COUNCIL
MEETING HELD ON 26TH MARCH 2012
APPROVED MINUTES

<table>
<thead>
<tr>
<th>Members</th>
<th>Meeting 1 12.10.11</th>
<th>Meeting 2 14.11.11</th>
<th>Meeting 3 30.01.12</th>
<th>Meeting 4 26.03.12</th>
<th>Meeting 5 14.05.12</th>
<th>Meeting 6 16.07.12</th>
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<td>Mr Apurv Bagri (Chair to 30.01.12)</td>
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<td>Mr Rob Woodward (Chair from 1.02.12)</td>
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<td>Mr Roger Bright (Deputy Chair from 1.02.12)</td>
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<td>Professor Paul Curran (VC)</td>
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<td>Dame Lynne Brindley</td>
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<td>Professor Sir Drummond Bone</td>
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<td>Ms Cherry Freeman</td>
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<td>Mr Andrew Halper</td>
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<td>Ms Philippa Hird</td>
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<td>Dr John Low</td>
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<td>Mr Kieran Murphy</td>
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<td>Ms Carolyn Regan</td>
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<td>Professor Dinos Arcoumanis</td>
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<td>Professor David Bolton</td>
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<td>Mr Richard Gillingwater</td>
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<td>Mr Philip Harding</td>
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<td>Professor Stanton Newman</td>
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<td>Mr Rob Scully</td>
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<td>Professor Christina Slade</td>
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Key: ✓ In Attendance   A Apologies   P Part Attendance   N/M Not a Member   * Conflict of Interest

<table>
<thead>
<tr>
<th>In Attendance</th>
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<tr>
<td>Mr Frank Toop</td>
<td>University Secretary</td>
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<tr>
<td>Miss Xan Kite</td>
<td>Assistant University Secretary</td>
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<tr>
<td>Ms Kathy Kingwill</td>
<td>Governance Administrator</td>
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<tr>
<td>Professor Richard Verrall</td>
<td>Pro-Vice-Chancellor (Strategy and Planning)</td>
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<tr>
<td>Ms Mary Luckiriam</td>
<td>Director of HR</td>
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<tr>
<td>Professor Susan Nash</td>
<td>Dean, City Law School (for Items 8 &amp; 9)</td>
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<tr>
<td>Professor Ken Grattan</td>
<td>Dean, Schools of Engineering &amp; Mathematical Science and Informatics (for Items 8 and 9)</td>
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<tr>
<td>Professor Howard Tumber</td>
<td>Dean, Schools of Arts and Social Sciences (for Items 8 &amp; 9)</td>
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<tr>
<td>Mr Kevin Gibbons</td>
<td>Director of Property and Facilities (for Items 8 &amp; 9)</td>
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<tr>
<td>Mr Paul Haley</td>
<td>Chief Information Officer (for Items 8 &amp; 9)</td>
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<tr>
<td>Dr Graham Daborn</td>
<td>Executive Officer to Vice-Chancellor (for Items 8 &amp; 9)</td>
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<tr>
<td>Ms Susan Kay</td>
<td>Director of Strategy and Planning (for Items 8 &amp; 9)</td>
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Council sent its best wishes for a speedy recovery to Cherry Freeman.

1. **Highlighted Items**
   Council agreed to star item 14.1 for discussion. Council agreed to take Items 8 and 9, the Strategic Plan and Estates Strategy, after item 20.

2. **Minutes**
   The minutes of the meeting held on 30th January 2012 were approved.

3. **Matters Arising**
   Council noted the table of actions and deferred its review to the next meeting.

4. **Conflicts of Interest**
   Members would indicate any conflicts of interest at the time of the item to which those conflicts pertained.

5. **Items Specially Brought Forward by the Chair**
   The Chair noted that new Council Member, Philippa Hird, would join the meeting at half past five and welcomed her to her first meeting upon her arrival.

   The Chair thanked Professor Grattan and the staff and students of the Schools for the visit to the Schools of Engineering & Mathematical Science and Informatics held prior to the meeting of Council.

**Part Two – Major Items for Discussion or Decision**

6. **Vice-Chancellor's Report**
   The Vice-Chancellor highlighted several items from his report, in particular:

   (i) The University was on track to recruit to target on the higher entry tariffs set for 2012 but the normal conversion ratios would not apply and so the uncertainty was greater.

   (ii) The HEFCE draft grant announcement was approximately £2M higher than the University had estimated for 2012/13 at c. £29M. This was due to several reasons including the weighting for London Institutions increasing from 8% to 12% for 2012/13. The continuation of this higher weighting for future years was currently the subject of consultation.

   (iii) Interviews for the PVC (Research and Enterprise) would be held at the beginning of April.

   (iv) QAA Review preparations were underway.

   (v) Module evaluations had been completed by students for all modules for the first time. These evaluations would form part of the new standard academic CV.

   (vi) Preparation of the draft REF submission would begin in April.

   (vii) The spin-out company Heliex Power Ltd was expecting further investment. However, successes were still rare. The Strategic Plan committed the University to the further development of its enterprise activity.
(viii) Difficult decisions were being taken to maintain on course to deliver the 2011/12 financial results set out in the mid-Year Forecast.

*This item is continued in Section B of the Minutes, Closed business.*

*Philippa Hird and Dr John Low joined the meeting at this point.*

7. **The City Graduate School**

Council approved the establishment of a Graduate School, in principle, subject to Senate’s review of its terms of reference and operational details following consideration of a report from a Senate working group.

Council noted that the School was for doctoral students only and had a nominal cost of £100k supplemented by staff secondments from other parts of the University.

8. **The University Strategic Plan**

Council received a paper on the University Strategic Plan 2012-16 and investment proposal structured as a detailed “Storyboard” together with supporting Appendices. The plan had been discussed at two informal meetings of the Strategy, Implementation and Performance Committee (which at that time had still to be formally constituted). These covered the content of the paper and what should be presented at the Council meeting. Appendix 1 contained the proposed University Strategic Plan 2012-16. Subject to the approval of Council, this would, with slight modification, be published on the University staff intranet and used to promulgate the Strategic Plan throughout the University. The proposed KPIs focused on academic reputation, financial sustainability and environmental sustainability. Council received a presentation from the Executive on the Strategic Plan.

Council recognised that the Strategic Plan was ambitious and the investment proposed would eliminate the current cash reserves of the University. There was unanimous support for taking the Strategic Plan forward, but there was recognition that the risk existed that the Strategic Plan would not succeed and that the funding would then not be available to try again. In addition to implementation risks, this was due to the significant changes occurring in the Sector, the many external factors that were not in the control of the Executive and the fact that Universities were in competition and generally seeking improvements to their academic reputation. The important role of the new Strategy, Implementation and Performance Committee in monitoring implementation was stressed, as Council needed to be able to recognise when and how the Strategic Plan should be flexed. Council stressed the importance of communications and culture change during implementation of the Strategic Plan. Council congratulated the Executive on the quality of the Strategic Plan document and their efforts to answer the questions posed by Council members.

Council members discussed the following key risks:
- The future QR funding model was uncertain. The Strategic Plan used the current funding model but there was political pressure to increase the QR funding for top quality research and other Universities would be seeking to improve their ratings. It was noted that the financial impact of QR was not large. However the December 2014 REF results would be crucial in terms of reputation;
The Strategic Plan relied on growth in undergraduate numbers at a time of turbulence in the HE System and when the rules allowing there to be no cap on admitting students with ‘A’ level grades of AAB and above were likely to be subject to further change. The University did not have control of this external factor. However, the University was offering one of the best Scholarship schemes to attract AAB+ students, and the shift of students from Health to Cass and Law helped as the latter were strong recruiters of students with AAB+ grades at ‘A’ level. Any increase in the scope of deregulation to grades below AAB would be helpful to City. There was risk but also opportunity;

The Strategic Plan relied on significant post-graduate growth at a time when potential UK students would have to consider (more than at any previous time) whether postgraduate degree study was affordable. It was recognised that there were areas where growth could be targeted such as: - international students and part-time provision;

The achievement of a 2% cost saving each year in Professional Services would be very challenging at a time when the University was growing. It was recognised that there were opportunities to be explored in shared services and that Professional Services had yet to be optimised for the University; and

There was concern that the project management for Information Services might not be of a sufficiently high standard. It was recognised that the implementation of such projects in government and the private sector was often problematic and ARC had noted considerable deficiencies in Information Services which the new CIO was prioritising for improvement.

Council noted the following other issues raised by members

The Strategic Plan acknowledged that there were weaker academic areas but was not clear on what would be stopped. The Executive would be examining several sub areas of activity within Schools and would consider whether these sub areas should continue in their current form;

There was concern that the KPIs and PIs were predominantly retrospective and not forward looking. This raised the issue as to whether Council would have the information to evaluate what should be flexed as the Strategic Plan was implemented. The Executive did use predictive indicators for operational purposes;

There was a need for adequate HR support for this change management programme;

There was a cost of implementing a change programme and this level of resourcing should be adequate and transparent;

The Strategic Plan required speedy implementation and this needed to be balanced against the human capacity to achieve this and the necessary cultural change;

The Strategic Plan provided an opportunity to create a model for future change and to consider leadership capability in the University. Many academic staff were looking forward to the change: - these staff and the newly recruited research-excellent staff would be ambassadors for change. However, there were challenges in managing change for those staff who were in any areas where disinvestment was proposed or who were not performing at the level of academic performance required. The latter category of staff would be managed through the University’s capability procedures;

The expectations of the new staff would be higher and this would need to be managed;
• Good communications were vitally important and needed to be tailored for different audiences. The Executive were implementing an agreed communications plan;
• The question was raised as to whether the international opportunities had been sufficiently reflected in the Strategic Plan;
• It was important that “pet projects” did not proceed. All projects approved must contribute significantly to achieving the Strategic Plan;
• Following successful implementation the turnover at 2016/17 of £230M would still be relatively small for a research-led institution; and
• The targeted income for Enterprise included only items specified in the HE-SA return which were a limited set. For example, they excluded Cass Executive Education where significant growth was planned – from £3M to £10M per annum,

Council approved:
(i) The University Strategic Plan 2012-16 and its communication as planned;
(ii) The four institution level key performance indicators, noting that the Executive would also be monitoring a range of performance indicators at institution and School level for which there would be appropriate milestones;
(iii) The overall investment envelope, in principle, predicated on the University’s 2016 profile. Business cases for £30M property and facilities spend would be brought forward at the May 2012 Council meeting in addition to the 2012/13 budget for approval. Further business cases will be brought to Council for approval during the plan period at the appropriate time for consideration within the context of performance milestones;
(iv) The recruitment of a further 59 academic posts (“Phase Two”) on the understanding that this would be a commitment of £17.3M over the plan period; and
(v) To bring forward £0.5M of Information Services spend into 2011/12.

9. The University Estates Strategy
Council approved the Estates Strategy 2012-2017 for submission to HEFCE, subject to some editing and correction of a minor error. It replaced the previous strategy dated 2006 and was set firmly within the context of the University Strategic Plan. It set out a long-term plan for the management and development of the University’s physical infrastructure that would both satisfy and support the relevant themes of the Strategic Plan and establish the foundation for estate planning beyond that period. The Strategy had three main aims: to provide high quality academic space, to create a sense of community and to support School strategic plans.

The Chair recommended that Council members go on the walking tours that were being made available, so as to fully understand the Estates Strategy. The University Secretary would circulate the details of the next tour to all Members and arrange further opportunities for members who were unable to attend.

[Action: University Secretary]

Part Three – Other Matters for Discussion or Decision

10. Improving Council Decisions
The following three proposals were discussed by Corporate Governance and Nominations Committee on 27th March and that Committee endorsed them.

(i) **Council Meetings**
Council **agreed** to move the timing of Council meetings to allow a prior evening event followed by a Council meeting in the morning, starting from 1st August 2012. All Council members would attend the prior evening event on three of the meetings and the other three would involve key office holders (i.e. Chairs of Council and Council Committees and the Vice-Chancellor) as a minimum together with any other Council members who can attend. For the three meetings involving all members, the prior evening would include a meal and a speaker or briefing, giving members the opportunity to interact in preparation for the next day’s Council meeting. The intention was to reduce the length of the Council meetings from the current three hours.

Council members should inform the University Secretary if they had a weekly or two weekly meeting commitment on a particular day that could not be avoided.

**[Action: Council Members]**

The School Visit programme would be replaced with presentations to be made as part of the evening events prior to Council meetings. These would focus on subject areas and a presentation might involve several Schools. Council thanked all staff who had been involved in the visits, which had been very informative and worthwhile but had been poorly attended by independent members and thus were inefficient.

(ii) **Strategy, Implementation and Performance Committee**
Council **agreed** to establish a new Council Committee entitled the “Strategy, Implementation and Performance Committee” with immediate effect with a 3 year life which could be extended by Council. The Committee would allow more time than is available at Council for independent Council members to review progress in implementing the Strategic Plan, to monitor the performance of the University and to consider any proposals or developments associated with the Strategic Plan. The Committee would seek assurance on these matters, advise Council and assist the Executive in bringing any matters to Council by the process of constructive challenge. It would have no delegated powers unless these were exceptionally approved by Council.

Council **agreed** the terms of reference for inclusion in the University Ordinances, as follows:

1) To gain assurance for Council on the progress of the Executive in implementing the Strategic Plan and on the performance of the University including:
   i) Management of the risks associated with the implementation of the Strategic Plan.
   ii) People change required by the Strategic Plan.
   iii) Delivery of Capital Projects e.g., in Information Services and Estates.
   iv) Financial Performance.
   v) The success of Schools and Professional Services in implementing the Strategic Plan in their organisational areas.

   To agree with the Executive the best way of reporting these matters to Council.

2) To advise the Executive and Council on proposals to be brought to Council for approval in order to enable the implementation of the Strategic Plan including:
i) Business cases for capital investment in People, Information Services or Estates.

ii) Proposals for major structural change or major new Initiatives.

iii) Proposals related to external borrowing or financing schemes.

3) To keep under review and advise Council on the following:

   i) Developments, within the University, in the HE System or elsewhere that could impact achievement of the Strategic Plan.

   ii) Any necessary changes to the Strategic Plan following on from 3i) above.

The composition would be: up to six independent members of Council; up to two co-opted members; and the Vice-Chancellor. The Chair would be Kieran Murphy and the other independent Council Members would be Roger Bright, Dame Lynne Brindley, Professor Sir Drummond Bone and Philippa Hird. The PVC (Strategy and Planning), Chief Finance Officer and staff member of Council Professor Stanton Newman would be invited to attend. Other members of the Executive would attend as required. Kieran Murphy would cease to be Chair of Audit and Risk Committee.

Council noted that it was important that this Committee helped and did not inhibit Council debate on these issues and the Chair of Council would seek, in chairing Council, to ensure that all Council members could contribute on these important issues.

(iii) School Link System

Council agreed to introduce a system whereby individual independent Members of Council are linked to Schools, effective by 1st August 2012. It would consider extending the link system to include some of the cross-University and service functions in due course. Council agreed the following actions to mitigate against any risk of Council Members becoming involved in operational matters, acting as representatives or receiving inappropriate lobbying on executive issues: a short ordinance would be drafted for approval by Corporate Governance and Nominations Committee explaining the role; rotating the roles every 18 months to 2 years; and requiring each School to nominate a senior member of staff to help foster the relationship.

[Action: University Secretary]

Members would indicate their preference for linking to the University Secretary and the Chair of CGNC would have delegated powers to approve the final linking arrangements for each member.

[Action: Chair CGNC]

11. Honorary Awards

Council agreed to offer six individuals the award of an honorary degree and one the award of a Honorary Fellowship.

This item is continued in the Closed Section of these minutes.

12. Honorary Rector

Council approved the appointment of the Hon Apurv Bagri as the Inaugural Honorary Rector for City University London from 27th March 2012 for three years, renewable.

13. Council Committees
13.1 **Chair of Audit and Risk Committee**
Council thanked Kieran Murphy for his excellent leadership as Chair of the Audit and Risk Committee.

*Dame Lynne Brindley left the meeting for the following item.*

Council agreed to appoint Dame Lynne Brindley as Chair of Audit and Risk Committee for one year from 1st April 2012 in the first instance and to review her commitments at the end of that period to ascertain her capacity to continue in the role.

*Dame Lynne Brindley rejoined the meeting at this point.*

The Chair congratulated Dame Lynne Brindley on her appointment.

13.2 **Quorum Rules**
Council agreed to change the quorum rules for Council Committees other than Senate to require a minimum of 2 independent members of Council attending in person or by telephone rather than the current 50% with a conference call counting as attendance. The new rules anticipated the additional requirements placed on members through the formation of the Strategy, Performance and Implementation Committee.

**Part Four – Items for Information (or discussion if time allows)**
The following items were not starred for discussion and therefore not discussed and taken as read, with the exception of Item 14.1.

14. **Minutes for Note**

14.1 **Corporate Governance and Nominations Committee 27th February 2012**
Council noted the minutes and a tabled paper setting out a draft response to the unions concerning governance. It was agreed that it would be inappropriate for Council to have a direct relationship with the Unions. Council agreed that:

- The primary relationship of the Unions should be with the Vice-Chancellor, who is charged with the executive responsibility of running the University. It should be exceptional that the Unions approached the Pro-Chancellor or that the Unions were given permission to address Council;

- Communications from the Union should be addressed to the Pro-Chancellor and the University Secretary rather than the whole of Council;

- Council agendas would be published on the internet prior to the meeting of Council and the open minutes will be published there once approved by the next meeting of Council;

- Open papers of Council would be published on the intranet with the draft open minutes following the circulation of those minutes by email to Council members for comment and prior to their approval at the next meeting of Council. This would allow staff access to the majority of papers.

- The sub Committees of Council, other than Senate, would for the time being not publish agendas, papers or minutes on the internet or intranet.
Senate currently published all on the internet but their closed papers were available only to staff;

- Closed papers could not be shared because of the issues which exempted their publication under the Freedom of Information Act, for example normally for reasons of personal information, commercial interests or that their release would inhibit debate;

- Council members do not have any representative function and so elected staff members would be inappropriate;

- Council has agreed to develop a linking scheme between Council members and Schools.

Council noted that a new standing item had been added to the end of the agenda to review the open and closed items from the agenda – to ensure that open papers were correctly categorised before being placed on the staff intranet.

Council noted that discussions will be held with the unions to discuss Strategic Plan messages ahead of the communication of the Strategic Plan to staff. The Executive would be sensitive to maintaining a healthy and appropriate relationship with the Unions throughout the implementation of the Strategic Plan.

14.2 Remuneration Committee 5th March 2012
Noted.

14.3 Senate 7th March 2012
Noted.

14.4 Audit and Risk Committee 14th March 2012
Noted.

15. Risks related to the QAA Review at City
Noted.

16. Implementation and Risks Associated with Phase 1 Investment
Noted.

17. University Operational Risk Review
Noted.

18. Other Business
None.

19. FOI Review
Council agreed that no alterations would be made to the open/closed classification of items for the meeting. It was noted that the sub Committee minutes would not be published on the intranet with the exception of Senate.

20. Date of Next Meeting
14th May 2012 from 17.00. The meeting would be preceded by a Council visit to the School of Health Sciences at 14.00 and followed by a meal to celebrate the contributions of Professor Hein Schreuder and Cherry Freeman.
21. **Short Meeting of Independent Members**

There was a short meeting of the Independent Members. This meeting was not minuted.

Rob Woodward
Pro-Chancellor and Chair of Council
March 2012