

Council

18/13 A meeting of the Council was held in Room 201, Carrington Building, on Monday 19 March 2018 at 2.15 pm.

The President
The Vice-Presidents (Mr R.E.R. Evans and Mrs K. Owen)
The Vice-Chancellor
The Deputy Vice-Chancellor
The Pro-Vice-Chancellor (Professor G. Brooks)
The Pro-Vice-Chancellor (Mr V. Raimo)
The Pro-Vice-Chancellor (Professor R. Van de Noort)

Professor J. Board
Professor L. Butler
Mr K. Corrigan
Dr P. Erskine
Professor C.L. Furneaux
Ms H. Gordon
Miss R. Lennon

Professor J.R. Park
Mr S.C.C. Pryce
Dr B. Rawal
Mr S.P. Sherman
Mr T. Spencer
Professor S.F. Walker
Ms S.M. Woodman

The Chief Strategy Officer and University Secretary

In attendance:

The Chief Financial Officer
The Director of Quality Support and Development
The Head of Strategic Projects (Dr K. Hough) (*for Minute 18/23only*)

Apologies were received from Mr T. Beardmore-Grey, Mrs P. Egan, and Ms M. Hargreaves.

The President reported that Lord Crisp and Mrs S.L Webber had resigned from the Council, [redacted, section 40]. Both had expressed their appreciation of their involvement in the Council and the University, and offered to continue to be involved as time allowed. The Council thanked Lord Crisp and Mrs Webber for their valuable contributions to the Council's work.

18/14 The minutes (18/01-18/12) of the meeting held on 25 January 2018 were confirmed and signed.

Items for note

18/15 Documents sealed and to be sealed (Item 4.1)

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."

Main items of business: strategic matters for discussion and decision

18/16 Effectiveness of Council (Item 5)

The Council received an analysis of the results of the recent survey on the effectiveness of Council, and the President gave a presentation on the outcomes. He thanked Mrs Owen, Miss E. Saxon, Senior Administrative Officer, Dr Messer and members of the Council for their support in this work.

The survey had sought members' feedback on the Council's role and remit, the effectiveness of its workings, and on the individual's role in Council. The President would address matters relating to individuals' roles and performance with those concerned outside the meeting. The response rate for the survey was 78%.

The survey indicated that:

- (a) Members were broadly content with the University's strategy, although some questions were raised about the respective responsibilities of the University Executive Board and the Council for ownership of the strategy, the extent to which the Council referred to the strategy in its discussions, and the relationship between the University's long-term strategy, extending to 2026, and the fast-moving external environment. Some members commented on a constructive alignment between the Council and the executive, but wondered whether Council offered sufficient challenge.
- (b) There was broad support for the role of KPIs in performance management, but some questioning of the limited discussion which they prompted and the difficulty of contextualising performance in relation to the sector or the wider external environment. There was some comment that the Council was too large and unwieldy to manage performance effectively.
- (c) Members were generally satisfied with the current financial controls and risk management, which were generally exercised through sub-committees, but they would welcome greater clarity in the information available to Council and a sharper focus on key financial indicators and key risks rather than an extended narrative.
- (d) The greater salience of the student voice in recent meetings was valued, but more work could be done in this area. There was concern that the Council had limited understanding of the views of the academic

community and of staff more broadly, and had limited understanding of Senate's exercise of academic governance.

- (e) In relation to the size of Council, members acknowledged the efficiencies associated with a small membership, but were also mindful of the value of including representation from a broad range of stakeholders.
- (f) Members recognised the value of committees in giving detailed consideration to complex matters, but some felt that those who were not members of the major committees did not have sufficient awareness of the issues to make a significant contribution to Council's discussion. Fuller reports from those committees and provision of the associated papers would help to enfranchise the wider membership of the Council. There might also be value in convening *ad hoc* committees or working groups to address specific issues.
- (g) There was concern that the Council might not be making best use of the expertise and experience available in its membership, and that a skills audit and register would help to ensure that members were able to make a fuller contribution.
- (h) It would be helpful for Council to have a better understanding of emerging issues and a longer perspective on developments in higher education in order that it might anticipate rather than react to changes.

The Council thanked the President for his presentation and discussed at length the issues raised.

The Council acknowledged the difficulty of reconciling a large, representative governing body, which included a broad range of stakeholders, with effective, deliberative decision-making on complex matters. It noted a number of alternative solutions, including: a much smaller Council (with a dozen or so members) which met more frequently (possibly monthly); and retention of a large membership, but with a reconfigured committee structure and more effective reporting, which enabled the Council to have a fuller understanding of the issues and to evaluate recommendations more rigorously. It was felt that currently committee reports often represented only the outcome of the discussion rather than debate itself. Some members of the Council were concerned that, since issues had already been carefully considered by the relevant committee, repetition of the discussion in Council would be redundant, and that Council should be selective, focussing on the most critical, strategic issues. In such a model, decision-making on a wider range of matters might be devolved to Council's committees.

Professor Butler suggested that the Council's responsibilities and work was poorly understood by the Senate and the University more widely, and equally wondered whether Council might benefit from a better understanding of the Senate's work. The review group might usefully consider structures which would foster greater engagement between the Council and the Senate and promote mutual understanding. Mr Evans spoke of the Council and Senate's shared responsibility and commitment to uphold the fundamental values of the University, and the need to ensure that the review of Council and the strategy was grounded in those values.

The President and the Vice-Chancellor affirmed the need for Council to refresh its structure and operation, informed by a clear sense of its values and purpose, in order to meet the challenges of the current, turbulent higher education environment.

The Council agreed to establish a review to give further consideration to: the Council's mission, purpose, and strategy; how the Council might further develop the strategy; the effectiveness of its governance and its risk and financial management; and the size and role of the Council.

18/17 Oral Report on RUSU Priorities (Item 6)

The Council received an oral update on the student experience from Mr Spencer, RUSU President, and Miss Lennon, RUSU Welfare Officer.

Mr Spencer reported that there was widespread concern among students about the industrial action being taken by UCU and its impact on their education. There were, however, different views about the position which RUSU had taken on the strike, namely that RUSU supported UCU's stance in relation to the proposals for the Universities Superannuation Scheme (USS), but did not support the industrial action, which disadvantaged students. A petition on the matter had reached the threshold specified in the RUSU Constitution to mandate a referendum on RUSU's position, which would now be held early in the Summer Term.

Mr Spencer reported that the RUSU Elections had been held and that the new team of sabbatical officers would take up their positions towards the end of June 2018. Four thousand students had participated in the elections, which was slightly lower than the previous year. Mr Jason Dabydoyal, President-elect, and Dan Bentley, Welfare Officer-elect, would serve on the Council next Session.

Mr Spencer reported that the estimated costs for some of the projects under the £1m student experience fund had increased substantially, and that, in consequence, the programme of projects was being reprioritised to remain within the budget. [Redacted, Section 43].

Mr Spencer indicated that the University had extended the range of study space available to students while the Library was being refurbished, but further issues might arise next term as students revised for the end-of-year examinations.

Miss Lennon welcomed the University's commitment in relation to the proposed student hotel, and referred to the forthcoming Varsity sports competition with Oxford Brookes University, the continuing success of the University's football and rugby teams, ongoing student health campaigns, and her work in raising issues about accessibility. She regretted to report that an LGBT+ Officer had not been elected in the RUSU Elections.

18/18 Report of the Student Experience Committee (Item 7)

The Council received the Report of the meeting of the Student Experience Committee held on 5 February 2018.

Mrs Owen reported that, with effect from the Session 2018/19, the remit of the University Board for Teaching and Learning would be extended explicitly to include student experience, which would enable the University to establish more effectively priorities across the student experience. The Student Experience Committee had undertaken to review its own terms of reference to allow a more holistic oversight of the student experience, including its academic dimensions.

Mrs Owen also referred to the creation of a University guarantor scheme and a refugee scholarship scheme as examples of successful collaboration between RUSU and the University to improve provision for disadvantaged groups of students.

She advised that the Committee was currently giving extended consideration to student well-being and expected to report on this matter to the Council in July.

Resolved:

“That the Report of the meeting of the Student Experience Committee held on 5 February 2018, now submitted, be approved.”

18/19 Report of the Senate (Item 8)

The Council received the Report of the meeting of the Senate held on 7 March 2018.

The Chief Strategy Officer and University Secretary reported on the new regulatory framework which had been announced by the Office for Students (OfS), the lead regulator for higher education (excluding research) with effect from 1 April 2018. Universities were required to meet the initial conditions for registration not later than 23 May 2018 and the full conditions not later than August 2019. While the outline of the regulatory requirements was generally clear, there were many issues which remained unresolved; it was hoped that a meeting with the OfS, to be held shortly, would clarify outstanding issues in relation to initial registration. The Chief Strategy Officer and University Secretary explained the main conditions for initial registration, including: a requirement for each higher education provider to publish a risk-based Student Protection Plan, which set out how the provider would protect students' interests in the event that the institution, a campus or a programme closed; a requirement to publish a statement on the provider's compliance with consumer law; conditions related to good governance; fulfilment of obligations under Prevent duty; and a statement demonstrating how the provider offered value for money for both students and the taxpayer. He assured the Council that the University was well-placed to meet all the initial conditions. Given that the deadline for registration fell before its next meeting, the Council authorised the President, acting in conjunction with the Vice-Presidents and Chair of the Audit Committee, to approve the submission, on its behalf.

The Vice-Chancellor indicated that he would refer to the Senate's actions in respect of the industrial action under his Report to the Council (Minute 18/23).

Resolved:

“That the Report of the meeting of the Senate held on 7 March 2018, now submitted, be approved.”

18/20 University of Reading Malaysia (Item 9)

The Vice-Chancellor reported on developments in respect of the University of Reading Malaysia (UoRM) and the Strategy and Finance Committee’s consideration of how to proceed.

[Redacted, section 43].

18/21 Report of the Audit Committee (Item 14)

The Council received the Report of the meeting of the Audit Committee held on 15 February 2018.

Mr Sherman reported that the contract for the external auditor was due to expire, and that, following the cancellation of an earlier tender process, the University was now tendering to appoint a replacement auditor. KPMG, the current external auditor, had not yet finished its work. Depending on the timing, the President might be asked to approve the appointment of the auditor. [Post meeting note: the President has approved on behalf of the Council the appointment of Deloitte as the University’s external auditors, on the recommendation of the Chair of the Audit Committee, following a selection process.]

Mr Sherman advised that the Committee had noted the requirements for the registration of higher education providers with the newly-established Office for Students.

Resolved:

“That the Report of the meeting of the Audit Committee held on 15 February 2018, now submitted, be approved.”

18/22 10 Year Capital Programme (Item 10)

The Council received a paper on the 10 Year Capital Programme, prepared by the Pro-Vice-Chancellor (Academic Planning and Resource) (Professor Van de Noort).

[Redacted, section 43].

Resolved:

“That a paper on Capital Planning, now submitted, be approved.”

18/23 Report of the Vice-Chancellor (Item 11)

The Vice-Chancellor:

- (a) gave a presentation, jointly with Dr K. Hough, Head of Strategic Projects, on the Major Projects Tracker and how the Council might engage more fully with the progress of major projects. Dr Hough outlined the drivers and purpose of the tracker, the criteria which qualified projects for inclusion in the tracker, the principles underpinning their governance, and current practices for their management. She noted that some of the activities included in the tracker were not strictly projects, but were business as usual which were either new, such as the School of Architecture and Nanjing University of Information Science and Technology (NUIST), or exceptional, such as Malaysia and land disposals. She referred to improvements in the communication of projects, their rationale and progress, to the wider University community, which had been identified as a shortcoming in the recent staff survey. The Vice-Chancellor spoke of the need for the University Executive Board, at the outset, to articulate clearly to the Council the drivers and purpose of projects, and equally to ensure that lessons from post-project reviews were learned and widely disseminated across the University to inform future practice in relation to projects and project-like activity. He believed that the recent introduction of post-project reviews had been valuable, as evidenced by the reflection on the stages of the UoRM project from conception to implementation. He welcomed the Council's close scrutiny of those projects which were not progressing as expected.

Lay members of the Council valued recent changes in the University's governance of projects and the improved disciplines in their management, which had led to clearer definition of the objectives of projects, more fully developed project plans, more explicit tracking of projects, and systematic post-project reflection. The Council was content that its scrutiny of the progress of projects be by exception, focussing on those which had been flagged amber and red, but also understanding the factors which had led projects to change from amber to green.

In response to questions, the Deputy Vice-Chancellor advised that the UEB would shortly be reflecting on its appetite for risk, following a meeting facilitated by an external consultant, and would consider how risks could be represented more effectively in proposals and progress reports to the Strategy and Finance Committee and the Council. The Vice-Chancellor acknowledged that organisational capacity was an important dimension of risk and undertook to consider how this might be articulated and inform prioritisation;

- (b) indicated that his regular e-mail briefing would be circulated shortly and would refer to a range of non-urgent matters;
- (c) reported on the progress and impact of the industrial action being undertaken by the University and College Union (UCU). The industrial action was being taken over proposed revisions to the Universities Superannuation Scheme (USS), which, while preserving benefits to date, would replace a defined benefits scheme with a defined

contribution scheme. UCU was proposing that the defined benefit scheme be retained and that both employers and staff make increased contributions, while the employers believed such a proposal was neither affordable nor sustainable. Negotiations between UCU and Universities UK (UUK), supported by the Advisory, Conciliation and Arbitration Service (ACAS), had made some progress, but the outcome of the first round of talks had been rejected by UCU branches.

During the first fourteen days of strikes, spread over four weeks, some 450 of the 600 or so UCU members at the University had been on strike for one day or more, and some 20% of classes during this period had been lost. The impact on students had been uneven, with some Schools barely affected and others severely affected. The industrial action was also having an impact on other aspects of the University's work, including strategic projects. Following its rejection of UUK's offer, UCU was now planning further action, including fourteen days of strikes in the Summer Term, and had invited External Examiners to consider resigning from their roles, which were critical to the award of degrees.

The Vice-Chancellor emphasised that he respected the right of UCU members to strike, and also paid tribute to the many colleagues across the University who were making substantial efforts to mitigate the consequences of the industrial action. He thanked the Pro-Vice-Chancellor (Teaching and Learning) (Professor Brooks), who was chairing a Strike Action Group, for leading this work.

Professor Brooks outlined the actions being taken to mitigate the consequences of the industrial action. He explained that provision was being made to amend examination papers in the light of 'lost' teaching and for special consideration to be given to students who had been adversely affected by the industrial action. He also outlined the measures approved by the Senate, which made alternative provisions for classification and progression on the basis of an incomplete set of marks. The University's maintenance of robust academic standards was paramount.

The Council noted that a number of students and parents had raised questions about the possibility of financial compensation for missed teaching. The University had adopted the position that it would not offer financial compensation, and that monies saved from salaries due to the strike would be directed, in the first instance, towards mitigating the consequences of the industrial action and then towards support for student and staff well-being.

The Deputy Vice-Chancellor reported that a small group of students ([redacted, section 40]) had occupied part of the third floor of Whiteknights House for the period 12-16 March. The Deputy Vice-Chancellor had led the University's management of the incident, which had prioritised the health and safety of protestors and staff and had sought to establish a reasoned dialogue with the protestors. The University had applied for a court order for the removal of the protestors, but, in the end, they had left voluntarily. The occupation had been disruptive, impeding the University's normal conduct of its

business. The Deputy Vice-Chancellor paid tribute to the security team for their hard work, professionalism and patience during the occupation.

Mr Spencer reported that the RUSU Trustees Board had agreed RUSU's position on the industrial action, namely that they supported UCU's demands on pension provision, did not support the industrial action since it was detrimental to students, and would work to ensure adequate mitigation of the consequences of industrial action on students. RUSU had sought to adopt a nuanced position, being mindful of the complex network of conflicting interests which RUSU represented: on the one hand, undergraduate and postgraduate students were missing teaching, feedback and assessment due to the industrial action; and, on the other hand, many PhD students aspired to an academic career and had a material interest in maintaining the current structure of USS, while all students had an interest in the University's ability to attract and retain staff of the highest quality. RUSU's position on the strike had, however, been challenged and, following the success of a petition, a referendum would be held early in the Summer Term on whether RUSU should support the industrial action.

In response to questions, Mr Spencer clarified that a referendum outcome in support of the industrial action would be more than symbolic, and that RUSU would be mandated to take action, as yet unspecified, to support the strike. He indicated that it was difficult to anticipate the outcome of the referendum. Those seeking a change in the RUSU position had some momentum, given that they had been campaigning for the petition, but RUSU was seeking, in the interests of democracy, to ensure that the alternative view was also promoted effectively. RUSU would not itself engage in the referendum campaign since it would be charged with implementing the eventual outcome of the referendum and did not want to have set itself in opposition to the student voice.

In response to a question from Mrs Owen, prompted by a UCU leaflet distributed to Council members as they entered the building, the Vice-Chancellor indicated that a small number of Heads of School and Function had participated in the industrial action, including some who had taken action on all the strike days. The Vice-Chancellor respected their right to strike and had been careful not to make assumptions about the position of staff, including senior staff, in relation to the industrial action.

The Council thanked Professor Brooks, Professor Mithen, the security team, and colleagues across the University for their work in relation to the occupation and the mitigation of the consequences of the industrial action.

Resolved:

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

18/24 Report of the meeting of the Strategy and Finance Committee (Item 12)

The Council received a Report of the meeting of the Strategy and Finance Committee held on 5 March 2018 relating to items for report.

The Committee noted the Road Map to a Medical School, which had been informed by the deeper understanding of the financial, regulatory and capacity issues developed during the earlier work on the project. In response to a question from Ms Woodman, the Vice-Chancellor explained that the road map outlined a series of stepped stages progressing towards the establishment of a medical school, which were not, at this stage, resource-intensive, and, in consequence, did not present immediate capacity issues. It was prudent for the University to position itself to make a bid for a medical school, in collaboration with its partners, when the next opportunity arose.

[Redacted, section 43].

The Committee noted that Reading Borough Council Planning Committee had declined the planning application for the re-development of St Patrick's Hall, contrary to the recommendation of its planning officers. The University was currently considering how to address the long-term need for increased hall accommodation capacity. The Planning Committee's decision meant, however, that St Patrick's current complement of 300 rooms would still be available to accommodate students in the Session 2018/19.

Resolved:

“That the Report of the meeting of the Strategy and Finance Committee held on 5 March 2018 relating to items for report, now submitted, be received.”

18/25 Report of the Appointments and Governance Committee (Item 13)

The Council received the Report of the meeting of the Appointments and Governance Committee held on 30 January 2018. Mr Pryce and Mr Evans withdrew for this item.

The President reported that Professor Parveen Yaqoob, Head of School of Chemistry, Food and Pharmacy, and Professor Dominic Zaum, Research Dean for Prosperity and Resilience, had been appointed to the post of Pro-Vice-Chancellor (Research and Innovation) on a job-share basis. The Council welcomed the appointment.

The President noted that Mr Evans's term of office as a member of Council would expire on 31 July 2018, and proposed that he be re-appointed for a period of three years to July 2021 and that he continue to serve as Vice-President and as Chair of the Remuneration Committee for that period. The President reminded the Council that he wished to promote fresh thinking and therefore, normally, to seek new appointments to roles as terms of office expired rather than re-appointing. However, given the intense focus on issues around senior staff remuneration, there was merit in maintaining continuity in the Chair of the Remuneration Committee and in ensuring that the Chair had a good commercial awareness of remuneration and reporting. He noted the requirement that the Remuneration Committee be chaired by a Vice-

President. In order to allow Mr Evans to fulfil his responsibilities as Vice-President and Chair of the Remuneration Committee, the President also proposed that Mr Pryce be appointed Chair of the Investments Committee *vice* Mr Evans.

Professor Park, while welcoming the appointments of Mr Evans and Mr Pryce, asked that consideration be given to the future process for appointments to such roles, and suggested that election by Council members might be appropriate. The President undertook to consider the matter in the work on the effectiveness of Council.

Resolved:

1. “That Mr R.E.R. Evans be re-appointed to the Council in Class 2 for a period of three years to 31 July 2021, and that he be re-appointed as Chair of the Remuneration Committee;”
2. “That Mr S.C.C Pryce be appointed as Chair of the Investments Committee for the period 1 April 2018 to 31 July 2019;”
3. “That the Report of the meeting of the Appointments and Governance Committee, held on 30 January 2018, now received, be approved.”

18/26 Report of the Joint Standing Committee of Council and Senate on Honorary Degrees (Item 15)

The Council received a Report of the Joint Standing Committee of Council and Senate on Honorary Degrees.

The President reminded the Council that the information contained within this Report should be regarded as strictly confidential until such time as the proposed recipients had been contacted and had accepted the University’s invitation.

Resolved:

“That the Report of the Joint Standing Committee of Council and Senate on Honorary Degrees, now submitted, be approved.”

18/27 Report of the Investments Committee (Item 16)

The Council received the Report of the meetings of the Investments Committee held on 11 December 2017 and 26 February 2018.

Mr Evans, as Chair of the Committee, reported that the Committee had reflected on how its role might develop to make a fuller contribution to the University. The Committee considered that it had a responsibility to seek out value across all the University’s investments. Hitherto, the Committee had clearly distinguished between academic/operational assets and surplus/investment assets; however, the Committee was increasingly mindful of grey areas where assets were currently surplus, but might, in future, be useful for academic needs. The Chief Financial Officer would identify those parts of the estate which were definitely investment properties, and would ask

the University Executive Board to advise on the categorisation of assets which fell within the grey area.

Resolved:

“That the Report of the meetings of the Investments Committee held on 11 December 2017 and 26 February 2018, now submitted, be approved.”

18/28 Report of the Remuneration Committee (Item 17)

The Council received the Report of the meeting of the Remuneration Committee held on 30 January 2018.

Mr Evans, as Chair of the Committee, reported that the Committee had considered at length the draft Remuneration Code which had been developed by the Committee of University Chairs. The Remuneration Committee had endorsed the draft Code and had concluded that the University would have no difficulty in meeting the proposed requirements in the Code. In future, the Committee would provide longer and more detailed reports on its consideration and decisions in respect of senior staff remuneration, would be more explicit in its benchmarking and extend the range of comparators beyond the higher education sector, and would communicate its decisions and reasoning more widely and effectively.

Resolved:

“That the Report of the meeting of the Remuneration Committee held on 30 January 2018, now submitted, be approved.”

18/29 Outgoing RUSU Officers

The President noted that Mr Spencer and Miss Lennon were attending their last meeting of the Council. He thanked them for their valuable contributions to the Council and for their wider service to the Students' Union and the University community. Mr Spencer and Miss Lennon thanked the Council for its support for improving the student experience.

18/30 Date of the final meeting of the Council in the Session 2017-18

The final meeting of the Council in this Session would be held on Monday 9 July 2018 at 2.15 pm at the Thames Valley Science Park.