

# UNIVERSITY OF BRISTOL

## *Minutes of the Hundredth Annual Meeting of the University Court*

Friday, 11 December 2009

Present:

The Rt.Hon. The Baroness Hale of Richmond (Chancellor) presided:

Mrs A Bernays (Pro-Chancellor), Professor Dame Carol Black (Pro-Chancellor), Mr JS Foulds (Pro-Chancellor and Chair of Council), Sir James Tidmarsh (Pro-Chancellor), Dr JM Woolley (Pro-Chancellor), Professor EJ Thomas (Vice-Chancellor), Professor D N Clarke (Deputy Vice-Chancellor), Mr Derek Pretty (Registrar), Professor L Hall (Pro Vice-Chancellor), Professor A Waterman-Pearson (Pro Vice-Chancellor), and Mr JGH Wadsworth (Treasurer).

Cllr P Abraham	Mr C Chapman	Ms C Gallacher	Ms P
Prof J Adams	Mr R Churcher	Lady Elizabeth	Lawrence-
Dr M Allinson	Cllr J Clark	Gass	Archer
Ms L Allsop	Mr D Clarke	Mr J Gilder	Dr A Leggett
Mr A ApSimon	Dr Stella	Dr R Gingham	Cllr T
Mr G Ash	Clarke	Prof J Golding	Leimdorfer
Mr M Ashmead	Prof R	Mr P Golding	Prof N Lieven
Mr J Ashton-	Clements	Dr S Goldsmith	Dr J Littler
Bell	Mr D Cockerill	Ms R Gorge	Dr S Lyne
Dr I Ashwell	Dr A Collins	Mr F	Prof D Martin
Mrs M Avery	Mr D Cook	Greenacre	Prof C
Mr R Avery	Dr M Crossley	Mr G Gregory	Martindale
Mr R Babington	Evans	Cllr R Griffey	Prof H Mason
Prof K Bailey	Prof I Cuthill	Mr C Gunter	Mr R Massie
Prof G Balint-	Dr M Damian	Mr M Halani	Mr P McCarthy
Kurti	Prof M David	Ms P	Dr J Meadows
Mrs C Bateson	Mrs C Davies	Hammond	Mr J Medcraft
HH JP	Revd E Davis	Dr R Hammond	Lady Merrison
Batterbury	Mr W Davis	Mr R Harding	Dr A Merry
Ms E Billington	Mr C Densham	Cllr P Hassell	Mr A Mezzetti
Dr E Bird	Mr C Didcote	Dr L	Mr J Miotla
Mr D Birdsall	Prof R Dixon	Henderson	Dr R Moore
Prof D Blockley	Dr H Donoghue	Mr D Ip	Mrs S Morris
Cdr G Bond	Dr F Duckworth	Prof B Jackson	Mr G Morton
Prof T Bond	Mr R Dufton	Ms R Jackson	Mr W Morton
Mr K Bonham	Mr R Eachus	Ms S Jarman	Prof G Mott
Prof H Bradley	Mrs S Eachus	Mr M Jeans	Mrs B Moul
Mr J Bramhall	Prof J F	Dr M Johnson	Dr K Moule
Prof E Braun	Eastham	Prof J Keating	Mr G Mullan
Dr G Brown	Cllr R Eddy	Cllr Dr M	Mr J Napier
Mrs L Brown	Cllr S Emmett	Kellaway-	Mr S Neck
Mr P Burling	Prof R Evans	Marriott	Mr W Nicholas
Mr D Burn	Rev Dr S	Prof J M	Mr A Nield
Mrs A Burnside	Finamore	Kendall	Dr A Nikonovas
Mr A Cadogan	Mr P Finch	Miss H Klein	Sir Peter
Dr B Carroll	Dr E Foulstone	Cllr BA Knott	Norriss
Prof R	Mr D Freda	Prof S Knox	Mr I O'Brien
Chambers	Ms H Galbraith	Prof H Land	

Cllr S O'Donnell	Mr J W Richards	Prof G Stirrat	Mr A Westcott
Mr P O'Keeffe	Mr R Richards	Prof F Stone	Mr A Westcott
Mr B Omar	Mr R Rossington	Mr B Taylor	Cllr C Whiteside
Prof C Orchard	Mr A Scott	Prof E Thomas	Mrs P Willoughby
Mr J Parry	Mr C Scowen	Dr J Thompson	Ms A Wilson
Mr E J Parsons	Mr D Selwyn	Rev Dr S Thorn	Mr B Wilson
Ms S Paterson	Prof R Severn	Mr M Timmins	Ms L Wilson
Mr O Peachey	Mr F Smith	Prof R Tinsley	Alderman M Withers
Prof B Pickering	Mr L Smith	Cllr S Townsend	Dr P Wood
Mr B Pont	Dr V Smith	Mr R Tucker	Cllr Dr M Wright
Mrs L Powell	Mr D Snoxell	Mr K Walton	Mr T Wright
Prof C Prys-Roberts	Cllr D Speirs	Prof P Warren	Dr G Yu
Mr M Punt	Mr G Spencer	Prof R Warren	
Rev Dr J Pye	Prof J Squires	Dr D Watkins	
Mr B Ray	Prof J Steeds	Mr B Watson	
	Ms A Stephenson	Dr B Weaver	
		Mr T Webb	
		Mr R Wedden	

The Chancellor welcomed members to the meeting and reported receipt of apologies for absence.

## MINUTES

1. The minutes of the annual meeting held on 12 December 2008, which had been printed and circulated, were CONFIRMED, subject to the addition of Mr David Snoxell as an attendee at the 2008 meeting.

### MATTERS ARISING

#### *(a) Review of Payment of Lay Council Members*

RECEIVED: A report by the Registrar setting out the key arguments associated with the remuneration of lay members of governing bodies of universities, including a series of recommendations from the University's Remuneration Committee.

In May 2009, Council had received a report from the Remuneration Committee setting out its recommendations. The Remuneration Committee had concluded that although appointing excellent Council members was key to ensuring good governance, non-payment of Council members was not considered to be an impediment to attracting high-calibre candidates. The matter would, however, be kept under regular review.

NOTED: That Council, at its meeting in May 2009, had approved the following recommendations from the Remuneration Committee:

- (i) That no payment should be made to the Chair of Council.
- (ii) That no payment should be made to Council members.
- (iii) That no special arrangements should be put in place for individual members of Council.
- (iv) That the University would stick broadly to its current governance framework.
- (v) That the University would focus on appropriate recognition of Council members' contributions. The Registrar would seek Council members' input on this.

#### *(b) An Update Report from the Residential Strategy Board*

RECEIVED: A report by the Registrar setting out progress made by the Residential Strategy Board during the year. The report outlined the key issues considered and decisions made in relation to: leadership and management of the Residences Programme; the provision of residential catering; bed supply and demand; the residential estate and its position within the

University's overall capital programme; financial sustainability of the Residences Programme; and the University's Student Transport Plan.

The final report of the Working Group on Community and Student Support within the University's Residences had been attached at Annex A. The report considered strategies for leadership and management of the residences and sought to identify the optimal level and type of pastoral support that was needed to produce successful student 'communities' across the University's residential offering.

Clive Scowen, Convocation, thanked the Residences Programme team for the report and in particular for the emphasis that had been placed on the pastoral role of wardens. The separation of the pastoral and administrative responsibilities of the wardens was an important development which Mr Scowen considered was a strength of the new strategy. He did, however, express concern that operationally it might be problematic to run halls of residence with two 'heads', one with ultimate responsibility for administration and another for pastoral care. He suggested that it might be more appropriate for the Warden to retain ultimate responsibility for both streams, albeit with much of the responsibility for administration being delegated to another officer.

The Registrar explained that the proposal was to implement a matrix-management approach with colleagues working together to ensure the well-being of students. Recent consultations amongst academic staff who had expressed an interest in taking up the role of Warden had indicated that they felt they would not have the capacity to take responsibility for overseeing the running of the hall facilities at the same time as fulfilling their pastoral duties and maintaining their teaching and/or research commitments. The academics in question clearly expressed that they envisaged a key responsibility of the Warden to be the development of a bridge from the residential into the academic community. The Registrar assured Mr Scowen that, within the context of running a successful hall community, the Warden would unequivocally be the person who would lead that community.

Mr Scowen queried the University's proposal that the number of bed spaces allocated to second and third year students would remain at approximately 10%. Although Mr Scowen appreciated that it would not be feasible for the University to aim to provide accommodation for all students, he felt that there was a need for the presence of a greater number of older students to ensure functional and successful student communities, particularly within the larger halls.

The Registrar clarified that the University was now operating in a resource-constrained environment whereby it needed to prioritise new bed spaces, and a clear priority which underpinned the financial strategy would be the provision of beds for increased numbers of overseas undergraduates.

In response to a query from David Birdsall, Convocation, the Registrar confirmed that within the proposed new structure, the Head Warden would have line management responsibility for the other Wardens. The Working Group's report recommended that the role of Head Warden should be open to both current and past wardens. It would not necessarily be the case that the Head Warden would also have responsibility for running a hall and it was possible that the Head Warden would also be a full-time academic.

## **CHANGES IN MEMBERSHIP**

2. RECEIVED FOR INFORMATION: A list of changes in membership since 12 December 2008.

## REVIEW OF THE YEAR 2008/09

### 3. RECEIVED: the Annual Report from Council to Court 2008/09.

The Chancellor invited the Registrar to outline to Court the changed format of both the 'Annual Review' which had previously been known as the 'Annual Report', and the 'Annual Report and Financial Statements', which had previously been known as the 'Financial Statements'. The changes had been implemented in response to the requirements of the Charities Act 2007. Although the Act would not come into force until 2010, the University had wished to set the tone of these new documents across the sector and had opted to produce its 2008/09 documents in accordance with the new requirements. The Act required a number of changes in the way in which the University reported to HEFCE, including the production of a single annual report which brought together an account of the University's financial position and an overall review of its work over the past year. Court's attention was also drawn to the new 'Annual Report and Financial Statements' which now included an explanatory note outlining how the University delivered benefit to the public; this would be a HEFCE requirement for 2009/10 onwards.

In addition to providing an update and summary of the University's activities for Court, the new Annual Review had been designed to outline the way in which the University had undertaken its charitable activities and delivered benefit to the public. The Annual Review had been directly linked to the aims and objectives outlined in the University's Vision and Strategy document and it was hoped that this would be welcomed by members of Court.

The Chair of Council, Mr James Foulds, then presented the Annual Review for the session 2008/09 and highlighted to Court some of the principal initiatives taken by Council during the year. (A transcript of Mr Foulds' address is attached to the minutes at **Annex A**).

This was to be Mr Foulds' last meeting of Court in his capacity as Chair of Council as he would be retiring from the position on 31 December 2009. Mr Foulds paid tribute to the Vice-Chancellor and his senior team for their excellent leadership and to all those staff who had been involved in producing such superb centenary celebrations during the year. Mr Foulds expressed personal thanks to Alison Bernays for her great work as Deputy Chair of Council, and to all the members of Council with whom he had served, for their unceasing support. He then wished good fortune to Mr Denis Burn whom Council had nominated as his successor.

In closing, Mr Foulds reflected that although the University was enduring a particularly turbulent time at present, it had many great strengths which would assist in overcoming challenges: an outstanding and committed executive team which was fully supported by a Council filled with expertise and experience; a clear overall plan; outstandingly talented staff and students which would be the pride of any University. These attributes, he felt, had resulted in a University which the city of Bristol, the region and the nation could be proud of.

The Chancellor, on behalf of Court, thanked Mr Foulds for his valuable presentation, for his unstinting support for the University over many years and in particular, for his work as Chair of Council.

The Chancellor went on to thank Mrs Alison Bernays who would be standing down from the role of Vice-Chair of Council at the end of the year. In addition to her work as Vice-Chair of Council and Chair of the Student Affairs Committee, Mrs Bernays had served as the University's chief link with the Students' Union for many years.

RESOLVED: *that the Annual Review 2008/09 be received.*

## Annual Report and Financial Statements 2008/09

4. RECEIVED: The University's Annual Report and audited Financial Statements for the session 2008/09

The Treasurer, Mr James Wadsworth, presented the University's Annual Report and the audited Financial Statements and introduced Mr Andy Nield, Finance Director. Mr Nield would be making his first presentation to Court since being appointed as University Finance Director in January 2009.

Mr Nield then presented an overview of the University's financial position. He began by explaining that although the Higher Education sector had been operating in a relatively stable growth period in recent years, it was now moving into a period of financial pressure and exceptional uncertainty. Dealing with these was considered to be the University's key challenge in the short to medium term. He emphasised that the University's financial objectives throughout this period were very clear: to deliver the University's academic vision; to make substantial investment in both the academic and the residential estate; and to operate in a financially sustainable and responsible way.

Mr Nield outlined the University's operating performance over the past year. The 2007/08 operating surplus had been £6 million. For 2008/09 a deficit of £4 million had been recorded. He commented that although a £10 million swing in absolute terms seemed large, in the context of the institution's turnover which was approaching £400 million, it really demonstrated how finely balanced the University's finances were and how relatively small movements could have a disproportionate effect on its surplus. Mr Nield then highlighted those key factors which had contributed to the deficit during the past year: student numbers had been lower than predicted, particularly in the number of postgraduate and overseas students; the October 2009 national inflation-linked pay award of 5%, which had coincided with a peak in inflation rates, had resulted in an additional £3 million pay bill for the University; and additional costs of £3 million had been incurred as a direct result of implementing a voluntary severance programme during the year (although this measure was expected to relieve future financial pressure in future years).

The net assets shown on the University's balance sheet had also fallen. Although the University had invested some £45 million in new fixed assets during the year, the fixed asset value had only increased by £2 million. This was the result of the depreciation charges for the year; together with the need to re-value the estate to reflect negative changes in the property market during the year.

It was noted that the University had two big pension scheme interests; the Universities Superannuation Scheme (USS) and the University of Bristol Pension and Assurance Scheme (UBPAS). Although USS was by far the most significant liability in terms of size, significant changes to the structure of the Scheme could only be made at a national level. National negotiations about the future structure of USS had commenced although it was recognised that this was a significant concern that the University would need to address in due course. In accordance with accounting standards the USS deficit had not been included in the University's balance sheet.

The deficit on UBPAS, the University's local pension scheme, had grown from approximately £36 million to £78 million over the past twelve months. The cause of this increase was a combination of under-performance of investments, reflecting the turmoil in the world's financial markets, together with an increase in the value of pension liabilities, reflecting the impact of pay increases and, significantly, the assumptions used in the valuation calculations. The triennial actuarial review of UBPAS would shortly be finalised and the Actuary would then provide advice to the UBPAS Trustees about how to manage the deficit going forward. It was envisaged that the University would be required to significantly increase its cash contributions to UBPAS in future in any case.

The University was holding £120-£130 million of cash and short-term deposits at present. Earlier in the year, the University had made a positive decision to delay the draw-down of the £40 million tranche of borrowings from Barclays due in March 2009 because it would avoid the need to find appropriate counter parties with which to invest monies and also improve the University's overall financial position. The University under the guidance and expertise of its Finance Committee had taken great care to ensure that its investment strategy was as low risk as possible.

The key components of the University's Financial Strategy for the coming years were noted to be:

- (i) The delivery of significant cost savings through voluntary severance and salary exchange programmes (the target would be to achieve net savings of circa £15 million per year).
- (ii) Investment of £500 million in the University's capital programme over the next ten years.
- (iii) Negotiation of the removal of HEFCE's £150 million net debt limit to enable the University to utilise the borrowings it had agreed with Barclays.
- (iv) Scenario planning / preparing for HEFCE recurrent and/or capital grant reductions.
- (v) Increasing income through recruitment of greater numbers of overseas students.
- (vi) Improving the University's budget and financial control mechanisms
- (vii) Optimising returns on cash investments.

Mr Michael Jeans, Convocation, requested that funds generated by the Centenary Campaign be explicitly referred to in the Financial Statements. Mr Nield explained that the University's accounts had to be produced in accordance with a format prescribed by the accounting Statement of Recommended Practice and that this did not readily allow for the detailed separation of donated income. The University was, however, keen to celebrate this success and to thank its donors and so the Finance Director and Registrar would consider how this information could appropriately be expressed in next year's Annual Report and Financial Statements.

Mr Jeans then asked whether it would be appropriate for the University to consider reviewing its investment strategy and adopting a total return basis. Mr Nield explained that the University's portfolio of investments included a mix of cash, endowments and pension holdings. It was, therefore, critical that the entire portfolio was considered and a strategy with an appropriate balance of risk and reward was adopted. A review of the endowment investment strategy was in any case, a key objective for the coming year.

In response to a request from Lady Merrison, the Chancellor's appointee, Mr Nield confirmed that the University was mindful of the increased pension liabilities generated by rising salary costs over the past few years. He noted that the 2010 pay increase, however, was expected to be set at approximately 0.5%.

## **ELECTION OF FIVE LAY MEMBERS OF COUNCIL**

5. RECEIVED: brief background information about the five people nominated by the Nominations Committee of Court (Mr Roy Cowap, Mr Colin Green, Mr Ronald Kerr, Mr Bob Morton and Mrs Cindy Peck).

The Chair of the Nominations Committee of Court, Sir James Tidmarsh, presented this item, advising that the Committee had been disappointed to have received few applications from women once again this year. The Committee would seek to rectify this during its recruitment round in 2010.

Mr James Wadsworth proposed the collective motion that each of the five candidates be elected. The Vice-Chancellor seconded the motion. The individual names of nominees were put to the vote and it was RESOLVED that all five candidates should be invited to serve as follows:

Mr Roy Cowap (election to 31 December 2012)  
Mr Colin Green (re-election to 31 December 2012)  
Mr Ronald Kerr (election to 31 December 2012)  
Mr Bob Morton (re-election to 31 December 2012)  
Mrs Cindy Peck (re-election to 31 December 2012)

### **ELECTION OF TREASURER**

6. Mr Jim Foulds proposed Council's nomination of Mr James Wadsworth as Treasurer. The Vice-Chancellor seconded the motion.

It was RESOLVED: *that Mr James Wadsworth be appointed Treasurer for a period of one year to 31 December 2010, in accordance with Statute 8.*

### **APPOINTMENT OF AUDITORS**

7. Council's nomination of PricewaterhouseCoopers LLP as Auditors for the current year was proposed by Mr James Wadsworth and seconded by the Vice-Chancellor.

It was RESOLVED: *that Messrs PricewaterhouseCoopers LLP be reappointed as Auditors to the University for the current year.*

### **GOVERNANCE ISSUES**

- 8(i). **Changes to Statutes and Ordinances made during the year ending 31 July 2009**  
RECEIVED FOR INFORMATION: a report of Statute and Ordinance changes made in the period 1 August 2008 to 31 July 2009.

The report outlined in detail, amendments that had been made to the following Statutes and Ordinances (a report detailing the approved amendments is attached to the minutes at **Annex B**).

*Statutes 19 (Membership of Senate) and 20 (Meetings of Senate) and Ordinance 6 (Membership of Senate)*

A Working Group had been set up by Senate as part of a continuing rolling programme of review of Senate effectiveness. The Working Group undertook research and fact-finding about the effectiveness of Senate alongside a survey of all current Senators. In summary, the Working Group concluded that it would be appropriate to reduce the size of Senate's membership and to seek to establish equity in respect of election of professorial and non-professorial representatives of Senate and of election of both early-career academic colleagues and more experienced members of the academic community. The amendments to Statutes 19 and 20 and Ordinance 6 reflected the outcomes of the review.

The amendments to Statutes 19 and 20 and to Ordinance 6 were approved by Senate at its meeting on 15 June 2009 and by Council (by Special Resolution) at its meeting on 3 July 2009. The Privy Council had confirmed its approval of the amendments to Statutes 19 and 20 on 27 October 2009.

*Ordinance 4 (Election to Court of members of the Non-Academic Staff)*

The University's Reward initiative had resulted in a number of revised staffing categories for staff working within support services. Consequential amendments had, therefore, been made to Ordinance 4, which set out the procedure for electing members of Non-Academic staff onto Court.

Members of Court noted that the University would be undertaking a review of the Statutes and Ordinances in 2010 with a view to amending the title 'non-academic member of staff' to 'member of support staff' throughout.

The amendment to Ordinance 4 was approved by Council (via Special Resolution) at its meeting on 8 May 2009.

Ordinance 5 (Election to Council of members of Staff)

A minor amendment had been made to Ordinance 5 to permit the use of email in the conduct of staff elections to Council. The amendment was approved by Council (by Special Resolution) at its meeting on 6 February 2009.

It was agreed that the Clerk would investigate any inconsistencies in process between the various election rounds associated with membership of Court and Council and propose amendments as appropriate.

Ordinance 24 (University of Bristol Students' Union)

A major review of governance within the University of Bristol Union had resulted in a totally re-worked Ordinance 24. The new Ordinance 24 had been developed to set out the framework within which the new Union structure would sit. The Ordinance described the framework in broad terms, with most of the detailed provisions being set out within the Union's new Memorandum and Articles of Association.

Council, by Special Resolution, approved the new Ordinance 24 in its entirety at its meeting on 3 July 2009.

Court noted that further minor amendments to Ordinance 24, which had been necessary to ensure that Ordinance 24 was consistent with the Union's Memorandum and Articles, had been approved by Council at its meeting on 23 October 2009.

John Richards, Convocation questioned whether the University's decision to adopt the term 'Chair' in place of 'Chairman' was grammatically correct. The Vice-Chancellor agreed to discuss the issue with colleagues and report back to Mr Richards in due course.

8(ii)

**Amendment to Statute 11: Realignment of Court Members' Terms of Office**

RECEIVED FOR INFORMATION: a report by the Secretary outlining a proposed amendment to Statute 11, designed to streamline the administration associated with servicing the membership of Court. It would allow the Clerk to contact members regarding renewals just once per year. If approved, the revised start date of 1 August would be adopted across the Court membership over the coming three years, as current terms of office came to an end.

Council had approved the proposed amendment by Special Resolution at its meeting on 20 November 2009.

In accordance with the University's Charter, Court's consent must be obtained in relation to any proposed amendments to Statute 11. The Privy Council's consent would be sought in due course.

APPROVED: *the proposed amendment to Statute 11 as outlined in the report.*

**APPOINTMENT OF PRO-CHANCELLOR**

9. In accordance with Statute 4, Court is required to appoint Pro Chancellors on the nomination of Council.

RECEIVED: a paper outlining a proposal for the re-appointment of Dr Moger Woolley as a University Pro Chancellor.

**Dr Moger Woolley** was born in 1935 and is married with 2 children. He is a Bristol graduate. He worked for DRG plc for 30 years, the last five of those as Chief Executive. He was admitted



to the Society of Merchant Venturers in 1986. Since 1989 he has held a number of non-executive directorships, including those of Avon Rubber plc, Staveley Industries plc, API plc and Brunel Holdings plc. He is currently Chairman of Bristol Water Group plc. He was commissioned in the Royal Artillery during National Service and served in Cyprus. His hobbies are family and sporting oriented. Mr Woolley has been a member of Council from 1989 and the Chairman from 1997-2006. He has served a full three-year term as Pro Chancellor and is a member of the Nominations, the Remuneration and of the Ethics of Research Committees.

It was RESOLVED: *that Dr Moger Woolley be re-appointed as Pro-Chancellor until December 2012.*

#### **ANY OTHER BUSINESS**

10. It was agreed that the Clerk would investigate the feasibility of distributing Court papers by email next year.

#### **DATE OF NEXT ANNUAL MEETING**

11. It was noted that the most likely date for the next annual meeting would be Friday 10 December 2010. Details would be confirmed in the meeting notice to be issued to members in November 2010.