MINUTES SECTION A – OPEN FOR PUBLICATION

Part One – Preliminary Items

1. Highlighted Items

   Council agreed the items for discussion as highlighted in the agenda. Members confirmed receipt of two late papers circulated prior to the meeting: Item 15, Appraisal of the Pro-Chancellor and Item 16.5, Senate Minutes.
2. **Minutes**  
The minutes of the meeting held on 24\textsuperscript{th} May 2013 were approved.

3. **Matters Arising**  
Council noted the table of actions and verbal reports on the following items:

- **Action 15, Restructuring Committee:** Restructuring Committee had had its first meeting and the Chair thanked Philippa Hird for her work as Chair.
- **Reports arising from the following actions had been deferred to be considered by Council in October:** Action 1, HR Annual Report; Action 3, Olive Tree Programme; Action 13, Council Link Scheme; Action 14, IP Commercialisation; Action 22, Students’ Union Funding. In addition a review of INTO and the first draft of the Internationalisation Strategy would be presented in October.

4. **Conflicts of Interest**  
Council agreed that 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 Pro-Chancellor thanked Mr Steve Egan,** HEFCE Deputy Chief Executive and Director (Finance and Corporate Resources) for his excellent presentation at the previous evening’s plenary session. He would write to thank him. Council members were invited to suggest external speakers for future plenary sessions.

- The Chair had held appraisal meetings with all members of Council, except for one who had been ill. The outcome showed the most positive self-evaluation for many years with 11 members rating themselves as having performed ‘very well’ and the remaining 5 at ‘an acceptable level’. 14 had rated the Council overall as performing ‘very well’ and two ‘acceptable’. Members had reported that the revised meeting format was working well and that there was a good and growing level of transparency between Executive and Independent Members. The volume of work was dealt with efficiently and Council Committee meetings worked positively. Of particular note was the view that the work of the Strategy, Implementation and Performance Committee was valued.

The Pro-Chancellor planned to increase the involvement of Deans in Council business and would invite them to all pre-Council plenary sessions and to Council meetings where there was a specific topic to which they could contribute. He would also investigate additional mechanisms to increase Council’s access to students.

Corporate Governance and Nominations Committee would consider the outcome of the appraisal process in more detail.

6. **Council Calendar**  
Council noted the calendar. Professor Andrew Jones, Dean of the School of Arts and Social Sciences would give the presentation for discussion at the next Council plenary session to be held in November. Council agreed that it would like to hear from a broad cross-section of School staff.

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

7. **Vice-Chancellor’s Report**  
The Vice-Chancellor highlighted several items from his report and the following points were raised:
• To date 140 research-excellent academic staff appointments had been made in Phases 0, 1 & 2 of which 130, 93%, would be submitted to the Research Excellence Framework (REF). The maximum level of recruitment in the Strategic Plan was 169 with 154 submitted i.e. 91%. Academic staff recruitment would continue if justified by increased student numbers and research income. Exceptional research-excellent staff who became available beyond the REF census date would be recruited where possible.

• Internal processes for Clearing had been redesigned for 2013. The major change would be that call handlers would be able to make offers without reference to the School.

• The proportion of modules receiving a student satisfaction score of 4.5 or over had increased from 13% in 2012 to 23% in 2013. However, the proportion receiving a score of 3.5 or less had also increased from 7% to 9%; action plans were being produced for each of these by October.

• 87% of the staff had completed an appraisal in 2012/13 which was an increase on previous participation rates. A summary of the executive report on encouraging greater appraisal participation would be presented to Remuneration Committee.

• A specialist PR consultancy, Bellenden, had been appointed to assist with the project to increase local community engagement. The planning application for the front entrance to the University, Tait Level 1 and Sebastian Street building would be submitted in the week after the Council meeting.

• The University's involvement with Tech City, was growing due to its location, open culture, flexibility and match with several of our academic areas of interest. The involvement of other universities was limited and primarily occurred where an individual enterprise had sought a particular partner.

• The esteemed clock-maker, George Daniels, had bequeathed the largest gift received by the University in its history. This would fund research, a lectureship, studentships, scholarships and bursaries. The College Building clock would be renamed ‘The George Daniels Clock’.

• The Trades Unions were currently consulting their members with a recommendation to reject the final national pay offer of 1%.

**Decision**

(i) Council agreed that Corporate Governance and Nominations Committee should consider the extent to which the University capitalises on the benefits of naming rights. It was noted that Council must approve the naming of all buildings.

(ii) Council agreed that it would discuss the positioning of the University in respect of IS developments in education and learning as part of its consideration of progress made in implementing the Strategic Plan at its away day on 24th January 2014.

8. **Students’ Union**

The President highlighted several items from his report and the following points were raised:

• Student satisfaction with the Students’ Union had risen by approximately 5% in the 2013 internal survey, Your Voice.

• Comparator information on the funding of Students’ Unions would be provided in the next report to Council.

• A Disciplinary Panel had been convened to address an incident where an event had been organised which did not follow Students’ Union procedures. The Council Member of the Students’ Union Trustee Board had been a member of the Panel. The result had been to give a formal warning to the Society Committee Members involved.
9. Finance

9.1 Financial Plan and Delegations for HEFCE

Council considered the 2013 financial forecast tables required to be submitted to HEFCE by 31st July based upon the updated financial plan agreed by Council in May. The report included commentary and risk analysis. The Executive Officers introduced the Financial Plan and made the following points:

- While the Strategic Plan targets remained unchanged, the revised Financial Plan now reflected some changed assumptions around the timing of achievement. This had been done in order to increase the probability that the Financial Plan would at least be achieved and to remove the requirement to secure any external borrowings before the financial outcome of the REF was known. The Financial Plan now included a downside scenario.
- The Financial Plan set out the current assessment of student numbers which could be confidently expected to be achieved. The figures had been agreed with the Deans and were believed to be robust and achievable. The Deans believed they could deliver on the 2016/17 Strategic Plan destination except for the Postgraduate Research Student numbers which were expected to be below target by 200. 100 of these had resulted from an error in the original calculations, the remainder had been over ambitious. In addition, NHS student number reductions reflected changes introduced by the new Education and Training Board.
- Final intake numbers in the Financial Plan for 2013/14 were approximately 270 less than the Strategic Plan for Home/European Union (HEU) students, but this was offset by an additional 180 international students. Of the 700 students anticipated to be needed to be recruited through Clearing, the Executive had greater confidence in filling the estimated 450 Student Number Control (SNC) places than the estimated 250 ABB+ places. Approximately 900 students had been sought through Clearing in 2012. The 2013/14 budget assumed that only approximately 300 students would be recruited through Clearing.
- The Executive was reasonably confident that it would recruit to target for postgraduate taught places in 2013/14, but it was difficult to know with certainty until the students arrived.

Council considered the extent to which contingency planning was required to be employed to cover the possibility that student number targets were not achieved. SIPCo had recommended that this should be considered. The CFO reported that he had the following key ‘levers’ to use in this event:

(i) The outturn was likely to be better than previously predicted and therefore the cash position would improve.
(ii) The timing of major estate projects could impact on cash flow and if so this was likely to be favourable.
(iii) The potential for student recruitment to deliver upsides was higher as the budget was conservative.
(iv) Cass Exec was scheduled to bring in additional business which had not been anticipated in the budget.
(v) The IS capital expenditure required could be less than previously anticipated.
(vi) Other miscellaneous variables.

The CFO had increased the focus on cash flow management but would monitor the need to respond through changes to income and/or expenditure if there were permanent reductions or a one-off dip in numbers. The Vice-Chancellor noted that the University student income profile was diversified, the University was not
dependent on one income stream and was not as dependent on undergraduate income as the majority of UK Universities.

**Decisions**

(i) Council **approved** the Financial Plan, subject to revisions to the narrative to explain why the Plan was robust and sustainable. The current paper would not be released on the intranet and would be replaced by the revised version.

(ii) Council **agreed** to delegate to the Vice-Chancellor authority to complete the Financial Forecasts return to HEFCE.

(iii) Council **agreed** that it would discuss any potential further actions necessary in October when student recruitment numbers were firmer.

### 9.2 Investment Policy

Council considered a draft Investment Policy which set out the University’s policies in relation to the management of risk arising from investment activities. The Policy was to be read in conjunction with the University’s Financial Regulations and Scheme of Delegation. In discussion the following points were made:

- An internal audit of treasury management was being carried out.
- The Policy would be reviewed at least annually. The CFO would present a report to Council on the Policy every 6 months.
- Goldman Sachs was in the final stages of being appointed to manage the fund on behalf of the University.

**Decisions**

Council **approved** the Investment Policy.

### 10. Progress in Implementing the Strategic Plan

#### 10.1 Institutional Performance against Strategic Plan Milestones

Council considered the biannual report on institutional performance against Strategic Plan milestones. The following points were made in discussion:

- The position in the *Times Good University Guide* which formed Key Performance Indicator (KPI) 2 had been expected on 20th June, but would be replaced by a joint *Times* and *Sunday Times* guide which was due to be published in September. The University had been in a similar position in both league tables in 2012 and the Executive did not anticipate any need to review the KPI.
- A proposal that the two Development Offices in the University should be merged formed part of the Professional Services Review and a report on PI 4.4, Development Income, would be made to Council once the new structure was embedded.
- Benchmarks for Widening Participation, PI 4.7, relating to access and student success should be shaded green on the heat map to show that the Executive anticipated success in this area.
- The Index of citation impact, PI 2.5, was shaded red because the Executive had concerns about meeting those milestones because the mitigating factors put in place were relatively new and the lag time for this metric was long. The mitigating factors were the appointment of new research-excellent academic staff, the new Institutional Repository and actions to ensure the use of the correct title for the University on papers. The Executive did not wish to change the milestones for this PI.
Decisions
The Pro Vice-Chancellor (Strategy & Planning) would add a note to the next biannual report in 6 months’ time explaining the rules determining the red, yellow and green colouring.

10.2 People and Planet Ranking
Council considered City's environmental performance, including the KPI measured by the University's classification in the People and Planet Green League. City had achieved a First Class Award in the 2013 league table against the milestone and destination set at 2(i). City was ranked joint 23rd out of 143 universities. Council congratulated the Executive on the outcome.

10.3 Strategy Implementation Progress Report
Council considered progress made in implementing the Strategic Plan for all work streams and the main interdependencies. In discussion the following points were made:

- Some Projects on the Succeeding with Students work stream had moved to red showing that key decision points had not been reached. This was attributed to the impact of the Professional Services Review on staff availability with the effect that the development of the Education and Student Strategy had been postponed by a quarter.
- International opportunities would be considered in the draft Internationalisation Strategy to be presented to Council in October and November. The Deputy Vice-Chancellor (Development and International) would consult Council members with international experience in the development of the draft. The Vice-Chancellor noted that the Strategy would illustrate the strength in ‘deciding not to do everything’.
- The growth of London campuses was considered and one member expressed some concern that work on Partnerships and Transnational education was progressing too slowly.

10.4 Information Systems Work Stream
Council considered a preliminary report on progress made on this work stream and the investment of £35M in Information Systems and Services approved by Council on 26th March 2012. A full briefing would be presented to Council in October.

This work stream was critical to the implementation of both the University’s Strategic Plan and process changes arising from the Professional Services Review. It was recognised that there had been significant Information Systems problems in the recent past including the registration of students but that substantial improvements had been achieved over the past two years. The Executive intended to present plans for the IS contribution to the implementation of the Strategic Plan and PSR projects to Council in the October report. One aim was to describe to Council the IS provision that could be expected by individual members of staff and students. In discussion Council noted that the following information would be useful in the October report:

- the way in which the level of IS provision compares with other institutions;
- the areas and the extent to which staff and student expectations would be impacted if particular elements had to be decelerated through possible financial constraints; and
- the way in which decisions to trim could be made equitably between estates and IS projects.
10.5 Strategic Estates Investment Projects - Update
Council considered an overview of all Council approved strategic estates projects to mid-June 2013. In discussion the following points were made:

- The single red risk project, the Cass Corporate Facing facility, had been categorised as such because of the risk around Virgin Media, but this was likely to be re-categorised as amber following a recent review meeting.
- Some elements of the Urban Presence project are now being taken forward as part of other Northampton Square projects.
- Pre-planning application consultations with stakeholders had produced positive comments with the majority of concerns limited to disruption during the work phase.

Decisions
Council Members that would like a tour of the building development were invited to contact the Pro Vice-Chancellor (Strategy & Planning), Professor Richard Verrall.

11. University Level Risk Review
Council considered the biannual review of the Risk Register and its alignment with the Strategic Plan. In discussion the following points were made:

- ARC had found the revised structure very helpful and the External Auditors, KPMG, had reported that the University was in the best practice grouping on risk and assurance. However, it had noted that a significant number of risks remained red post controls and had asked the Executive to report back on the expected risk rating of each risk assuming the "Further Actions" were in place. It was possible that this would reveal that some actions were unnecessary or that a review of mitigation actions was required in order to reduce further the risk.
- Council noted that there was one change since ARC. The Policy Challenges risk had been moved from Green to Amber. UET had considered whether it was justified as a separate risk heading as the risk was embedded in other risks and had concluded that it was useful to retain it as a separate risk.
- The Pro-Chancellor asked ARC whether it was satisfied that the risk register was a living document, integrated in the routine management processes and the Chair of ARC confirmed that it was. ARC had instituted a rolling review of risks by risk owners to allow deeper consideration of the issues.

12. Professional Services Review
Council considered a verbal report from the Deputy Vice-Chancellor on progress made on the Professional Services Review. The following points were noted:

- The consultation was now in its twelfth week and would shortly conclude. There were no substantive changes to report since the meeting of Restructuring Committee. The Executive was reasonably confident that the risk of losing key people had been successfully mitigated. Work was ongoing on the risk around adequate IS capacity.
- The Chair of Restructuring Committee reported that she had met the Professional Services Directors and considered that the consultation process had been a model of its kind. Concessions had been made in redundancy terms and conditions. There were three key risks:
  (i) there was no centrally held view of the location of talented staff. This was important for succession planning.
  (ii) There was a need to develop a compelling picture of the improvements that the PSR would enable in future service provision.
Priorities for the next meeting of the Restructuring Committee would include reviewing progress on Phase 1 and 2 and in developing the “compelling picture” referred to above.

- The CFO noted that changes in the timing of costs related to restructuring were not expected to have a material impact on either the outturn or next year’s budget.
- The Pro-Chancellor thanked all staff, the Trade Union representatives and the Deputy Vice-Chancellor and HR Director in particular, for their hard work and professionalism on the PSR.

13. **Departmental Name Change**

Council considered a proposal to rename the Department of Creative Practice and Enterprise.

**Decisions**

Council **agreed** that the Department of Creative Practice and Enterprise be renamed ‘Music, Culture and Creative Industries’ for internal organisational and administrative purposes but that for external audiences it is to be identified as two areas, the ‘Department of Music’ and the ‘Department of Culture and Creative Industries’.

14. **Code of Practice – Freedom of Speech**

Council considered proposals for immediate change to the Code of Practice related to Freedom of Speech which was originally approved by Council in June 1987. The proposed changes were interim ahead of a more thorough overhaul of the Code.

**Decisions**

Council **agreed** to add the following supplements to the Code of Practice:

(i) “City University recognises that the Students’ Union is not directly bound by the provisions of Section 43 of the Education (No.2) Act 1986. Consequently, although the general provisions of this Code will apply to meetings organised by the Students’ Union, the specific obligation to promote freedom of speech described in Section 43 does not apply. The Students’ Union will develop protocols for making decisions concerning meetings on University premises which will not necessarily include this provision.”

(ii) External speakers will be asked to confirm (by email or signing a form) that they will abide by the University’s rules concerning the conduct of meetings; and

(iii) The University expects that meetings or events held on City premises will be open to all, regardless of any “protected characteristics”* (with self-evident exceptions for training for sports’ clubs); also there should be no enforced or organised segregation by protected characteristic (such as pre-allocation of seats, or the use of stewards to direct people to segregated seating).

* defined in the Equalities Act 2010 as: gender, age, disability, gender re-assignment, marriage or civil partnership, pregnancy or maternity, race, religion, belief or sexual orientation.”

*The Pro-Chancellor, Rob Woodward, left the meeting at this point.*
15. **Appraisal of the Pro-Chancellor**

Council appraised the Pro-Chancellor, Mr Rob Woodward. Members had received a paper setting out the questions to be considered.

- The comments were overwhelmingly positive and acknowledged the considerable amount of time which the Pro-Chancellor dedicated to the University.
- Independent and Executive members noted with appreciation the considerable efforts that the Pro-Chancellor made to communicate with them outside of meetings and the sector-wide perspective gained by the Pro-Chancellor through his involvement with chairs of other governing bodies.
- Council noted that governance success was dependent on a good working relationship between the Chair and Vice-Chancellor and that there was a strong relationship currently at City.

**Decision**

(i) The Deputy Pro-Chancellor would provide feedback on this discussion to the Pro-Chancellor and ask the Pro-Chancellor to provide further regular feedback on his learnings from other institutions and the Committee of University Chairs.

(ii) CGNC would consider whether to involve Executive Team Members who were not members of Council in the appraisal process.

The Pro-Chancellor re-joined the meeting at this point.

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**Part Three – Other Matters for Discussion or Decision**

The following items were not starred for discussion and therefore not discussed and taken as read, with the exception of Item 20.

16. **Minutes for Note**

The following minutes had been approved by the Chair, but not yet by the full Committee:

16.1 Audit and Risk Committee, 17th June 2013.

16.2 Restructuring Committee, 18th June 2013.

16.3 Strategy, Implementation and Performance Committee, 18th June 2013.

16.4 Remuneration Committee, 24th June 2013.

16.5 Senate, 26th June 2013.

17. **Interim Occupational Health and Safety Report**

18. **University Events**

19. **HEFCE’s Annual Assessment of Institutional Risk**

Council noted HEFCE’s annual assessment of institutional risk for City University London. The University was **not at higher risk** but “HEFCE will continue to engage to understand what actions the University will take should it be unable to deliver the financial and other benefits it aspires to achieve” in implementing its “challenging and strategic plan”.

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20. **FOI Review**
   Council *agreed* the open/closed classification of items for the meeting, but noted that the Paper for 9.1 would be revised before being published on the intranet.

21. **Date of Next Meeting**
   Friday 11th October 2013 from 9am to 12pm.

*Part Four – Short Meeting of Independent Members*

22. **Short Meeting of Independent Members**
   There was a short meeting of the Independent Members, which was not minuted.

Rob Woodward
Pro-Chancellor and Chair of Council
July 2013