MINUTES SECTION A – OPEN FOR PUBLICATION

Part One – Preliminary Items

1. **Highlighted Items**

   Council agreed to highlight item 19.3, Senate in addition to those already highlighted for discussion on the agenda. This was dealt with under the Vice-Chancellor’s report.
2. Minutes
The minutes of the meetings held on 22nd November 2013 and 24th January 2014 were approved.

3. Matters Arising
Council noted the table of actions.

Matter Arising 2, Item 5, 22.03.13, School Link Scheme: The University Secretary was investigating the inclusion of new members of Council in the School link scheme.

Matter Arising 13, Item 11.3, 11.10.13, Institutional Culture:

Decisions
Council agreed that it would hold a substantive discussion on institutional culture either at the meeting scheduled for October 2014 or a plenary dinner. The Pro-Chancellor would decide after discussing with Philippa Hird.

Matter Arising 23, Minute 2, 24.01.14, Revised Strategic Investment Plan

Decisions
Council agreed that the minutes of the January meeting covered off this point.

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

Decision
(i) The CUC had issued a consultation on a draft Higher Education Code of Governance. Council agreed that this should be circulated to all Council members for comment to inform the Chair in advance of the next CUC meeting to be held on 10th/11th April. The University Secretary would make the response to the consultation.

(ii) The Chair congratulated Ms Rima Amin on her election as the incoming President of the Students’ Union. Ms Amin would observe the remaining meetings of Council this academic year. Council agreed to appoint a mentor for Ms Amin from amongst its independent members and the Chair invited members to express an interest in taking on this role.

6. Council Calendar
The Pro-Chancellor noted that the number and length of papers presented for the current meeting was excessive. Maintaining the right balance for the effective operation of Council would continue to be a priority for the University Secretary and Executive.

Council considered the rolling calendar of business.

Decisions
(i) Cass had appointed independent consultants Carrington Crisp to inform the School’s planned report on bridging the gap with leading European business schools. Council agreed that the topic for the plenary dinner In
July, should be an update on this work from the Dean of the Cass Business School.

(ii) The former Schools of Engineering & Mathematical Science and Informatics had now merged and the name of the merged School would be considered for recommendation to Council by Senate on 4th April. Council agreed to invite Professor Crouch to give a half hour update on developments in the School at the meeting on 23rd May.

(iii) Fundraising would remain on the agenda for the meeting on 23rd May.

Part Two – Major Items for Discussion or Decision

7. Vice-Chancellor's Report

The Vice-Chancellor highlighted several items from his report, which now included reports from the Schools. The following points were noted:

- An increased number of undergraduate and postgraduate offers had been made when compared with the same time last year with a potential consequential reduction in exposure at clearing.

- UCU, Unison and Unite remained in dispute on a national basis on the final offer of 1% on all pay points from August 2013. This had been implemented in December. Industrial action had taken place at City and there was a current threat of action in the form of a national assessment boycott starting on 28th April. The Vice-Chancellor noted that action was likely to be concentrated in relatively small academic areas and that preparatory work was being undertaken to ensure exams were set before the date for action and that external examiners could be relied upon to undertake their roles. The Executive could use the ability to withhold pay at 100% for partial performance should the action go ahead but hoped that that would not be necessary.

- Contracts for catering and cleaning are being tendered with a requirement that pay be at or above the London Living Wage. The Executive had asked the PSR Steering Group to find the additional savings required to meet this increased cost.

- Senate had engaged in detailed debate on its role and the role of its members, and was currently consulting on its effectiveness. A key issue was communication and the Chair of Council suggested that a Senator should be invited to attend Council plenary sessions to help establish better linkages between the Senate and Council.

- Adverse weather had impacted the Finsbury development at Goswell Place. The new residential beds were due to be available as planned in September but works to provide the new CitySports and office and education spaces were behind the target and a slight delay in opening was anticipated.

- BAE Systems had donated £850,000 over a 5 year period to fund the ‘BAE Systems Sir Richard Olver Chair in Aeronautical Engineering’. Sir Richard was an alumnus and had chaired BAE. The University used a risk evaluation process for determining which body should take the decision as to whether to accept and in this case it had been agreed by the Executive.
• Library investment fund for 2013/14 approved a further £1.5M dedicated to library collections which had brought the expenditure per student up to the level seen in Russell Group universities.

• The University had signed a new recognition agreement with UCU, UNISON and Unite.

Decisions
(i) Council approved the building names: - CitySport for the sports centre building formerly known as the Saddlers Sport Centre and Abacus House for the recently purchased building on Myddleton Street. The sports hall in the CitySport building would be named after the Saddlers.

(ii) Council agreed that:
   a) the Senior Elected Senator and an additional elected member of Senate (on a rotating basis) should be invited to attend the plenary sessions
   b) The Director of Human Resources, Ms Mary Luckiram, would investigate the 18% increased usage of the student counselling service, the HE Sector context and the mechanisms used to measure the quality of the service. She would report to a future meeting.
   c) the Executive would report in May on the community engagement dinner for local councillors and other key external stakeholders with University staff on 2nd April.

8. Students’ Union
8.1 President of the Students’ Union Report
The President gave a verbal report covering the following points:
• The Students’ Union and Executive were reviewing the staff positions within the Union and the arrangements for their management and direction. The Students’ Union Trustee Board anticipated playing a more active role in the staff management and direction.
• The Union was working with the Deputy Vice-Chancellor to review the Union role with student engagement in learning enhancement and student success, formalising the relationship between the Union and University as partner organisations, the review of funding and staffing levels and the role of the commercial activities.
• Students were being encouraged to identify opportunities to improve sustainability at the University or in the local community through a project entitled “Green Dragons”.
• The President reported that he had attended the Islington Citizens Local Assembly at which the University had been presented with an award for paying London Living Wage to employees and contracted employees.

8.2 Students’ Union Funding Comparisons
The Students’ Union President presented a report of comparator sector-wide data on students’ union funding. In discussion the following points were raised:
• The review would look at the scope of SU services and ensure there was no overlap with the services provided by the University.
• Some Unions provide services that are provided by Professional Services at City and therefore those Unions would receive more funding that at City.
• A Council member asked whether there were any necessary services that were not currently delivered by the Union or the University. This should be examined.
• It was noted that more funding did not necessarily mean better NSS scores.
9. Progress in Implementing the Strategic Plan
Iain Gray declared an interest in the following item as Chief Executive of the Technology Strategy Board that funds the Knowledge Transfer Partnership Scheme.

9.1 Research and Enterprise Work Stream Report
Council received the Research & Enterprise work stream Report. The current actions of the work stream were: Developing the academic induction and integration process; increasing research and enterprise income; City’s REF 2014; strengthening the University’s research culture; and the enterprise roadmap. The following points were noted:

- The PVC (Research & Enterprise) predicted that research grant and contract income would increase by around 20% per year for the next 3 years which would fulfil the aims of the Strategic Plan.
- Analysis of predictions made as against the actual REF outcome would be useful for future planning. Lessons to be learned for future REFs included the need to increase resourcing for the production of impact case studies and ensure the co-ordinating team was robust enough.
- 53% of staff had been included in the REF compared with 25% research-excellent staff at the last RAE. The submitted staff were spread reasonably evenly across the Schools. Law had the lowest level of submission but even then 22 staff had been submitted.
- The PVC planned to develop the impact and research strategy further through inter-School and department evaluation, perhaps introducing an internal mini-REF before the next REF.
- The project to develop Research Culture had been on hold until the scope of the Culture Working Group was clarified.
- The next step in developing the enterprise roadmap would be to prioritise the enterprise items included in the Strategic Plan, including notably the commercialisation of intellectual property, high level continuing professional development and consultancy services.
- An Intellectual Property (IP) Commercialisation Board had been established,
- Iain Gray offered assistance in developing Knowledge Transfer Partnership activity especially in Tech City and Shoreditch. He mentioned engineering as a discipline with particular potential.
- Council members congratulated the Executive on the increased numbers of research grant applications. They asked how successful the University was in turning applications into grants/contracts. The PVC (Research & Enterprise) replied that it was around 25% which was better than the national average. The ratio was better for EU applications as the University had access to specialist support.
- Council members noted that there were opportunities associated with the University’s location in the centre of London, as well as obstacles. The University was carrying out an audit to determine the best companies with which it should work.
- One Council member expressed particular pleasure that the University had a prominent place on the National Centre for Universities & Business website. City Unrulyversity was highlighted as a success story.

9.2 THE World Rankings
Council considered a report addressing two issues raised at the Council Away Day in relation to the THE World rankings: (i) what further action is required and (ii) should the Vision be amended? The Vision stated that the University would be in
the top 2% of universities in the world by 2016. City had been ranked 468\textsuperscript{th} in 2013 from 466\textsuperscript{th} in 2012 and needed to increase its overall score of 26.0 to 44.3 in order to fulfil the Vision. It was understood that the University was unlikely to reach the top 2% by 2016. The following points were made:

- SIPCo had considered the case for amending the wording of the Vision and had concluded in agreement with the Executive that the wording should remain unchanged. The Executive expected that a change in wording at this stage would cause comment, a questioning of the ambition and negative publicity. The ambition was deliverable but over a longer timescale. In addition, the development of a new Vision and Strategic Plan with new targets would start in the next year.
- The Executive would consider and revert to SIPCo with an opinion as to whether, and if so when, there should be a review of the achievability of the other KPIs/PIs with a view to considering resetting them.

**Decision**

Council *agreed* that the wording of the Vision should remain unchanged.

9.3 **Professional Services Review**

Council received a verbal progress report on the Professional Services Review (PSR) from the Deputy Vice-Chancellor and comments from the Chairs of the Restructuring Committee and SIPCo. The following points were made:

- All PSR1 Services were now in operation in their new configurations except for Research support. No compulsory redundancies had been made in Phase 1. The majority of cost savings projected for PSR1 had been made. The savings would continue to be seen in the next budget.
- IT turbulence had subsided. Learning technology support might need some review.
- The Executive had been reflecting on Phase 1 and the lessons to be learned alongside setting out Service Level Definitions for the outputs expected from the services.
- The savings to be realised from PSR 2 for 2013/14 were significantly less than originally predicted. It was too high a risk not to fund bursaries & scholarships at the current level – these were shown as non pay expenditure in the financial statements. The Student & Academic Administration review would not deliver savings in 2013/14 as this would have risked impacting the student experience. Also the PSR savings required had been increased to cover the additional costs due to the commitment to the London Living Wage. Savings in the remaining (smaller proportion) of PSR 2 projects including HR and Finance would be as predicted. Any final shortfall in PSR savings would need to found in another way.
- The redesign of Academic and Student Administration proposal was to begin with senior staff changes and thereafter move to be a modernisation project.
- It was intended that the PSR programme would come to an end shortly and be subsumed in a continual budgetary process.
- The Chair of Restructuring Committee reported that there had been much progress in thinking through the way in which the Services were now organised by providers and marketed as shared services. There was a need to ensure that the new arrangements allowed some flexibility for the Schools and the Committee had stressed this point. The University still needed to develop its model for change. She also noted that PSR provided an opportunity to take positive action with regard to gender balance and
that whilst no adverse effects had been seen in Phase 1, the challenge remained for PSR 2.

- A Council member asked to see benchmarking information for the newly organised services and the Chair of SIPCo reported that SIPCo had requested this information.
- Council noted that its mechanism to receive assurance that the restructured services were working and that service clients were not feeling disenfranchised was through the Restructuring Committee. The current position was that some services were working well, but others would require considerable time to reach their potential. The Chair noted that the Cass Advisory Board had expressed scepticism at the ability of the new arrangements to provide shared services of quality.

9.4 **Strategy Implementation Progress Report**

Council received a report on progress made in implementing the Strategic Plan. The following points were made:

- The work streams focusing on Strategic Plan implementation were now becoming part of business as usual and the project governance was being incorporated in existing standing committees.
- Council members expressed some concern about the notion of a stand-alone culture working group as opposed to a requirement that each work stream incorporate an element of culture. The Pro Vice-Chancellor (Strategy & Planning) reported that many cultural issues were being addressed in local area groups, but that there was a need to coordinate these. One member suggested that the ExCo should be the culture change committee.

10 **Finance**

10.1 **Mid-Year Forecast 2013/14**

10.2 **Outline Budget 2014/15**

Council considered the Mid-Year Forecast 2013/14. The Forecast had been reviewed at the Council Away Day and currently showed a deficit of £14.2M, which compared with the budget deficit of £14.1M approved in May 2013. Council also considered the Outline Budget for 2014/15 which currently showed a deficit of £8.1M.

The following points were noted:

- The Chief Finance Officer (CFO) noted the importance of achieving a small surplus for 2014/15 and stated that it might be sensible to finalise the budget in July rather than May so as to allow more time to deliver an achievable budget.
- The CFO stated that the Executive were committed to achieving the surplus. However, the SIPCo Chair voiced doubt that the responsibility to bring the University to surplus was understood by all the Schools. He was keen to avoid unplanned cuts in-year to balance the budget.
- It was proposed that the budgetary planning period should be extended to cover 2 years so as to be able look further forward and manage risk.
- The Chair of Council noted that the budget must be signed off at the July meeting and not delayed as had happened for the 2012/13 budget.

**Decision**

Council agreed that the Executive should present the position reached in May and that the final budget should be presented in July at the latest.
10.3 Investments Report
Council noted the twice yearly report on investments held by the University and their performance to date.

10.4 University Pension Schemes – Update
Council received a report on the impact of anticipated and possible changes to the University’s pension schemes in 2013/14 and beyond including the associated financial assumptions to be included in the next update of the University’s financial plan. City had two pension schemes: the Universities Superannuation Scheme (USS) and the London Pensions Fund Authority (LPFA). The increased annual cost to City for USS, LPFA and the abolition of contracting out was likely to be £4M per annum from April 2016. The following points were made:

- Council noted that the debate on options to reverse the USS deficit would begin shortly including possibly removing the final salary link and increased contributions for employers and employees. The Employers Pensions Forum (EPF) would debate the options, but the final decision would be taken by the USS Trustees.
- The major impact of the discount rate on the calculations was noted.
- Employers in the private sector would be looking for significant value to be achieved in return for any increased contribution. It was unlikely that pensions contributions could increase without this having an impact on employers pay expectations.
- Changes in the age of retirement had been a significant feature of negotiation on civil service scheme and should be added to the list of anticipated options.
- New accounting standards (FRS102 and the SORP) would have an impact on the way that USS liabilities were reported in the University’s Financial Statements making the liability significant and much more transparent.
- It was also noted that transition arrangements for some current members of the USS scheme were a likely outcome for negotiation.
- The Chair of Council would be attending a CUC session on pensions shortly and would report back on sector developments in the area at the next meeting.

11. Staff Survey 2013 Results
Council considered the summary results of the 2013 staff survey together with the outputs of a series of Focus Groups with staff to consider the University level results. Separate activity was continuing within Schools and Professional Services to discuss local level results. An action plan arising from consideration of the results and the Focus Group outputs would be presented to ExCo in April. The following points were noted:

- Council noted that the University-level results were disappointing but not entirely surprising and thanked the Executive for its honesty and transparency in reporting them in full for discussion. There were positives that should not be forgotten e.g., 70% of staff enjoyed working at City.
- The HR Director reported that staff generally accepted the changes proposed in the Strategic Plan, but had expressed concern about the methods of implementation giving low scores for leadership and management, Executive visibility, dialogue, opportunity for feedback, recognition of all members of the University, and change management capability. The results and commentary from staff indicated that significant
numbers of staff felt that the PSR had had an adverse effect on work life balance and levels of stress for staff.

- Schools/Services were being encouraged to consider any correlation with other survey information including the NSS results for their area.
- Council members asked for more information on the level of bullying (15% = Yes) reported in the Survey. The Director of HR explained that the responses had included staff awareness of bullying rather than being confined to instances of personally being bullied. However, the Executive was not complacent about it and action was being taken in each local area to investigate and address the findings.
- Council noted that it should consider its visibility and connection with staff in response to the survey. The Chair noted the low level of staff awareness of the Council link scheme with Schools. The University Secretary reported that he intended to get a report of the Council meeting out to all staff the day after the meeting and that some proposals to address visibility were anticipated as part of a current review of Senate effectiveness. Communicating the interaction and overall alignment of Council with the Executive would be useful.
- The Director of HR reported that the survey pattern would be moving from a single biennial event to a more frequent/pulse approach.
- Council noted that a wider cohort of staff should be engaged in the formulation of the action plan than had previously been the case.
- One member highlighted a comment from the focus groups that the Executive were not all aligned with decisions taken and some briefed against the Executive. If this was the case, it was concerning.
- Philippa Hird offered to provide advice on the development of the action plan. Her experience led her to believe that changes could be implemented and make a difference very quickly. She advised that if Council wished to discuss culture it should focus a significant part of its discussion on the things that the senior team wished to do differently.

**Decisions**

The Chair would consider how Council should continue to monitor progress.

12. **Progress towards a Gender Equality Plan**

Council considered a draft application and action plan for the Athena SWAN bronze award and proposals for achieving the milestones for the PI on staff equality. An action plan is a required element of the application to Athena SWAN. The following points were noted:

- Subject to approval by ExCo in April, the University’s application for the Athena SWAN award would be submitted by 30th April 2014.
- Advice would be taken to ensure that the Athena SWAN application was likely to succeed prior to submission.
- The Research Councils were likely to require certification from accreditors such as Investors in People or Athena SWAN for future research grant applications.
- The Equality Committee would present a comprehensive Gender Equality Plan to ExCo in June prior to submission to Council in October.

13. **Research and Enterprise**

_The Pro Vice-Chancellor (Research & Enterprise), Professor John Fothergill, reported a conflict of interest in the following item 13.1 as a Director of two University spin out companies. Heliex Power and Camineo._
13.1 Spin-Out Companies Annual Report

Council considered the annual report on University spin-out companies established to exploit intellectual property that has originated from the University. The following points were made:

- The Intellectual Property (IP) Commercialisation Board was undertaking a critical review of the project portfolio with a view to closing some companies and increasing investment and support for others.
- The Board would produce a Policy and Guidance on IP commercialisation.
- Council members asked that the scope of the next report be broadened to cover the full scope of IP commercialisation including licensing, open innovation, design rights and alumni innovations.
- A Council member asked whether the University had an up to date IP database and whether consideration was regularly given to the assets including which patents might be sold. The Pro Vice-Chancellor reported that patents were reviewed from time to time and that three had been sold in the last year bringing an income of around £10k.

Decisions

Council agreed that future reports on IP commercialisation should cover the full scope of activity.

13.2 Research and Enterprise Annual Report

Council noted the Research and Enterprise annual report.

14. Corporate Governance

14.1 Ordinance Amendments

Council considered proposals from Corporate Governance and Nominations Committee (CGNC) to amend the Ordinances.

(i) Delegations Framework, Ordinance B.1.2

The current scheme of delegation allowed (by oversight) delegation of borrowing and CGNC recommended that Council should retain this authority to itself.

CGNC also proposed that the Ordinances should articulate that Council retains authority to establish companies and joint venture companies and sale of shares and companies. This proposal was made in view of the increasing numbers of these activities and would be reviewed once Council had approved the future strategy for IP commercialisation.

CGNC proposed delegated authorities for the Executive and the Pro-Chancellor in order to expedite matters.

Decisions

Council approved a proposed change to Ordinance B.1.2. Delegations Framework in which:

- Council retained approval of:

  Organisation
  - Establishing, Terminating, Selling any Company or Joint Venture Company

  Finance
• All borrowing including short term facilities
• Any loan, investment, or decrease in share capital in any joint venture or other University Company greater than £100k in any financial year.

• The Pro-Chancellor should have delegated powers in respect of companies (Organisation section), provided Council members had been consulted. The Pro-Chancellor could also agree to the establishment of small companies (i.e. companies with net assets less than £100k) without consulting Council if this was urgent.

(ii) CGNC Terms of Reference, Ordinance C3
CGNC proposed an additional term of reference for CGNC concerning the monitoring of the Ethics Code and significant ethical issues.

Decisions
Council approved the proposal that the following term of reference be added to Ordinance C.3, Corporate Governance and Nominations Committee: “to review and monitor the Ethics Code and advise Council on any significant ethical issues or any recommended changes to the Code.”

(iii) Members of the University J.5
CGNC had reviewed with legal advice one of the last remaining sections of the Ordinances to be reviewed. It was proposed that membership of the University should be limited to current students, staff and members of Council. The members are the corporate body of the University. This definition would exclude alumni and former staff.

Decision
Council agreed that the Ordinance changes should not be approved. The University Secretary should reconsider the proposed change in discussion with Development & Alumni Relations to see how critical it was if alumni were no longer members. He should also consider the position of Honorary Visiting Staff.

14.2 Council Membership

Decision
Council approved the re-appointment of Professor Stanton Newman as a staff member of Council for a further term of three years from 29.01.15 to 28.01.18.

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 22.

15. City of London Academy Islington Annual Report
Council noted the report.

16. Strategic Estates Investments Projects
Council noted the update report.

17. Annual Sustainability Report
Council noted the report.

18. Estates Metrics
Council noted the report.
19. **Minutes for Note**
The following minutes had been approved by the Chair, but not yet by the full committee:

- 19.1 Restructuring Committee, 09.01.14 and 11.03.14
- 19.2 Corporate Governance and Nominations Committee, 11.02.14
- 19.3 Senate, 12.02.14
- 19.4 Audit and Risk Committee, 10.03.14
- 19.5 Strategy, Implementation and Performance Committee, 13.03.14
- 19.6 Remuneration Committee, 14.03.14

Council noted that papers were provided in an electronic format that would allow members to use electronic readers in place of paper copies if they wished.

20. **Council Members’ Register of Interests**
Council noted the register now published on the University web site. The register should now include all interests.

**Decision**
Council members would check their entry on the Register of Interests and notify the University Secretary of any changes.

21. **University Events**

22. **FOI Review**
Council agreed the open/closed/restricted classification of items for the meeting as set out in the agenda.

23. **Date of Next Meeting**
23rd May 2014, 9am to 12pm.

**Part Four – Short Meeting of Independent Members**

24. **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
April 2013