UNIVERSITY OF YORK

COUNCIL

Minutes of the meeting held on 7 March 2018

Present: The Chair of Council
The Vice-Chancellor
The Deputy Vice-Chancellor
The Treasurer
Pro-Chancellor (Mrs D Jagger)
Pro-Chancellor (Ms J Unwin)
Pro-Vice-Chancellor (Professor D Smith)

Mr S Bayley
Mr P Carpenter
Ms C Chamberlain (GSA)
Dr R Curwen
Dr K Dittrich
Dr C Dye

Mr M Galloway
Professor C Hunter
Mrs N Inchbald
Professor Q Summerfield
Mr C Thompson
Mrs C Thomson
Mr A Urquhart (SU)

In attendance:
Registrar & Secretary, Ms J Horsburgh
Pro-Vice-Chancellor/Teaching, Learning & Students,
Professor J Robinson
Director of Finance, Mr J Lindley
Governance Officer, Dr P Evans
Governance Administrator, Ms B Carter Ellis
Director of Human Resources, Ms J Ivory (for M17-18/55 & 56)
Acting Director of Corporate Planning, Mr A Knock (for M17-18/58)
Business Intelligence Analyst, Mr W Mackintosh (for M17-18/58)

Apologies for absence were received from Professor A Field and the Pro-Vice-Chancellor for Knowledge Exchange & Partnerships (Professor J Timmis).

17-18/52 Consultation on Finance Strategy
[FOI exempt/commercially confidential]
17-18/53 Declaration of Conflicts of Interest

Members were invited to declare any potential conflicts of interest relating to the business of the meeting. The following interests were declared:

(a) Caroline Thomson declared an interest as the Chair of the Council of Trustees of Oxfam (M17-18/60 below refers);

(b) staff members declared an interest as members of the USS pension scheme (M17-18/60 below refers);

(c) Professor Caroline Hunter and the University Governance Officer (Dr Philip Evans) declared an interest as members of the UCU trade union (M17-18/60 below refers);

(d) Chris Thompson declared an interest as a non-executive director of the Harrogate and District NHS Foundation Trust (M17-18/56 below refers);

(e) the Deputy Vice-Chancellor declared an interest as Chair of the Board of Directors of York Science Park Ltd (M17-18/63 below refers).

17-18/54 Minutes

The unreserved minutes of the meeting held on 24 January 2018 (C.17-18/48) were approved, subject to the following amendment to M17-18/34(a) (Biorenewables Development Centre):

“Although success in the major grant applications currently pending would help to stabilise the Centre’s sustainability, winning such grants would not remove the need for guarantees/loans from the University (as some of this related to premises and cashflow), but some reduction in liability would result.”

Council also noted the action-schedule based on the minutes (C.17-18/49), in particular the items that were to be considered at the current meeting.

17-18/55 Equal Pay

Further to M17-18/7 (Equal Pay), the Director of Human Resources (Dr Joss Ivory) attended the meeting to provide an oral report on the equal pay action plan, noting in particular the following points:

- reduction in the gender pay gap from 22.7% to 19.7% over the period 2008-18;
• one of the lowest gender pay gaps in the RG;
• identification of the cause as the lower number of women in senior roles;
• collaboration with External Relations in response to media interest;
• plans for positive action and further analysis of potential barriers to female progression/promotion;
• review of University policies and staff survey data.

During discussion of the Director’s report, the following points were noted:

(a) The new statutory Gender Pay Gap report (M17-18/69 below refers) would be widely published, including through collaboration with the campus Trades Unions.

(b) As there was variation across the faculties due to the ongoing gender imbalance in various disciplines, regression analysis could usefully be undertaken to identify which variable factors could be influenced by the University and options to undertake this work would be reviewed.

(c) Work on the gender pay gap needed to be viewed in the context of the wider equality and diversity agenda and the other ‘protected characteristics’ in law (e.g. age, disability, race etc). Council was reminded in this context that, following an internal restructure, the Equality and Diversity Office had been re-located into the HR Department.

Following discussion Council decided that it would in due course welcome a further report on the impact and effectiveness of the action plan.

17-18/56 Strategic Direction of Health Sciences
[FOI exempt/commercially confidential]

17-18/57 Entry Tariff

Further to M17-18/8 (Vice-Chancellor’s Report), Council considered a report on entry tariff in the last student recruitment round (C.17-18/50).

Introducing the report, the Vice-Chancellor commented that the growth of the University had inevitably placed some pressure on entry tariff (the numeric representation of students’ entry qualifications) which, although only having a marginal effect on league table positioning at an institutional level, was nevertheless viewed by some as a proxy for reputation and quality. Council noted the information provided on recent activities to improve entrant quality and also the data on average tariff over time versus comparators (at institutional and departmental level).
During discussion the following points were noted:

(a) It was suggested that, as a somewhat problematic proxy measure of entrant quality (sometimes used interchangeably with phrases such as “the best students”), tariff data was given disproportionate attention in relation to output measures such as degree and employability outcomes. It was acknowledged that the latter represented the areas in which the University added value, whereas entry tariff was largely beyond its control.

(b) It was reported that in some academic departments (e.g. Psychology) analysis had shown it was not the overall tariff score which impacted on student outcomes, but more significantly the specific subjects that had been studied previously. It was however noted that the University had challenged the Russell Group’s definition of ‘facilitating subjects’ (i.e. those most commonly required or preferred by universities for entry to a range of courses) as providing an unhelpfully narrow focus on input measures that also potentially distorted activities in secondary schools.

(c) The correlation between entry tariff and volume growth depended on a range of factors, including competitor behaviour. Universities had considered, and in some cases implemented, alternative approaches to selection (e.g. devising their own entrance exams), although such approaches brought a number of additional risks, especially given the well-established structure and processes of the national Universities and Colleges Admissions Service (UCAS). The University did engage with contextual offer-making in some disciplines, although this was left to the judgement of individual admissions tutors and was not thought to have had an effect on the reduction in overall average tariff since 2013/14, which was largely a result of volume growth.

(d) As regards unconditional offers and their potential detrimental effect on tariff (as well as on pupil behaviour during the A-level period), it was noted that the University had only experimented with such offers in a highly targeted manner in certain disciplines.

(e) With regard to the Summer ‘clearing’ process, it was noted that the whole sector had been affected by recent changes in applicant behaviour (e.g. candidates deliberately deferring their application until the clearing process started). It was noted that some departments now took more than 40% of their intake from clearing.

Following discussion, the Chair observed that the question of entry requirements and the consequential make-up of the student body was clearly an area of interest and relevance to Council, especially as regards consideration of the composition of the University (M17-18/52 above
refers). It was also decided that the executive should in due course provide a report on value added/output measures to complement the data provided on entry qualifications.

**17-18/58 Key Performance Indicators**

Further to M17-18/33 (*Key Performance Indicators*), Council considered a report on its set of institutional key performance indicators (*C.17-18/51*).

Attending the meeting to present the report, the Acting Director of Corporate Planning (Alistair Knock) drew attention to the updated data and associated commentary, the recommendations for recalibration of the core indicators and the suggestions from UEB for additional/replacement metrics in some areas.

The following comments were noted:

(a) There appeared to be some inconsistency between the RAG ratings provided in Appendices 1 and 4 as regards PGTH offers.

(b) While the move from year-on-year changes at York to comparison against a competitor group benchmark was generally welcomed, it was suggested that it would be useful to maintain some means of expressing University-only trend data over time.

(c) Key finance indicators (KFIs) would be developed together with the evolving Finance Strategy, with a more granular sub-set for monitoring by the Finance and Policy Committee.

(d) It was suggested that an additional indicator might be introduced to show progression rates from the International Pathway College into University departments, as a means of monitoring progress against the original business plan.

(e) It was generally agreed that the employee engagement indicator was of such importance, especially in the context of the current industrial action (M17-18/60 below refers), that some means needed to be found of monitoring this on an annual basis (rather than just via data from the triennial staff survey).

Following discussion Council approved the recommendation from the Chair that the executive should identify several KPIs, both positive and negative, for a more detailed presentation to Council in due course, together with commentary on associated mitigating actions if appropriate.
17-18/59 Biorenewables Development Centre

Further to M17-18/34 (Biorenewables Development Centre), it was noted that a report on the wider strategy for the regional bio-economy would be submitted to the July meeting.

17-18/60 Executive Report from the Vice-Chancellor [FOI exempt/commercially confidential]

17-18/61 Council Sub-Committees

Council considered a report from the Registrar & Secretary on the ongoing review of governance, and in particular the terms of reference (TOR) of certain Council sub-committees [C.17-18/53].

The Registrar & Secretary drew specific attention to the following points:

- establishment of a new Estates Committee under a lay Chair to keep under review the development and condition of the University estate;
- further work to be undertaken in respect of the executive structures for consideration of the capital programme (including the future role of the Planning Committee);
- increasing the cross-membership between Council and the Audit Committee (in accordance with the HEFCE Audit Code) and enhancement of the Committee’s terms of reference with respect to risk management;
- proposed amendments to the name and TOR of the Finance and Policy Committee to reflect other developments in the governance review;
- widening the TOR of the Remuneration Committee in the light of recent external guidance on senior pay.

In response to a query it was confirmed that the additional two lay members that might be co-opted to serve on the new Estates Committee were not intended to be Council members but rather other lay people with relevant skills and experience and who could be co-opted for short terms of office. It was also confirmed that the Subsidiaries Management Group would continue to act as the remuneration committee and have oversight of the remuneration arrangements in University subsidiary companies, but with appropriate linkage to the University Remuneration Committee to ensure consistency in the application of best practice principles.

Following confirmation of these details Council approved the recommendations set out in the paper in respect of:
(a) the proposed terms of reference, constituency and annual schedule for the new Estates Committee;
(b) changing the name of the Audit Committee to the Audit and Risk Committee;
(c) enhancing the Audit Committee’s terms of reference with respect to risk management;
(d) changing the name of the Finance and Policy Committee to the Finance Committee;
(e) updating the Finance Committee’s terms of reference to reflect other changes;
(f) updating the Remuneration Committee’s terms of reference to reflect current developments in the area of remuneration/senior pay.

17-18/62  

Appointments Committee

Council considered a report from the meeting of the Appointments Committee held on 12 February 2018 (C.17-18/54) and approved the Committee’s recommendations that:

(a) Nicola Inchbald (lay member of Council) be appointed to chair the new Estates Committee until 31 July 2019 (i.e. co-terminous with her term of office on Council);

(b) Gerard Lemos (Chair of Council), Julia Unwin (Pro-Chancellor) and Dr Christopher Dye (lay member of Council) be appointed to fill the remaining lay membership positions on the new Estates Committee (co-terminous with their respective appointments as Council members);

(c) Dr Karl Dittrich (lay member of Council), Caroline Thomson (lay member of Council) and David Buckley (formerly of Ernst & Young and subject to his willingness to serve) be appointed as new lay members of the Audit Committee with effect from 1 August 2018 (co-terminous with their respective appointments as Council members and in the case of Mr Buckley for three years until 31 July 2021).

(d) Philip Carpenter (lay member of Council) be appointed with immediate effect to fill a current ongoing vacancy on the Finance Committee (co-terminous with his term of office on Council);

(e) Dr Karl Dittrich (lay member of Council) to be appointed with immediate effect to fill a current ongoing vacancy on the Student Life Committee (co-terminous with his term of office on Council).

In addition to these appointments, it was noted that Council had also approved the following recommendations by correspondence on a
between-meetings basis (in order to allow scheduled meetings to go ahead with the new appointments in post):

- Denise Jagger (Pro-Chancellor) to assume the Chair of the Remuneration Committee with immediate effect (co-terminous with her term of office on Council);

- Chris Thompson (lay member of Council) to be appointed with immediate effect as an additional member of the Audit Committee (co-terminous with his term of office on Council) and also to be re-appointed to Council for a four-year term from 1 August 2018.

17-18/63 Finance and Policy Committee

Council considered a report from the meeting of the Finance and Policy Committee held on 9 February 2018 (C.17-18/55).

As Chair of the Committee the Treasurer drew Council’s attention to the review of the University’s TRAC return for 2016/17 and also to the reports the Committee had considered in respect of risk management, the GSA annual accounts and subsidiary companies. With regard to the latter, the Treasurer confirmed that the Committee routinely monitored movements in the liabilities relating to subsidiaries.

Noting the details appended to the report from the Pensions Manager in respect of a proposed flexible apportionment arrangement in relation to the University of York Pension Fund, Council approved the Committee’s recommendations that:

(a) all existing York Science Park Limited (YSPL) staff transfer to York Conferences Limited (YCL) by way of TUPE transfer;
(b) YSPL should continue to trade as before, but with staffing provided by YCL on secondment;
(c) the Section 75 (s.75) debt in relation to YSPL be apportioned to the University through a flexible apportionment arrangement.

It was noted that these arrangements would mitigate the risk of a £600k debt being triggered given the low level of membership currently existing in YSPL (noting there was a higher level of scheme membership in YCL). In response to a query from a staff member, the Deputy Vice-Chancellor confirmed that the YSPL Board had considered the matter and was satisfied that the TUPE transfer would have no detrimental impact on the staff concerned (as in effect they would be seconded back to YSPL).

Noting the government announcement that the assumed inflationary increase to UGH fees in 2018/19 and 2019/20 would not now take place as had been anticipated in the University budget, Council approved the
Committee’s recommendation that operating cash flow targets be reduced accordingly to reflect this decision (reducing budgeted income by £1.5m in 2018/19 and by £4.3m the following year).

Noting the introduction of a revised approach by HEFCE to calculating financial commitment thresholds, Council approved the Committee’s recommendation that the University’s minimum target for available debt capacity be revised to £25 million.

17-18/64 Appointment of Internal Auditors

It was reported that, following a recent market testing exercise and associated interviews, consideration was currently being given to the appointment of internal auditors (a service currently provided by PwC). Council noted that a recommendation for the appointment would be submitted to a future meeting.


Council considered the annual Health, Safety and Security Report for 2017 [C.17-18/56].

Presenting the report the Registrar & Secretary drew Council’s attention to the assurances provided in respect of fire safety, accident reporting and business continuity management. The sections of the report relating to mental health first aid training, insurance renewal and the Prevent agenda were also specifically noted.

Council welcomed the detailed report and noted the following points in discussion:

(a) In response to a concern regarding reported breaches of fire safety processes in student residential accommodation, the Registrar & Secretary reported that the matter had been considered in detail by the Health, Safety and Welfare Committee. It was noted that the fire safety team was collaborating with College staff to ensure appropriate follow-up action on all suspected breaches and to review current procedures. Given the potential risks in this area, Council decided to request further assurance on this matter to confirm that it had been appropriately closed off. [Secretary’s Note: A briefing note on this matter from the Director of Health, Safety and Security is appended to the minutes for information and assurance.]

(b) As regards the accommodation building owned by the University on Scarcroft Road in York, which had been decommissioned due to non-compliance with fire safety standards, it was confirmed that the building was currently empty while Estates Services and the
Accommodation Office reviewed options around its possible future use. 

[Secretary's Note: A briefing note on this matter from the Director of Estates and Campus Services has been shared with the Chair of the Estates Committee and is appended to the minutes for information and assurance.]

(c) With regard to private rental accommodation for students in York, it was reported that, while the University held nomination agreements with some providers, in terms of liability for safety and security the relevant authority was City of York Council which maintained the relevant statutory codes of practice. In terms of general advice to students about such private accommodation, including pre-consideration of rental contracts, it was reported that both the University and YUSU provided such advice on request.

(d) It was confirmed that the new mental health first aid training for staff had been well received and would continue to be offered as an important underpinning to the new Mental Health and Wellbeing Strategy (M17-18/39 refers).

17-18/66 In-Year Financial Performance

Council received the financial results for the five months ended 31 December 2017 (C.17-18/58).

Commenting on the figures the Finance Director noted that the overall picture was largely in line with the forecast. With regard to the reported negative variance for research income (£1.8m adverse at Quarter 1), the Pro-Vice-Chancellor (Research) confirmed that this was not unusual as this type of income fluctuated on a monthly basis.

17-18/67 HEFCE Assurance Review

The Registrar & Secretary reported verbally on the quinquennial Assurance Review visit from HEFCE that had taken place on 6 March 2018.

It was noted that the review was required under the Memorandum of Assurance and Accountability (MAA) between HEFCE and the institutions for which it was responsible, with the purpose of testing the reliability of the annual assurance returns submitted by each university. As well as pre-review of minutes from Council, Audit and Finance Committee meetings, the reviewer had conducted one-to-one interviews with the Vice-Chancellor, Chair of Council, Chairs of Audit and Finance Committee, Head of Internal Audit, Finance Director, Director of Planning, Registrar & Secretary and University Governance Officer. From the verbal feedback provided to him at the end of the visit the Vice-Chancellor reported that
no major issues were expected to be raised in the final report, with recommendations likely to be focussed on relatively minor ‘housekeeping’ points.

Council welcomed the positive outcome, noting that overall it had been a helpful exercise, which would also feed into the forthcoming process of registration with HEFCE’s successor body, the Office for Students.

17-18/68  Business from Committees

Business from the following committee meetings was noted and/or approved (C.17-18/59):

(a) Student Life Committee: 25 January 2018
(b) Health, Safety and Welfare Committee: 20 February 2018
(c) Nominations Committee: 30 June 2017
(d) HYMS Joint Board: 16 October 2017

17-18/69  Statutory Gender Pay Gap Report 2017

Council received for information the University’s new statutory Gender Pay Gap Report (C.17-18/60).

17-18/70  Unreserved Business from Senate

Council noted the following unreserved business from the meeting of the Senate held on 30 January 2018:

(a) Special Cases Committee annual report (C.17-18/61)
(b) report on the Athena SWAN Charter (C.17-18/62)

17-18/71  Use of Seal

Council approved the use of the Common Seal of the University (details available in the Registrar and Secretary’s office).

17-18/72  Date of Next Meeting

The date of the next meeting was noted as Wednesday 23 May 2018 (12:00).