

# UNIVERSITY OF BRISTOL

## *Minute of the 106<sup>th</sup> Annual Meeting of Court*

Friday 27 November 2015

The Rt Hon The Baroness Hale of Richmond (Chancellor)

Prof H Brady (Vice-Chancellor), Mr D Burn (Chair of Council), Prof N Canagarajah (Pro Vice-Chancellor), Ms R Geller (Registrar & Chief Operating Officer), Professor R Hodder-Williams (Pro-Chancellor), Prof N Lieven (Pro Vice-Chancellor), Professor G Orpen (Deputy Vice-Chancellor), Mr A Poolman (Treasurer), Mrs M Prior (Pro-Chancellor) Prof J Squires (Pro Vice-Chancellor)

Cllr P Abraham	Mr R Cowap	Ms S Harris	Prof J Noyes
Dr S Allpress	Mr R Cross	Mr P Hassan	Mrs C Nuttall
Mr M Ames	Dr M Crossley	Prof P	Prof D Offord
Dr J Anstee	Evans	Henderson	Mrs D Offord
Mr M Ashmead	Mrs J Cummins	Mr D Hibbert	Dr T O'Toole
Mr M Austin	Dr D Damen	Ms L Ho	Mr C Owen
Prof P Barham	Mr W Davies	Ms K Hoo	Mr J Parsons
Mrs B Barham	Revd E Davis	Cllr G Hoyt	Prof Partington
Mr R Barlow	Cllr C Denyer	Dr B Ivo-Cruz	Dr H Phillips
Dr K Barnard	Dr I Dickinson	Mr M Jeans	Mr T Phipps
Mr J Barnbrook	Ms S Dikken	Mr G Jeffrey	Prof B Pickering
Miss R Barry	Prof R Dixon	Dr R Kennedy	Ms R Pitter
Ms T Beck	Dr H Donoghue	Dr J Khawaja	Mrs L Powell
Mrs T Beech	Ms J Dowden	Prof U King	Mrs N Press
Cllr S Bevan	Prof L Doyal	Mrs J Kirk	Mr A Price
Mrs W Bisley	Dr D Dymock	Mr H Kirkbride	Revd Dr J Pye
Mr S Biswas	Dr M El-Bakry	Dr S Kitts	Dr R Rawlinson-Smith
Dr U	Lt Col M Elmhirst	Mrs D Knight	Cllr J Rayment
Brandenburg	Ms J Elsworth	Dr P Langton	Ms L Robinson
Mr S Bray	Prof R Evans	Dr M Leggett	Mr R Rossington
Prof P Broadfoot	Cllr S Field	Cllr T Leimdorfer	Mr R Schmidt
Mrs C Brown	Mrs V Field	Prof M Liversidge	Dr C Schwitzer
Prof J Bryce	Mr P Finch	Mr C Lucas	Mr A Scott
Mr P Burling	Mr N Finerty	Mr T Lynch	Cllr I Scott
Mr C Burns	Dr S Finerty	Mr D Marsh	Mr C Scowen
Ms A Burrell	Mr T Flynn	Mr R Massie	Ms L Shaples
Mr K Carolan	Prof B Foster	Mr J Miotla	Mr J Skehens
Mr P Cawley	Dr J Foulds	Mrs J Mitchell	Mr L Smith
Mr C Chapman	Mr G Fox	Dr R Moore	Dr V Smith
Mr P Charlton	Mr A Franks	Mr J Moriarty	Ms V Stace
Mr R Churcher	Colonel J Frere	Cllr G Morgan	Dr M Stam
Mr D Clarke	Dr H Galbraith	Prof A Morgan	Prof J Steeds
Dr S Clarke	Cllr B Garner	Prof A Mott	Dr S
Prof D Clarke	Ms S Gilbert	Mr G Mullan	Subramanian
Prof R Clements	Dr S Goldsmith	Dr A Murrison	Dr T Thom
Prof S Collins	Mrs J Goldstein	Mrs L Neck	Dr J Thompson
Mrs A Collins	Mr C Green	Mr S Neck	Mr B Toll
Ms E Collins	Mr G Gregory	Mr J Newby	Mr N Tomkins
Dr L Colquhoun	Mr C Gunter	Mr A Nield	Mr R Tucker
Mr P Coombs	Dr R Haines	Prof N Norman	Mr S Vause
Mr G Couzin	Mr M Halani	Sir P Norriss	

Prof B Vincent  
Prof J Vincent  
Prof A Walsby  
Mrs J Walsh  
Mr K Walton

Prof P Warren  
Mrs J Wathen  
Dr B Weaver  
Mr J Wetz  
Dr J White

Mr C Whiteside  
Mr M Wilkes  
Mr R Willis  
Mrs H Willoughby  
Mrs A Wilson

Dr C Wilson  
Miss C Wilson  
Mrs L Wilson  
Dr S Wilson  
Mrs S Wilson

## **1. Development of the new University Vision and Strategy**

- 1.1 RECEIVED and NOTED: an introductory presentation and oral address from the Vice-Chancellor, Pro Vice-Chancellor (Strategy) and the Finance Director, on the development of the new University Vision and Strategy.
- 1.2 The Vice-Chancellor introduced himself to Court and gave a brief outline of his career to date, including how this had informed his particular interest in university collaborations and partnership working. The Vice-Chancellor reflected that the University's current formal Vision and Strategy was due to expire in 2016, and that the arrival of a new Vice-Chancellor at the University represented an excellent opportunity for the University to consider its future direction and strategy. The following points, in particular, were highlighted:
- This was a time of significant change within the external environment, including uncertainty created by changes in public funding, the Government's proposed introduction of the Teaching Excellence Framework, as well as increasing student and parental expectations. Furthermore, the United Kingdom's UK immigration policies, and the forthcoming referendum on the UK's continuing membership of the European Union, had the potential to impact on the University and its staff and students.
  - The University had a proud history, and competed strongly internationally. However, to maintain its competitiveness it must reflect on its core aims, including what it could do differently or better. The University was consulting widely in developing its new Vision and Strategy.
  - The University was keen for members of Court to be engaged in developing the new University Vision and Strategy, and therefore there would be the opportunity for members of Court to contribute to the Strategy development process at the meeting, and beyond. Discussions as to the future of the University would necessarily include discussions as to the future of Court (including timing and format of its annual meetings), and feedback from members of Court on such matters would be welcomed.
  - A number of key/priority themes had emerged from the consultation conducted to date:
    - The quality of the student experience
    - The evolution of the University's postgraduate taught (PGT) portfolio
    - Building scale in research
    - Diversity of the student and staff bodies
    - Internationalisation
    - The size and shape of the University.
- 1.3 The Pro Vice-Chancellor (Strategy) advised members of Court of the timeline for development of the new Vision and Strategy. Court noted that the overall aim for the Vision and Strategy was for the University, with the help of its various communities, to set an appropriate direction of travel – capable of anticipating future issues and challenges.

1.4 The Finance Director outlined some of the constraining and enabling factors facing the University's strategic ambitions, with a particular focus on sources of funding available to the University and likely strategic capital expenditure.

1.5 At the conclusion of the presentations, Court members attended 'break out' discussion groups based on the following themes:

- Education and Students;
- Size and Shape of the University;
- Research and Enterprise.

1.6 The rapporteurs from each discussion group provided summaries of the group discussions to Court members, as follows:

Education and Students (Rapporteur: Ms Vikki Stace)

1.7 The following points were highlighted by the breakout group:

- The importance of the University rewarding (and being seen to reward) teaching, as well as research.
- The importance of managing student expectations when they arrived at Bristol (especially those from a privileged educational background).
- The need to articulate to students what was special and 'cool' about the city and the University.
- The University should internationalise the way it teaches, and seek to globalise the experience of students.
- Employability was essential – the University must make sure it was aligning what students felt they needed and also what employers said they needed.
- The University ought to utilise its alumni fully and well – especially those who lived locally.
- The importance of increasing engagement with the city, including increased focus on recruiting local students. This could include the University's engagement with the local volunteering community.

Size and Shape of the University (Rapporteur: Mr Roy Cowap)

1.8 The following points were highlighted by the breakout group:

- This had been a particularly wide-ranging and diverse discussion.
- Before assuming 'growth is good', the University should carefully consider and manage any plans for growth. The group had noted differing attitudes to growth in the high-profile North American universities (although they do have a very different funding regime).
- Although the University was increasing its efficiency, this was becoming increasingly important as the University became more constrained in terms of physical space. These constraints might be mitigated by wise partnerships.
- Diversification/prioritisation should not be financially motivated, per se, but should retain the University's historic depth and breadth of discipline.
- The city itself attracted people to the University; engagement and collaboration was important to both the University and the city.
- The University might make better use of technology to expand student numbers – for example, in supporting part time/distance learning.

Research and Enterprise (Rapporteur: Mr Colin Green)

1.9 The following points were highlighted by the breakout group:

- The University was fortunate to already enjoy an excellent a reputation for research, and so challenges in this area were ones of maintenance and improvement rather than fundamental overhaul.
  - The University should develop its relationship with city and national partners; it would be important for its research to be inter-disciplinary and international, as appropriate.
  - Research excellence comes from excellent people, and so the University should take care to not only appoint excellent research leaders, but also attract (and support) early career researchers and postgraduate students.
  - The University's South West location meant there were strengths in local industries which could be built upon.
  - The group had noted the importance of place and themes, of building strategic alliances, and ensuring the University was aligning research opportunities in good time.
- 1.8 The full, informal, notes from each discussion group would be made available to members of Court.
- 2. Question-and-answer session with the Vice-Chancellor and senior team**
- 2.1 The questions and answers that followed the Vice-Chancellor's address and the strategy development session highlighted the following points:
- There were many advantages to the University, and its students, of the UK's membership of the European Union (EU). These included the opportunities afforded by the EU's Erasmus scheme, as well as various streams of funding (for research and otherwise), as well as the networks and technological platforms available to the UK.
  - The University had not carried out a formal assessment of the previous (soon to expire) Vision and Strategy. The new Strategy aimed to build on past successes, whilst recognising that it was being produced in a very different environment. The University was keen that the new Strategy was flexible, and recognised the potential for unanticipated change, so the University was not 'locked in' to a Strategy which became outdated or irrelevant.
  - There was no reason why Bristol as a city could not compete economically as a research and development 'powerhouse'. There were many links between the city and industry, and Bristol had a creativeness, and 'edginess' which was attractive and distinctive. For there to be a broader South West powerhouse there would need to be co-operation and cohesive working between the four local authorities to target investors. The University had a strong appetite to engage with the local community and economy, and had a role to play both in partnership, and in providing a graduate pipeline which supported research (and research in industry) activity.
- 3. Welcome and Announcements**
- 3.1 The Chancellor welcomed members of Court to the formal business of the meeting.
- 3.2 Members of Court were informed of the Chancellor's intention to retire as Chancellor at the end of 2016, noting and commending that the Chancellor would assume the prestigious role of Treasurer of Gray's Inn in 2017. Court noted the following regarding the appointment of the Chancellor's successor:
- In accordance with the University's Statutes, the Chancellor was appointed by Court, on the nomination of Council. A panel had therefore been convened by the Chair of Council, to consider that nomination. The Panel included the Vice-Chancellor, the Registrar, the Chair of Council, the Chair of Convocation, academic members, a student member, and a member of the Nominations Committee of Court.
  - There would be a wide consultation, which would launch as soon as possible following the meeting of Court. Members of Court (and other key University

stakeholders) were strongly encouraged to put forward suggestions for the next Chancellor as part of that process.

- Council, and the Nominations Committee of Court, would receive regular updates regarding the nominations process.
- Depending on the candidates put forward, Court would either be asked to appoint the next Chancellor at its 2016 annual meeting or the University would seek to convene an earlier extraordinary meeting of Court (solely for the purposes of appointing the next Chancellor).

3.3 The Vice Chancellor spoke to acknowledge the vision, energy and distinctiveness of the Chancellor, and expressed appreciation on behalf of the University and Court for all she had done for them during her term as Chancellor. More formal, and timely, thanks would be expressed in due course.

#### **4. Minutes of the meeting of 12 December 2014**

4.1 APPROVED (reference **Agenda item 4**).

#### **5. Annual Report and Financial Statements 2014/15**

5.1 RECEIVED (reference **Agenda item 5**).

5.2 The Treasurer introduced the item and reflected on the challenges (financial and otherwise) facing the University. The Finance Director then gave a presentation which gave an overview of the financial results for the year and the University's current financial strategy.

5.3 The presentation highlighted the following points:

- It was an exceptionally strong year for the University financially, with a strong operating surplus. This high surplus was due to a number of factors, including a one-off expenditure credit for research and development through a governmental tax relief scheme, the fact that no contingency funding was needed in 2014/15, and a positive financial performance across a range of faculties and activities.
- The available cash for investment was down slightly from figures in 2013/14, reflecting the timings of cash received.
- Cash flow, and staff costs as a percentage of income, had dropped slightly.
- There had been steady progress in improving the level of surplus, and cash flow generation.
- From 2015/16 accounting statements would change, which would change the presentation of future annual statements. There would also be a number of key uncertainties to manage, due to changes in national insurance and pension costs. There might also continue to be an inflation mismatch between the home undergraduate tuition fee cap, and HEFCE funding.
- There were plans to invest heavily in capital over the next two years, including proposed expansion of the Queens Building; renovating Berkeley Square; renovating the Fry Building; and developing the new Beacon House.
- The University continued to face significant pensions liabilities.
- The University had improved its financial performance against peer benchmarks since 2013/14. It had above-benchmark cash from operations and research grants, though it was slightly below benchmark on student fees and surplus. Bristol had above average debt, though this had dropped (gross debt was still well above benchmark).
- Overall, the University's financial performance in 2014/15 had been strong. 2015/16 would be more challenging, given the need for headroom to finance new strategic initiatives, and medium/longer term challenges. The direction of the new Vision and

Strategy would be crucial in ensuring the future financial robustness of the University.

- 5.4 There were no questions from members of Court regarding the presentation. The Chancellor reflected that this was a testament to the comprehensive and helpful report and presentation that the Finance Director had delivered. The Chancellor further noted that the Finance Director would retire before the next annual meeting of Court, expressing appreciation on behalf of herself and Court for his work for the University, and his excellent advice to Court over the years.

## **6. Report of the Nominations Committee of Court**

- 6.1 The Chair of Council noted that a number of members of Council would be stepping down shortly, including Mr Colin Green, Mr Bob Morton, Ms Cindy Peck, Dr Andrew Garrad and Mr Tom Phipps. The Chair of Council expressed appreciation on behalf of himself, the University and Court for their hard work and support of the work of the University.

- 6.2 APPROVED: the re-appointment of the following lay Council members for a further three year period until 31 December 2018 (reference **Agenda item 6**):

- Sir Ron Kerr
- Mr Roy Cowap

- 6.3 APPROVED: the re-appointment of the following lay Council members for a further two year period until 31 December 2017 (**Agenda item 6**):

- Ms Anne Stephenson
- Mr James Wetz

## **7. Reappointment of Pro Chancellor**

- 7.1 APPROVED: the reappointment of Mr Roger Holmes, to serve as a Pro-Chancellor for a second three year term from 1 January 2016 until 31 December 2018 (reference **Agenda item 7**).

## **8. Honorary Fellowship**

- 8.1 CONFERRED: on the recommendation of Senate and Council, the distinction of Honorary Fellow upon Professor Deaton. The Chancellor advised members of Court that this award should be treated strictly confidentially, pending discussions with the recipient.

## **9. The Chair of Council's review of the year 2014/15**

- 9.1 RECEIVED: an oral address from the Chair of Council, and a paper on the proposed amendments to Statute 14 (reference **Agenda item 9**).

- 9.2 The Chair of Council highlighted the following in relation to Council business in the year 2014/15:

- The University performed very strongly across the board in the Research Excellence Framework (REF), of which it should be very proud. The University had a very good reputation and profile in higher education, but more could be done to capitalise on this in attracting the best students, staff, partners and funders. There was an increasingly competitive environment both internationally and nationally: the University must adapt to that context.
- More work was needed around equality and diversity, and widening participation. The University took these issues very seriously, but making progress on them continued to be challenging.

- Continued investment was fundamental to continued success. The University could not afford to take its 'foot off the pedal'. The Chair expressed appreciation for all the University faculties and divisions which had helped produce such a good financial result in 2014/15.
  - The issue of risk management was taken very seriously by Council. The Chair expressed appreciation to the Audit Committee for its support in ensuring the University effectively manages risk issues.
  - Staff were the lifeblood of university. There was a balance to strike between the University as a community and as a competitive body. The annual staff survey was currently underway: key issues included health & safety, and equality and diversity.
  - The 2014 Council effectiveness review had highlighted issues for the University to address. Council had been working to implement the recommendations of that review:
    - Chief amongst the resulting changes would be a reduction in the size of Council from 32 members to 20. Bristol City Council and the Society of Merchant Venturers' would no longer have the power to directly appoint members of Council, though the University would continue to collaborate with them in future through other processes, and they would be encouraged to nominate members in future.
    - A place on Council would continue to be ring-fenced for a member nominated by Convocation.
    - The reduced size of Council would also impact upon the size and membership of its Committees.
    - Council's name would be changed to the "Board of Trustees" from January 2016.
    - To minimise the volume of changes, no changes were currently proposed to the role of the Nominations Committee of Court in respect of Council, though this might be considered again in future.
  - The Chair of Council noted the departure of Professor Eric Thomas as Vice-Chancellor in Summer 2015. The Chair expressed appreciation for Professor Thomas' years of service for the University, and welcomed Professor Hugh Brady as the new Vice Chancellor.
  - It was noted that Dr Moira Hamlin would become new Vice-Chair of Council in place of Mr Bob Morton, who was standing at the end of 2015.
  - The Chair of Council expressed the appreciation of Council for the work, support and advice of Finance Director Mr Andy Nield, and thanked him on behalf of the University and Council.
- 9.3 The Treasurer and Chair of the Audit Committee outlined the proposals for the amendment of Statute 14. The amendments had been proposed in order to bring the University unequivocally into compliance with the requirements of its funding body, the Higher Education Funding Council for England (HEFCE) and had been recommended by the Council effectiveness review.
- 9.4 Members of Court were reminded that, at its meeting in December 2014, Court had rejected, by a simple majority, the same amendments to Statute 14. Accordingly, should Court reject the amendments again at this meeting (in accordance with the Charter, which provides that Council may proceed with such a proposal if rejected by Court at two consecutive annual meetings), Council might nonetheless move forward with the proposed amendments. Any changes to Statute would be reported, as usual, at the next meeting of Court.
- 9.5 In discussion of the proposed amendments, the following key points were raised:

- Court had seen a significant reduction in its size and powers in the past few decades. Broad representation in Court could help to support good governance.
  - There was concern that the wording required that a Treasurer could not be on both the Finance Committee and the Audit Committee. However, it was clarified that this restriction on cross-membership was actually required by HEFCE. The Treasurer, whilst not technically a member of the Finance Committee, was formally 'in attendance' at its meetings (including receiving full papers).
  - There was concern about the University following 'best practice' for the sake of following best practice. Best practice should not be seen as something that must be done, if there were good reasons not to follow it.
  - The Chancellor noted that if Court rejected the proposed amendments, Council would take this, and the views expressed by Court members, into account. However, Council would still have the power to move forward with the proposed amendments without Court approval.
- 9.6 On a show of hands, the proposed amendments to Statute 14 were REJECTED, 80 votes to 47.
- 10. Additions to Court membership (from December 2014)**
- 10.1 NOTED (reference **Agenda item 10**).
- 11. Changes to Charter, Statutes and Ordinances during 2014/15**
- 11.1 NOTED: the summary of the changes made to the Charter, Statutes and Ordinances in the preceding year, as set out in the accompanying paper (reference **Agenda item 11**).
- 12. Business submitted by a member of Court**
- 12.1 RECEIVED: business submitted by a member of Court on Fossil Fuel disinvestment (reference **Agenda item 12**).
- 12.2 Court was advised that, in accordance with the University Statutes, a member of Court had submitted to Court an item of business to the meeting.
- 12.3 The proposer, Councillor Carla Denyer, introduced the issues at hand, and proposed a motion that Court advise Council to develop a plan for the University to gradually phase out its investments in fossil fuels over a five year period.
- 12.4 Councillor Denyer made the following points in support of the motion:
- The proposed motion would follow the practice of a number of other universities, which had chosen to disinvest in fossil fuels.
  - The University had noted in its response to the proposal that if it sold shares in fossil fuels, they were likely to be bought quickly by other investors, so this would not have an immediate financial impact on fossil fuel industries. However Councillor Denyer considered that there could be significant political impact from disinvestment by the University.
  - If long term government policies moved towards supporting fossil fuel disinvestment, disinvestment by the University now might prove to have been a prudent financial decision in the longer term.
  - The University had also expressed concern in its response over the challenges of 'where to draw the line' in electing to disinvest in fossil fuels – however, such issues were also true of other areas where universities have chosen to cease investment (such as tobacco and arms).
  - The University was considering shareholder activism as an alternative, but this had been occurring in other sectors for more than ten years with limited success.

Shareholder activism, without the threat of disinvestment, could be perceived as lacking impact.

- Not supporting fossil fuel disinvestment was considered to undermine the University's own ethical investment policy, and the policies of the Cabot Institute.
- Ten per cent of University students had already signed a petition on this issue: this arguably demonstrated that this was what the students of the University wanted.

12.4 The Deputy Vice-Chancellor and the Finance Director commented:

- Council agreed this was an important issue. Council welcomed the engagement of Court in this important topic and did not wish to prejudice Court's discussion. It was observed that this was a complex and challenging topic, and Council had a fiduciary duty to maintain the financial health of the University. There were arguably other ways to address this issue, and the broader issue of climate change. There are also other issues to consider, such as whether disinvestment would affect Bristol students' opportunities to be employed in fossil fuel -related industries.
- Council would make a decision on divestment policy, advised by the academic community, students, staff and its committees, in due course.

12.5 In discussion of the proposed motion, members of Court highlighted the following:

- The 'moral imperative' of disinvestment in fossil fuels was questioned: for example, if fossil fuel usage was reduced, arguably there might be a greater reliance on nuclear fuels.
- The 'where to draw the line' argument could potentially be fallacious, and be taken to extremes.
- The motion could give Court the opportunity to show vision and direction, and lead the University in a direction which was 'ahead of the curve'.
- It was argued that shareholder activism could have real impact, and that the University could effect change by engaging with energy companies and using its influence as an influential research body.

12.6 An amendment was proposed to replace the word 'develop' with 'consider' in the proposal. The amendment was REJECTED (on a show of hand, with no count taken due to the overwhelming number of votes against).

12.7 On a show of hands, the proposed motion was REJECTED, 71 votes to 65.

### **13. Any Other Business**

13.1 There was no other business to discuss.

### **14. Date of next annual meeting**

14.1 The next meeting of Court was scheduled for Friday 2 December 2016. Members of Court were reminded that an extraordinary meeting of Court may be convened for the purposes of appointing the University's next Chancellor.