elected Dean of the Faculty of Education and Community Studies in 1999 and was thereafter appointed Head of the Institute of Education until 2006. The personal title of Professor of Education had been conferred upon him in 1999.

Dr S. Rymer: Stella Rymer had been appointed Research Assistant in the Department of Physics from 1954 until 1960 and as a part-time Lecturer from 1969 until 1977. She had worked for the Department for many years after her retirement and had been a member of the University Court at the time of her death.

*10/56 The minutes (10/33-10/54) of the meeting held on 5 July 2010 were confirmed and signed.

Arising on the minutes:

Minute 10/54: Report of the Grievance Committee and process for the hearing of a Grievance appeal

It was reported that the President had heard an appeal against a decision of the Grievance Committee on 30 July 2010 in accordance with the process agreed by the Council and had determined that the appeal be not upheld.
10/57 Terms of Reference (Item 2(a))
  * The Committee received a statement of its Terms of Reference.

10/58 Disclosure of Interests (Item 2(b))
  * The Committee noted a paper from the University Secretary in regard to Disclosure of Interests.

10/59 Report on the exercise of Vacation Powers (Item 2(c))
  * The Council received a report on the exercise of Vacation Powers.

10/60 Report of the Strategy and Finance Committee held on 18 October 2010 relating to items for report (Item 2(d))
  * The Council received the report of the meeting of the Strategy and Finance Committee held on 18 October 2010 relating to items for report.

In regard to item 2 (Model Financial Memorandum between HEFCE and institutions (July 2010/19), the President observed that proposals for change initially brought forward by HEFCE had been modified in the course of consultation and had resulted in a Memorandum that was altogether more acceptable to the sector.

In regard to item 6 (Monitoring of the Corporate Plan Targets 2008-13), Dr Mueller-Harvey expressed concern at the apparent failure of the University to meet certain of the targets it had set itself, most notably that relating to mainstream QR income. The Vice-Chancellor explained that this was an ambitious and very specific target, the achievement of which had been wholly reliant upon performance in the last Research Assessment Exercise. As such it was historic and, in common with a number of other targets, was under active review by the Strategy and Finance Committee with a view to ensuring greater relevance to the rapidly changing landscape of higher education. The President commented that targets relating to entry standards and to graduate employability would assume particular importance in the course of these deliberations.

10/61 Delegation of Powers by the Council (Item 2(e))
  * The Council received a paper on the Delegation of Powers by the Council.

10/62 Availability of Council papers (Item 2(f))
  * The Council received, for its information, a paper relating to availability of Council papers.
10/63  Membership of the Council (Item 2(g))

It was reported that Professor G Marston had been appointed by the Senate to membership of the Council in Class 5 (vice Professor P M Leopold) to serve for the period ending 31 July 2013.

Resolved:

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

Report on the exercise of Vacation Powers;

Report of the Strategy and Finance Committee held on 18 October 2010 relating to items for report.

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

Items for Discussion and Decision

10/64  Report of the Vice-Chancellor

(a) The Vice-Chancellor described the uncertain policy environment faced by the higher education sector in the wake of the publication of The Independent Review of Higher Education Funding and Student Finance ("The Browne Report") and the outcome of the Comprehensive Spending Review.

In essence, and subject ultimately to the agreement of Parliament, these pronouncements had prepared the ground for a market in student fees (brought about by the removal of the present ‘cap’) and a market in student numbers (brought about by the removal of the limitations currently imposed on individual institutions) regulated by a single Higher Education Council, the role of which would be to safeguard students’ interests and the public investment in higher education. However, for now, the first element was being played out in a politically charged arena, the second awaited clarification and the third had been postponed. Definitive decisions had yet to be taken by Government, especially in relation to timing and phasing, but it was already clear that the cuts to be imposed on the sector would by far exceed any compensating effect that might result from increased tuition fees.

Nonetheless, this University was well placed to thrive in the new situation, one in which reputation would be of paramount importance. Reading boasted excellent teaching, world-renowned research, a top 200 ranking internationally, an estate showing significant investment, popularity amongst well-qualified applicants and a loyal alumni base. These factors would stand the University in good stead and the Vice-Chancellor expressed his determination that
a new funding model would not deflect it from educating talented people well, conducting outstanding research and promoting the responsible application of new knowledge.

In response to questions, the Vice-Chancellor explained that the University had not yet determined the level of tuition fee it proposed to set from 2012 onwards and did not expect to do so until the present state of flux had settled nationally. He had briefed and lobbied Ministers on both an individual and a collective basis and, in consequence, believed that the University was in as good a position as any to derive maximum benefit from the new regime.

(b) The Vice-Chancellor observed that the Government’s current restrictive current policy on migrant workers was compromising the University’s ability to attract the best staff from across the world and hoped that there might, in time, be some relaxation of the present restrictions;

(c) The Vice-Chancellor reminded the Council that, earlier in the year, he had provided it with information and reassurance on the University’s position relative to that of another institution which had attracted adverse press coverage for certain aspects of its climate science research and its compliance or otherwise with freedom of information legislation. On that occasion he had undertaken to keep the Council informed of any relevant developments.

The Vice-Chancellor now reported that the University had recently received a decision notice from the Information Commissioner’s Office in relation to its handling of a series of requests directed at a senior member of its staff working in the field of climate science. This notice had recorded a number of technical breaches of the Environmental Information Regulations (a legal instrument similar in nature to the Freedom of Information Act) but, crucially, it neither questioned the science carried out at Reading nor linked the University to any difficulties experienced elsewhere.

In advance of any instruction from the Information Commissioner’s Office to strengthen the University’s procedures in the light of this decision notice, the Vice-Chancellor assured the Council that he had already put in place a number of measures, including the unusual step of sending an e-mail to all staff urging them most strongly to undertake two simple online training exercises which were intended to promote compliance through the raising of awareness.

Resolved:

“That the Report of the Vice-Chancellor, now submitted, be approved.”
The Council received the Report of the meeting of the Audit Committee held on 15 November 2010.

In the absence of the Chairman of the Audit Committee, Mr Bartlam praised the work of Internal Audit Services and noted that, in an uncertain financial climate, it was incumbent upon the Committee to pay even more attention than hitherto to risk management.

The Council received the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2010, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

The Council noted that the Management Letter contained three recommendations, all of which were of low priority and already being addressed.

The Council received the Draft Letters of Management Representation, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

The Council received the Financial Statements for the year ended 31 July 2010, which had been submitted previously to the Audit Committee and to the Strategy and Finance Committee.

The President noted that, within the Financial Statements, the most significant line was that entitled “deficit/surplus on continuing operations” and, in this context, observed that a series of challenges lay ahead. In response to a question from Dr Mueller-Harvey, the Director of Finance and Corporate Services suggested from experience that a significant proportion of the student and sundry debt identified within the Financial Statements would yet be recovered.

The Council received a copy of the Annual Assurance Return to HEFCE, for its information in relation to Part 1 and for its approval in relation to Part 2.
The Council received a paper prepared by the Director of Finance and Corporate Services in regard to the five-year revolving credit facility of £50m into which the Council had agreed the University might enter with Barclays Bank Plc at its last meeting, setting out the formal steps which had now be taken in order to access the funds.

Resolved:

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

2. “That the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2010, be received;”

3. “That the President be authorised to sign the Letters 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.”

4. “That the Financial Statements for the year ended 31 July 2010, now submitted, be approved and adopted;”

5. “That it be confirmed that in all material respects the University has conducted its affairs during the year ended 31 July 2010 in accordance with its status as a charity and that the Vice-Chancellor be authorised to sign the Annual Assurance Return to HEFCE to this effect;”

6. “That:

   (a) a Facility Letter (the Facility Letter) from Barclays Bank plc (the Bank) to the Borrower setting out the terms and conditions upon which the Bank is prepared to make available to the Borrower a revolving facility (the Facility) in the maximum principal sum of £50,000,000 be received.

   (b) the borrowing by the Borrower of up to the full amount of the Facility on the terms and conditions set out in the Facility Letter is in the interests of and for the benefit of the Borrower and is most likely to promote the success of the Borrower and that such terms and conditions be and are approved and accepted.

   (c) That Mr D C L Savage be authorised to sign the Facility Letter on behalf of the Borrower to indicate acceptance of the terms and conditions and that Mr D C L Savage or Ms C A B Wright be authorised to sign the Finance Documents (as defined in the Facility Letter) and all ancillary documents relating to the Facility Letter.
(d) That the Bank be authorised to act in all matters concerning the Facility upon instruction from the Borrower signed in accordance with the Bank’s mandate for any of the accounts of the Borrower held with the Bank current from time to time.”

10/71 Reports of the meeting of the Strategy and Finance Committee held on 18 October 2010 relating to items for discussion and decision (Item 5)

* The Council received reports from the meeting of the Strategy and Finance Committee held on 18 October 2010 relating to items for discussion and decision.

In regard to item 5(a) University Budget Update 2010-11, the Director of Finance and Corporate Services reported that the overall position at the end of the first quarter of the financial year remained broadly in line with expectation.

In regard to item 5(b) Financial Forecasts 2010-11 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 had been modelled against an uncertain background on the basis of a series of illustrative but prudent assumptions. One such assumption had been the transfer of the residential estate to a private provider and the Council noted that any alternative solution would have a significant impact on the shape of the balance sheet. In anticipation of the cessation of HEFCE capital funding, the projected operating surplus had been increased from 3% to 5% by the end of the planning period in order that the University might be in a position to fund certain capital initiatives itself.

In response to a question from Mr Palmer, the Director of Finance and Corporate Services explained that, in the absence of any guidance from Government, due allowance had been made within the Forecasts for the continuing provision of scholarships and bursaries; and in response to a question from Dr Reed, the Vice-Chancellor commented that the University would suffer little material impact from the demise of the Regional Development Agencies.

In regard to item 5(c) Halls Accommodation Project: Third and Fourth Interim Reports, the President explained that the ‘competitive dialogue’ with potential private partners was now at an end and that final tenders from the two remaining bidders were to be submitted by 10 January 2011. In parallel, the University was continuing to pursue the option of proceeding on its own account by means of long-term borrowing and a series of alternatives would be presented to the Council for decision at its meeting on 28 January 2011.

In regard to item 5(d) Analysis of Research Grants and Contracts: FQ4 2009-10, Pro-Vice-Chancellor (Professor Williams) observed that, taking the year as a whole, the University had done well to maintain its performance at around the mid-£30m level despite an increasingly competitive research
environment and falling success rates nationally; and, furthermore, had met the stretched targets it had set for itself four years earlier. Income from Knowledge Transfer Partnerships had trebled over the past three years.

In regard to item 5(e) Major Capital Projects, the Director of Estates and Facilities Management reported in regard to the ‘amber’ notations, that the district heating system package within the Whiteknights Utilities Infrastructure Project had been deferred by approximately twelve months without detriment to the other packages of work contained within the Project. Three further Projects (Cedars and Park House, London Road Infrastructure and Library Repository) were subject to likely delay and work to minimise the effects of this was continuing. The Director of Estates and Facilities Management undertook to arrange for members of the Council to be given an opportunity to visit the newly opened Halls of Residence within the Park Group.

In regard to item 5(f) Student Recruitment, October 2010, Pro-Vice-Chancellor (Professor Robson) reported that the University had recruited to within 1% of its Home/EU undergraduate ‘control number’ and thus would not be subject to a punitive fine. Postgraduate student numbers (both for taught and for research programmes) had fallen slightly but International student numbers had increased and undergraduate entry tariffs had once again improved, on this occasion to an average of 381 UCAS points. The President of the Students’ Union commented that, paradoxically, such high standards might serve to deter applicants but this view found no support amongst other members.

In response to questions from Ms Cazimoglu, Pro-Vice-Chancellor (Professor Robson) explained that no ‘control number’ applied to International student admissions and confirmed that, in the absence of guidance from Government, due allowance had been made for the continuing provision of scholarships and bursaries in the most recent iteration of the University’s Financial Forecasts.

Resolved:

“That:

(a) the University Budget Update 2010-11, now submitted, be approved;

(b) the Financial Forecasts to 31 July 2015, now submitted, be approved as the basis for the University’s submission of Financial Forecasts to HEFCE;

(c) the Report on the Halls Accommodation Project: Third and Fourth Interim Reports, now submitted, be received;

(d) the Analysis of Research Grants and Contracts: FQ4 2009-10, now submitted, be received;
(e) the Report on Major Capital Projects, now submitted, be received;

(f) the Report on Student Recruitment: October 2010, now submitted, be received.”

10/72 Report of the Appointments Committee (Item 6)

* The Council received the Report of the meeting of the Appointments Committee held on 18 October 2010.

In regard to item 3 (Nomination of Lay Officers), the President explained that the Committee had come to the preliminary view that a dedicated Office of Treasurer cease formally to exist beyond 31 July 2011 on the basis of a thorough analysis by the present incumbent (Dr Warry) and of his own considered view as previous holder of that Office. Some members urged caution whilst others expressed their unqualified support for such a development.

In regard to item 4 (Lay Membership of the Council), the President explained that the Committee had come to the preliminary view that dedicated Local Authority representation on the Council cease beyond 31 July 2011 in response to persistent pressure to reduce the overall size of the Council and with an eye to ensuring that, within a reduced number, every lay member could give sufficient of their time to participate fully at all levels of the University’s governance structures. Neither Local Authority representative was present at the meeting but one (Councillor Swaddle) had expressed some concern at this development in correspondence with the President. The proposal attracted no comment but the President asked for any particular views that members might hold to be relayed directly to him.

Resolved:

“1. That, with reference to item 2,

(a) Mr S P Sherman be appointed to the Support Services Policy Committee (vice Councillor P M Jones) for the period ending 31 July 2013.”

(b) Mr D Carpenter be appointed to the Research Ethics Committee (vice Professor N Wellman) for the period ending 31 July 2013.”

“2. That the Report of the meeting of the Appointments Committee held on 18 October 2010, now submitted, be approved.”
10/73 Report of the Support Services Policy Committee (Item 7)

* The Council received the Report of the meeting of the Support Services Policy Committee held on 18 October 2010.

The Vice-President reported that, on this occasion, the Support Services Policy Committee had undertaken a thematic consideration of the cultural enrichment provided *inter alia* by the University’s museums and collections and intended at its next meeting to focus on health and wellbeing. She had suggested earlier in the day that strategic overview of museums and collections might better rest on behalf of the Council with the Strategy and Finance Committee and the President had undertaken to consider the matter. Meanwhile, the Dean of the Faculty of Arts and Humanities drew attention to the policy documents which existed in relation to the contribution made by the University’s museums and collections to teaching and learning and to research and undertook to furnish Mrs Scott with copies of these.

At the invitation of the President, Pro-Vice-Chancellor (Professor Robson) outlined a number of initiatives that were underway in regard to graduate employability and explained that, in consequence of these, a fundamental Review of the Careers Advisory Service was being conducted.

**Resolved:**

“That the Report of the meeting of the Support Services Policy Committee held on 18 October 2010, now submitted, be approved.”

10/74 Report of the Senate (Item 8)

* The Council received the Report of the meeting of the Senate held on 13 October 2010.

Professor Hodge suggested that the principal current affiliation of each candidate for the title of Visiting Professor routinely be included within future Reports of the Senate and the University Secretary undertook to put this into effect.

**Resolved:**

“1. That, with reference to item 1, under the exceptional provisions of Ordinance XXIV the title of Dean Emeritus of the Henley Business School be conferred on Professor C J Bones.”

“2. That, with reference to item 2, the following members of the Academic Staff who are retiring early be accorded the title of Honorary Fellow from the date indicated until his or her normal retirement date:

Mr M.J. Andrews (1 October 2010)
Mr R. Butler (1 January 2011)
Mrs M. Cutts (1 August 2010)  
Dr E. Edwards (1 August 2010)  
Mrs P.E. Goodwin (1 September 2010)  
Mrs G.F. Grogan (1 January 2011)  
Mrs A. Kirk (1 August 2010)  
Ms H. Leonard (1 August 2010)  
Mrs E.R. Phillips (1 October 2010)  
Mr B. Rowe (1 July 2010)  
Mrs E.A. Smith (1 October 2010)  
Mrs S.M. Walker (1 October 2010).

“3. That, with reference to item 3, the following be accorded the title of Visiting Professor:

(a) **School of Biological Sciences**  
Dr D. Fox for the period ending 30 September 2013

(b) **School of Chemistry, Food and Pharmacy**  
Dr A. Shivji for the period ending 30 September 2013

(c) **School of Construction Management and Engineering**  
Ms Z. Strelitz for the period ending 30 September 2013

(d) **Centre for Food Security**  
Dr D. Gregory for the period ending 30 September 2013

(e) **School of Human and Environmental Sciences**  
Professor P. Bardos for the period ending 30 September 2013  
Professor S. Morse for the period ending 31 July 2013

(f) **School of Humanities**  
Dr A. Borg for the period ending 30 September 2013

(g) **ICMA Centre**  
Professor V. Nienhaus for the period ending 30 September 2013

(h) **School of Mathematical and Physical Sciences**  
Professor U. Ehrenmark for a further period ending 31 July 2013

(i) **School of Politics and International Relations**  
Air Chief Marshal Sir Brian Burridge for the period ending 30 September 2013

(j) **School of Real Estate and Planning**  
Mr B. Varcoe for the period ending 30 September 2013.

“4. That the Code of Behaviour for those residing in University Accommodation, now submitted, be approved.”

“5. That the Report of the meeting of the Senate held on 13 October 2010, now submitted, be approved.”