

Council

17/52 A meeting of the Council was held in Room 201, Carrington Building, on Wednesday 29 November 2017 at 10.00 am.

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

Mr T. Beardmore-Grey
Professor L. Butler
Mr K. Corrigan
Mrs P. Egan
Professor C.L. Furneaux
Ms H. Gordon
Ms M. Hargreaves
Miss R. Lennon

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

The Chief Strategy Officer and University Secretary

In attendance:

The Chief Financial Officer
The Director of Quality Support and Development

Apologies were received from Professor J. Board, Lord Crisp, Dr P. Erskine, and the Pro-Vice-Chancellor (Mr Raimo).

17/53 The President welcomed Ms Gordon and Professor Furneaux to membership of the Council.

The President thanked members for attending the dinner, held on the previous evening, and the discussion of ten-year capital planning scenarios for the University. The Council had found the presentations and discussion valuable and illuminating, and thanked those who had been involved in their preparation.

The President affirmed his commitment to ensure that the student experience had greater priority in the Council's business, and, to that end, he had planned to dedicate a large part of the current meeting to presentations on the student

experience by the RUSU officers and the Pro-Vice-Chancellor (Teaching and Learning). However, following the recent meeting of the Strategy and Finance Committee, he had felt obliged to prioritise consideration of future options for the University of Reading Malaysia (UoRM); in consequence, the Council would receive the planned presentations on the student experience at its next meeting.

He advised the Council that members of the University Executive Board would leave the meeting before consideration of the Report of the Remuneration Committee.

- 17/54 The minutes (17/30-17/51) of the meeting held on 10 July 2017 were confirmed and signed.

Items for note

- 17/55 Membership and Terms of Reference (Item 4.1)

The Council received a statement of its Membership and Terms of Reference.

- 17/56 Council Standing Orders (Item 4.2)

The Council noted the Council Standing Orders.

- 17/57 Disclosure of Interests (Item 4.3)

The Council noted a paper from the University Secretary in regard to Disclosure of Interests.

- 17/58 Freedom of Speech Annual Report (Item 4.4)

The Council received the Freedom of Speech Annual Report.

- 17/59 Report on the Exercise of Vacation Powers (Item 4.5)

The Council noted that there had been no occasion to exercise the Vacation Powers.

- 17/60 Availability of Council Papers (Item 4.6)

The Council noted a paper from the University Secretary in regard to the availability of Council papers.

- 17/61 Documents sealed and to be sealed (Item 4.7)

The Council received a list of documents sealed and to be sealed.

Resolved:

1. "That the Freedom of Speech Annual Report, now submitted, be received;"
2. "That the Council approve the action taken by the Officers and Members in affixing the University Seal to documents sealed since the last Ordinary

Meeting of the Council and authorise the Seal of the University to be affixed to the documents to be sealed as now reported."

Main items of business: matters for discussion and decision

17/62 Report of the Student Experience Committee (Item 5.1)

The Council received the Report of the meeting of the Student Experience Committee held on 10 November 2017.

As the new Chair of the Committee, Mrs Owen thanked Ms Woodman, the outgoing Chair, for her service during a challenging period. Mrs Owen welcomed the President's commitment to accord student experience a higher priority in the Council's business, and noted that, in the previous evening's informal discussion on the ten-year capital plan, every group had endorsed options which prioritised the student experience. She looked forward to the Student Experience Committee and the Council playing their part in helping to secure an excellent student experience for current and future students.

Mrs Owen explained that the Committee had dedicated the Autumn Term meeting to hearing the RUSU officers tell about their experiences as Reading students and explain their priorities for their term of office. Miss Lennon and Mr Spencer outlined RUSU's priorities, which included: teaching and study space and sports facilities; health and well-being; student engagement and transparency of decision-making in both the University and RUSU; inclusivity, diversity, and equality; and accommodation. They explained that students were concerned about the growth in student numbers and the consequent pressures on teaching and study space, sports facilities, and accommodation. Students were also concerned about the extension of the teaching day beyond 6.00 pm to accommodate the increased numbers of students. Miss Lennon and Mr Spencer were mindful that the shortfall in study space was due, in part, to the refurbishment of the Library which clearly would benefit future generations of students; however, current students felt that they were being disadvantaged and that further resource should be allocated to ensure the quality of their student experience. RUSU welcomed the creation of an annual £1m capital fund for student experience and the role of RUSU officers in determining its use.

Professor Brooks offered an overview of the University's current work to enhance the student experience, which included comprehensive undergraduate curriculum review, work on employability, restructuring the personal tutorial system to provide improved professional pastoral support and a greater focus on academic support, improvements in the design of teaching spaces, the development of personal learning capture, and the electronic management of assessment.

In response to questions on the integration of international students, Professor Furneaux explained that a working group was currently addressing this issue and improvements were being made to the practical, social and academic aspects of international students' experience. The University was also seeking to develop a more global culture across the University, and was promoting study abroad opportunities for all students.

In response to a question from Dr Rawal, Mr Spencer indicated that the University had generally communicated well with students on the issues around study space, but the substantive issue remained: the available study space was not adequate and the arrangements for accessing alternative study spaces were not always managed effectively. Miss Lennon confirmed that current students felt disadvantaged, and explained that RUSU was unfortunately compounding this sense since a major refurbishment of the 360 space in its building was imminent. RUSU appreciated the difficulty of balancing the interests of current and future students.

In response to a question from Mr Evans, the Vice-Chancellor recognised that there was an inevitable misalignment between the timescales of the University's planning processes and the RUSU officers' ambition to achieve their objectives in their one-year term of office. The University was keen to support the RUSU officers to achieve their objectives, as far as possible, and the £1m capital fund for student experience provided the RUSU officers with a mechanism to effect change and to influence the University's capital programme.

The Council thanked Miss Lennon and Mr Spencer for providing an insight into students' experience of the University, identifying key issues, and explaining RUSU's priorities. The Council looked forward to supporting improvements across the range of the student experience.

Resolved:

"That the Report of the meeting of the Student Experience Committee held on 10 November 2017, now submitted, be approved."

17/63 Report of the Senate (Item 5.2)

The Council received the Report of the meeting of the Senate held on 8 November 2017.

The Council received the University Annual Learning and Teaching Report 2016/17, which included an Action Plan relating to the student academic experience and student outcomes. It was noted that the Student Experience Committee had discussed and had commended the Report. The Council, having considered the Report, confirmed that it was satisfied that the methodologies and processes for improving the student academic experience and student outcomes were robust and appropriate, and that the standards had been appropriately set and maintained.

The Council received draft amendments to Ordinance C4.

The Vice-Chancellor explained that, following a review of the operation and effectiveness of the Senate conducted last year, the format of Senate meetings had been changed to allow a sharper focus on key issues in the Senate's business, and to enable senators to participate more actively in shaping the academic direction of the University. Feedback from the first meeting held under the new format had been positive. The Vice-Chancellor reported that, following the introduction of the new format, there would be a series of phased changes to the membership of the Senate which would reduce the size of the Senate and ensure broader representation across relevant constituencies in the University. Professor Furneaux and Professor Park welcomed the new format, which had facilitated fuller

discussion and had allowed members of the Senate to engage more constructively with its business.

The Vice-Chancellor reminded the Council that the University had committed to undertaking post-project reviews on the University's major initiatives 12-18 months after the end of a project or at such a point when benefits had started to accrue. Reviews were conducted by a member of the Strategic Projects Office who had not been involved in the relevant project, and the executive provided a response to, but was not permitted to amend, the report. The Council welcomed the first such post-project report, which related to the changes in the academic structures.

Resolved:

1. "That the University Annual Learning and Teaching Report (2016-17), now submitted, be approved;"
2. "That a draft amendment to Ordinance C4, I Degrees, Diplomas and Certificates, excluding Higher Doctorates', now submitted, be approved;"
3. "That the Report of the meeting of the Senate held on 8 November 2017, now submitted, be approved."

17/64 Report of the Vice-Chancellor (Item 6)

The Vice-Chancellor reported that:

- (a) As noted in the Report of the Strategy and Finance Committee, the University Executive Board, in consultation with its health trust partners, had decided not to proceed with a bid to establish a medical school in the current HEFCE bidding round. The Board considered that a compelling case had been established for the University to develop a medical school, but had concluded, in the light of a number of factors relating *inter alia* to the curriculum and space, that a bid, at this stage, would be premature. The Health Strategy Group, chaired by the Deputy Vice-Chancellor, was continuing its work, but to a longer, more realistic timescale. The Secretary of State for Health, who had recently visited the Royal Berkshire Hospital, had been briefed on the ambition for a Reading Medical School;
- (b) The University and the British Museum had established a partnership to relocate the British Museum Archaeological Research Collection to University land adjacent to the Thames Valley Science Park. The collection, which comprises some eight million items, would provide an invaluable resource for the University's Department of Archaeology and the University would provide the British Museum with analytical research facilities; the partnership would offer rich opportunities for both parties. The relocation was subject to planning permission from Wokingham Borough Council;
- (c) The Dean of Henley Business School was currently visiting the Business School's South African campus to officiate at its graduation ceremony. Henley South Africa currently had some 2,000 registered postgraduate students, and was the only international private university permitted to operate in South Africa and the country's largest provider of MBAs;

- (d) Following the passage of the Higher Education and Research Act, the Office for Students (OfS) would assume its responsibilities on 1 April 2018, at which point the Higher Education Funding Council for England would cease to exist. The remit of the OfS was to regulate a competitive market in higher education in the interest of students. Proposals for the operation of the OfS had been published, and the Chief Strategy Officer and University Secretary was leading work to ensure that the University was able to meet OfS requirements within the proposed timeframe.

Resolved:

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

17/65 University of Reading Malaysia (Item 7)

- (a) The Council received a Report of the Strategy and Finance Committee in respect of the University of Reading Malaysia (UoRM), together with a high-level business case for its future.
- (b) The President introduced the discussion by referring to the context of the University’s original decisions to establish a campus in Malaysia and to locate it in Iskandar. He noted that the operating environment in Malaysia had proven more challenging than anticipated, and, in consequence, the University had been obliged to invest additional capital into the project.
- (c) The Vice-Chancellor reported that, after extended discussions of future options for UoRM, the University Executive Board had unanimously agreed to recommend to the Council that UoRM continue its activities, subject to significant conditions. He acknowledged that the University had made mistakes in the course of UoRM’s development, including overestimating the University’s reputation in Malaysia and underestimating the challenges of entering the Malaysian higher education market. Changes in the Malaysian policy environment and the slower than projected development of the Iskandar region had, however, presented significant difficulties and had meant that UoRM had not been able to achieve the expected growth in student numbers. The Vice-Chancellor noted UoRM’s positive contributions to the University, which included raising the University’s profile as a global institution and offering a conduit for significant numbers of students to transfer to the UK campus. He also noted that a government moratorium on the establishment of new private international universities in Malaysia might offer UoRM and other established private institutions a better opportunity to grow.
- (d) The Chief Financial Officer outlined the current financial position of UoRM and its implications for the University’s accounts, and explained the options considered by the University Executive Board. In recommending that UoRM continue its activities, the University Executive Board had specified necessary conditions which would cap the University’s total investment in UoRM and would require substantial additional commitment by IIB, which leased the campus to UoRM.
- (e) The Vice-Chancellor reported that a selection panel had agreed an appointment to the post of Provost in succession to Professor Downes, subject to approval by the Ministry of Higher Education. The Vice-Chancellor also informed the

Council that he was introducing changes to UoRM's management structure with immediate effect. In response to a question from Mrs Webber, the Vice-Chancellor acknowledged that changes in the management structure would naturally cause some turbulence, but that, pending the arrival of the new Provost, additional management support would be provided; he indicated that the University Executive Board had assessed, and would manage, the risks.

- (f) In response to a question from Mr Corrigan, the Vice-Chancellor explained that the projection of student numbers included in the modelling had been calculated programme-by-programme and year-by-year and had taken into account market conditions and the level of UoRM marketing activity. However, while the projection had been prepared with scrupulous care and had been conservative in its assumptions, it remained, to a large extent, a matter of judgement.
- (g) In response to a question from Dr Rawal, the Vice-Chancellor explained that there was a broad range of local knowledge and intelligence at UoRM which would provide the new Provost with effective support. The new Provost had been briefed on the financial situation, the proposed plan, and the current resource constraints.
- (h) In response to questions from Professor Butler, Professor Park and Mr Spencer, the Vice-Chancellor indicated that there would be merit in reviewing the UoRM programme portfolio with a view to greater differentiation between the offer in Malaysia and the UK, subject to the conditions of UoRM's licence. It was recognised that the dynamics of recruitment in UoRM and in the UK were different, and a new marketing strategy, which more fully reflected these differences, was being developed. A strong relationship between Schools and the relevant sections at UoRM would be necessary to ensure effective management of differentiated provision, and work was under way to facilitate better communication between Boards of Studies and their Programme Boards at UoRM.
- (i) The Council agreed to endorse UEB's recommendation that UoRM activities continue, subject to the specified cap on the total investment in UoRM and an additional commitment from IIB. The President and Vice-Presidents undertook to monitor the progress of UoRM on a monthly basis against milestones to be developed by the University Executive Board. The Strategy and Finance Committee would receive a report at each of its meetings, and the Council would receive an update at each meeting, with in addition a written update between meetings.

Resolved:

"That:

- (a) the paper on the UoRM Revised High Level Business Case for the University of Reading Malaysia, now submitted, be received;
- (b) [Redacted, Sec.43]
- (c) given that, if Council approves the recommendation, there is a period of negotiation to follow which may be concluded before its next meeting, the

President and the Vice-Presidents be authorised, acting on behalf of the Council, to determine whether the commitment made by IIB is sufficient to meet the University's requirements."

Items of report

17/66 Annual Report of the Audit Committee to the Council and the Vice-Chancellor for 2016-17 (Item 8.1)

The Council received the Annual Report of the Audit Committee to the Council and the Vice-Chancellor for 2016-17.

As Chair of the Audit Committee, Mr Beardmore-Gray reminded the Council of the Committee's responsibilities and was pleased to report the Audit Committee's satisfaction with the University's arrangements for risk management, control and governance, for value for money, and for the management and quality assurance of data. Mr Beardmore-Gray thanked Mrs Owen and Mr Bartlam, who had stood down from the Committee, for their contribution to its work, and expressed appreciation of the Chief Financial Officer and her team for their careful and effective management of the accounts.

[Redacted, Sec.43]. The External Audit and the Audit Committee were content with this approach.

The Chief Financial Officer observed that 2016-17 had been relatively uneventful in relation to the University's finances and that there had not been any major land disposals. The Academic Group and the University's investments had performed well, although the surplus had been lower than the University Executive Board had wished.

17/67 The External Audit International Standard on Auditing (ISA) 260: Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2017 (Item 8.2)

The Council received the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2017, which had been submitted previously to the Audit Committee.

17/68 Draft letters of Management Representations to the University's Auditors (Item 8.3)

The Council received and approved the Draft Letters of Management Representations, which had been submitted previously to the Audit Committee.

17/69 Letter of Support (Item 8.4)

The Council received the Draft Letter of Support in respect of the University's subsidiary companies.

17/70 Financial Statements for the year ended 31 July 2017 (Item 8.5)

The Council received and approved the Financial Statements for the year ended 31 July 2017, which had been submitted previously to the Audit Committee.

17/71 Annual Assurance Return 2017 from the University to HEFCE (Item 8.6)

The Council received a copy of the Annual Assurance Return 2017 from the University to HEFCE, for approval.

17/72 Financial Report: October 2017 (Item 8.7)

The Council received the Financial Report: October 2017.

The Council noted that the Quarter 1 position forecast that the full year surpluses of both the University Group and the Academic Group remained in line with the budget, although the full year contingency had been more than fully utilised.

In response to a question from Ms Gordon, the Chief Financial Officer informed the Committee that the points for improvement had been, or were being, addressed, and that the issues in relation to a necessary separation of responsibilities and to the reconciliation of accounts had arisen from an inadvertence in the recent restructuring of the professional and administrative services.

Resolved:

1. "That the Annual Report of the Audit Committee to the Council and the Vice-Chancellor for 2016-17, now submitted, be approved;"
2. "That the Management Letter and Audit Highlights Memorandum from KPMG for the year ended 31 July 2017 be received;"
3. "That the President and the Chief Financial Officer be authorised to sign the Letters of Representation to KPMG and that the Chief Financial Officer be authorised to sign the letters of support for the University's subsidiary companies;"
4. "That the Financial Statements for the year ended 31 July 2017, now submitted, be approved and adopted;"
5. "That it be confirmed that in all material respects the University has conducted its affairs during the year ended 31 July 2017 in accordance with its status as a charity and that the President and the Vice-Chancellor be authorised to sign the Annual Assurance Return to HEFCE to this effect;"
6. "That the Financial Report: October 2017, now submitted, be received;"

17/73 Report of the Strategy and Finance Committee (Item 9)

The Council received the Report of the meetings of the Strategy and Finance Committee held on 30 October and 23 November 2017.

In respect of the development of a medical school, the Deputy Vice-Chancellor reported that the University Executive Board (UEB), in collaboration with trust partners, had come to the view that the extent and complexity of the work required to prepare a responsible bid, given the University's starting position, was not compatible with the timeframe for the application process; however, good

progress had been achieved over a six-month period which would inform the further development of a proposal with an extended timeline. Possible steps towards the development of a medical school had been identified, including the establishment of a partners' group, internal reorganisation of health-related activity, and the creation of a smaller-scale medical school; a road map would be considered by UEB in February 2018 and costings in July 2018. The Health Strategy Group had also been reconvened. Professor Butler, who chaired the Medical School Development Board, reported that the University's trust partners had supported UEB's decision and were fully committed to the continued development of a medical school.

In respect of Health and Life Sciences Project, the Council noted that the tender returns had been higher than the pre-tender estimate due to risks associated with the project and the current market environment, and that there was no realistic prospect that retendering would yield further, more competitive bids. In response to a question from Mr Pryce, the Pro-Vice-Chancellor (Academic Planning and Resource) confirmed that the proposed increase in the budget for the programme would be built into the ten-year capital plan, and explained that future budgeting for capital projects would incorporate a range for the cost, while ensuring that the higher limit did not become a target. The Chief Financial Officer advised that the increase in the project budget raised a potential cashflow issue, which, it was hoped, would be offset by asset disposal. Mr Evans expressed confidence in the University's processes for estimating project budgets and observed that there would inevitably be cases where, due to market conditions or other circumstances, the pre-tender estimate would not be met.

Resolved:

1. [Redacted, Sec.43]
2. "That the Report of the meetings of the Strategy and Finance Committee, held on 30 October and 23 November 2017, now submitted, be approved."

17/74 Report of the Appointments and Governance Committee (Item 10)

The Council received the Report of the meeting of the Appointments and Governance Committee held on 30 October 2017.

The Council, having noted that Mrs Owen had now been appointed Vice-President, thanked Ms Woodman for all her work during her term of office. It also noted that Professor Mithen would complete his second term of office as Pro-Vice-Chancellor on 31 July 2018, that applications were invited from internal candidates only, and that a Selection Panel had been convened with a view to completing the selection process by the end of January 2018.

The Council, having noted that two lay members would complete the maximum nine-year period on Council at the end of 2019-20, supported the suggestion that the vacancies be publicly advertised and also encouraged members to advise the President if they were aware of potential candidates.

The President reported that he and the Vice-Presidents would shortly review the structure of the Council and the contribution of members, and, in doing so, would have due regard to the expected OfS governance requirements.

The Council received the Annual Report on the Prevent Duty, which set out the University's actions in response to HEFCE's assessment of the University's arrangements in respect of Prevent, provided the Risk Assessment and Action Plan, and presented evidence of ongoing engagement with, and active implementation of, the Prevent Duty. The Chief Strategy Officer and University Secretary explained that the University, in common with a number of universities, had been asked to submit further evidence in support of its first annual report, and, following engagement with its HEFCE Prevent Advisor, had satisfied HEFCE's requirements. The University now had a fuller understanding of the implications of the Prevent Duty and its implementation.

The Council noted that it had accepted the Vice-Chancellor's resignation from the Remuneration Committee, which would ensure more transparent governance, and that all members of the Remuneration Committee were now lay.

Resolved:

1. "That the Prevent Duty Annual Report to HEFCE, now submitted, be approved, and that the President of Council be authorised to sign the Prevent monitoring annual report governing body declaration;"
2. "That the Report of the meeting of the Appointments and Governance Committee, held on 30 October 2017, now received, be approved."

17/75 Annual Report of the Investments Committee 2016/17 (Item 11.1)

The Council received the Annual Report of the Investments Committee and the report of the meeting of the Investments Committee held on 30 October 2017.

As Chair of the Investments Committee, Mr Evans reported that the University's stocks and shares had performed well over the past year, [redacted, sec.43] that the phased sale of residential properties was progressing well, and that the gateway building on the Thames Valley Science Park would open in December 2018 with almost full occupancy. He noted that the University was benefitting from its long-term investment in land holdings, which yielded very substantial returns as they were released for residential use.

17/76 Report of the Investments Committee (Item 11.2)

The Council received the Report of the meeting of the Investments Committee held on 30 October 2017.

The Chief Financial Officer outlined the principles and disciplines which the Committee had adopted to guide its long-term capital investment strategy. The Committee recognised that the University had been reliant on land disposals to fund capital expenditure and had agreed that the University's long-term asset base be protected by reinvesting [Redacted, Sec.43], which might be in a mixture of asset classes, not solely land. The Committee was mindful that agricultural land was important to the University, not only for investment purposes, but to sustain its excellence in teaching and research in agriculture. The Committee also endorsed the principles that the University maintain a healthy liquid reserve, retain its

investment grade rating, maintain a balanced investment portfolio, and appraise capital projects to verify value for money.

In response to questions from Mrs Owen and Mr Evans, the Chief Financial Officer assured the Council that the appraisal of value for money would take account of qualitative benefits of potential projects which could not be identified through quantitative analyses such as Net Present Value or payback calculations. Mrs Owen referred to methodologies which enabled the transparent evaluation of qualitative benefits.

Resolved:

1. "That the Annual Report of the Investments Committee (2016-17), now submitted, be approved;"
2. "That the Report of the meeting of the Investments Committee, held on 12 June 2017, now submitted, be approved."

17/77 Report of the Remuneration Committee (Item 12)

At this point, the members of the University Executive Board (namely the Vice-Chancellor, Deputy Vice-Chancellor, Pro-Vice-Chancellors, Chief Strategy Officer and University Secretary, and Chief Financial Officer) left the meeting.

The Council received the Report of the meeting of the Investments Committee, held on 30 October 2017.

The President noted that senior staff pay in universities had recently been the object of intense political, media and public interest, that HEFCE had recently issued guidance on the remuneration of senior staff and on severance pay, and that the OfS was proposing stringent reporting requirements in this area. In this context, the CUC had undertaken to formulate a draft fair pay policy by the end of the calendar year.

In these circumstances and in the interests of good governance, the President was concerned that the Council have a full opportunity to consider senior remuneration processes to ensure that they were fair, robust and transparent.

As Chair of the Remuneration Committee, Mr Evans reported that, at its meeting on 30 October 2018, the Committee had reviewed its arrangements for senior pay in the light of the HEFCE guidance, and had reflected on those aspects which represented good practice and how current practice could be augmented or improved. Although the composition of the Remuneration Committee was fully compliant with HEFCE guidance, the Committee had accepted the Vice-Chancellor's resignation from its membership. The Committee would, however, invite the Vice-Chancellor to attend meetings in order to advise on cases, as appropriate, believing that it would not be possible for the Committee to discharge its responsibilities without the opportunity to question him. The Committee would receive at its meetings additional documentation which would serve to remind members of their obligations, the principles which underpinned the process, benchmark salary information, and other comparative data and guidance. Further information about the background and experience of members of the Remuneration Committee would be published to enhance transparency. Future reports of the Remuneration

Committee to the Council would include contextual information which had informed decisions and confirm the net effect on relevant pay-bills.

The Committee had noted the OfS's future requirements and was confident that the University was well-positioned to justify its treatment of senior staff and demonstrate that its arrangements were reasonable and proportionate. The University would illustrate the Vice-Chancellor's pay as a ratio to other staff categories.

The Committee considered that decisions on senior remuneration should be informed by comparators both within and beyond higher education, and that explicit reference to roles in the public and private sectors would contribute to the equity, transparency and public understanding of pay levels. Mr Pryce suggested that the University might usefully investigate the types of information which large companies publish about executive pay and consider this as a model.

In response to questions, the President confirmed that universities had the freedom to determine the remuneration packages of their staff, but, in future, would be obliged to publish more detailed information on the pay of staff who were paid more than £100k. In determining pay, it was reasonable to have regard to the size and complexity of the institution, the relevant experience of the individual, and the performance of the individual and the institution.

The Council discussed whether there should be a more structured performance-related component in senior staff pay. It noted that the Remuneration Committee currently received a personal statement which offered a narrative about the individual's achievements over the period, but tended not refer to specific objectives and clear measures of performance. While acknowledging a risk that individual performance indicators could incentivise single-minded pursuit of narrow targets rather than broad, contextual decision-making and flexibility in responding to new opportunities, there was a consensus that there was merit in clearer objective setting and its alignment with performance measures and reward. Such an approach would support more effective performance management and enhance the rigour and transparency of remuneration processes.

Mr Spencer and Miss Lennon noted that Vice-Chancellors were leading large, complex organisations which were in the business of adding value and transforming lives, and believed that it was reasonable that they were well rewarded, provided that the institution was delivering a high quality experience and was financially stable. An element of performance-related pay keyed to the student experience would, from their perspective, have some merit.

The Council welcomed the commitment for fuller reporting of the Remunerations Committee's decisions.

Lay members of the Council agreed that they would be better equipped to act as ambassadors for the University if they received a regular briefing note on current and upcoming issues in the sector, the University's position in relation to those issues, and a commentary by the Vice-Chancellor. It would be helpful for Council members to receive a special note in relation to any issue which provoked intense media interest.

The Council asked that a summary of the HEFCE report on the remuneration of the Vice-Chancellor of Bath University be circulated.

Resolved:

1. “That the Council endorse the approach in respect of senior pay adopted by the Remuneration Committee;”
2. “That the Report of the meeting of the Remuneration Committee, held on 30 October 2017, now received, be approved.”

17/78 Dates of further meetings of the Council in the Session 2017-18

The Council noted that further meetings of the Council in the Session 2017-18 had been scheduled for:

Thursday 25 January 2018 at 2.15 pm
Monday 19 March 2018 at 2.15 pm
Monday 9 July 2018 at 2.15 pm.