

C O U N C I L

Meeting held on Monday 2 December 2019

Present: Vice-Chancellor, Warden of New College, Principal of Somerville, Dame Kate Barker, Fra' John Eidinow, Professor Essler, Professor Hamerow, Mr Harman, Professor Johnson, Mr Kroll, Mr Ovenden, Professor Nobre, Professor Trefethen, Head of the Humanities Division (Professor O'Brien), Head of the Medical Sciences Division (Professor Screaton), Head of the MPLS Division (Professor Howison), Head of the Social Sciences Division (Professor Whatmore), Senior Proctor (Professor Maiden), Junior Proctor (Professor Marnette), Assessor (Professor Whyte).

Apologies: Ms Boyt, Professor Sir Rory Collins¹, Professor Coulson, Professor Hobbs, Professor Lahiri; Anisha Faruk (President of Oxford SU); Ray Williams (VP Access and Academic Affairs); and Neil Misra (VP Graduates); Pro-Vice-Chancellor (Research); Pro-Vice-Chancellor (Innovation); Director of Legal Services and General Counsel.

Officers in attendance: the Registrar, Pro-Vice-Chancellor (Development and External Affairs), Pro-Vice-Chancellor (Education), Pro-Vice-Chancellor (Planning and Resources), the Director of Finance, the Director of Public Affairs, the Executive Officer (Policy and Governance) in the Vice-Chancellor's Office, the Director of Planning and Council Secretariat, the Senior Assistant Registrar (Governance), the Assistant Registrar (Governance).

In attendance: the Rector of Lincoln (for item 12); Harriet Waters, Head of Environmental Sustainability (for item 16).

Order of business: the order of business was as follows: items 1-11, 14, 13, 15, 12, 16-34.

Declarations of interest: Council members were reminded to declare any interest that could give rise to a conflict in relation to any item on the agenda.

Introductory matters: the Vice-Chancellor explained that the student representatives had sent their apologies in support of the UCU strike.

I. ORDINARY BUSINESS

(A) Unreserved

1. **Unreserved minutes of the meeting held on 4 November 2019** (C(19)lxxvi-lxxxv)

The minutes were approved.

2. **Unreserved matters arising from the minutes of the meeting held on 4 November 2019 not otherwise on the agenda**

There were none.

3. **The Vice-Chancellor's unreserved business (above the line)***

The Vice-Chancellor offered her condolences to colleagues in Cambridge University following the London Bridge terrorist attack on Friday. She advised that one of those killed, Jack Merritt, had been due to talk to undergraduates at Balliol College about his work on 2 December.

The Vice-Chancellor reported on the following matters:

- the UCU strike at Oxford;
- the General Election, and the analyses of the party manifestos in respect of HE by UUK and the Russell Group;

¹ Professor Collins provided his comments in writing in respect of item 9.

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- the increase in the number of undergraduate BAME students who started in 2019. There were 560 in total, representing 22% of the intake (up from 18% in the previous year), which represented the success of concerted efforts across the collegiate University.

CONFIDENTIAL 4. **Annual Report from the Audit and Scrutiny Committee, 2018/19 (C(19)121)****

Council:

- (i) **received** the annual report of the Audit and Scrutiny Committee for 2018/19, following which the summary will be published on the University website; and
- (ii) **approved** the letter of representation from Council to the external auditors.

5. **Financial Statements of the University for the year ending 31 July 2019: report of the meeting of the Finance Committee held on 13 November 2019 (C(19)122)***

The Vice-Chancellor commented in respect of this and the previous item that the OfS deadline for submission had been noon today, and that the OfS had been notified that the University would be submitting late.

The Director of Finance outlined the Financial Statements, which were for the second year consolidated with the accounts of the Press, drawing attention to the following.

- The distinction between the figures for the academic University alone; those for the University including the Press; and the consolidated accounts for the University, the Press and the subsidiary companies of both.
- The Financial Review on pp18-23 of the Financial Statements, which summarised the financial outcome of the Academic University. He advised that:
 - the largest movement in year had been the £259m provision for the USS settlement based on the 2017 valuation;
 - income for teaching and research had both increased, matched by associated expenditure; and
 - capital expenditure had reduced, principally because the Tinbergen building was in the preparatory stages.
- The audit letter was now unqualified given that the current and prior years were based on consolidated accounts.

The Director of Finance explained that the principal challenge in producing the accounts had been the changes in reporting requirements published by OfS in late September, with final updates only in the previous week. That had resulted in a couple of changes being needed to pp.66 and 67² of the Financial Statements on staff costs and salary banding and on the number and remuneration of key management personnel.

The Vice-Chancellor thanked the Director of Finance and his team for their work in producing the Financial Statements, and reminded members of Council that, under the Market Abuse Regulation, until they were published they remained strictly confidential and that trading in the University's bond was prohibited.

On the recommendation of the Finance Committee, Council **approved** the Financial Statements for the year ending 31 July 2019 and with the couple of corrections referred to above..

6. **University 5 year forecast and OfS submission: report from the meeting of the Finance Committee held on 13 November 2019 (C(19)123)***

The Director of Finance introduced the Financial Forecasts, which were also to be submitted to the OfS. He drew attention to the forecast surplus and comprehensive income for each year in the forecast³. He advised as follows.

² A corrected copy of p.67 was tabled.

³ Table 1 on p.37 of the agenda pack.

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- The late changes in the OfS templates had resulted in some problematic definitions, which the University would work with OfS to address for the future. One such had resulted in the need to put all salaries and wages under 'academic staff' in the returns.
- Tuition fee income was shown as flat, research income falling after Brexit due to a loss of EC funding streams, investment income growing at 4% p.a., and the USS employer contributions being based on the 2018 valuation.

In discussion, the following were among the points raised.

- EC funding was forecast to remain level until 2023-4, beyond the period for which it was assured. That was an assumption made for the forecast. Overall any change in the level of funding was considered financially neutral, as a change in income would be assumed to be matched by a corresponding change in expenditure. The comment was made that those assumptions should also take account of the expectations of the Research Staff Concordat.
- The Government's stated policy to invest 2.4% of GNP on research could be expected to increase the University's research income. The modelling for that was in the financial Green Paper, not in the formal forecasts.
- The assumptions underlying the forecasts could all be changed in practice by the outcome of the General Election.
- On a point of detail, due to the template, the forecasts had to combine USS and OSPS pension costs into a single line, and the differential growth rates of different categories of staff costs modelled in the Green Paper were masked by the merging of those categories in the forecasts.

On the recommendation of the Finance Committee, Council **approved** the Financial Forecasts for the year ending 31 July 2019.

7. **Annual Financial Return and commentary for submission to the OfS (C(19)124)***

The Director of Finance drew attention to this formal return, the discussion on the forecasts contained within it having taken place at item 6 above.

Council **approved** the return for submission to OfS.

8. **Prevent duty: accountability and data return to the Office for Students (C(19)125)***

The Registrar explained that the paper updated Council on the University's implementation of the Prevent duty over the last academic year. There had been no significant issues. She drew attention to the following key points.

- Oxford (and Cambridge) had been selected as part of the random representative sample population for an OfS Prevent Review Meeting. The outcome and feedback were broadly positive with a few recommendations relating to clarification of policies and procedures and giving greater emphasis to the core of the Prevent duty - to prevent people from being drawn into terrorism – in relation to meetings and events, and training.
- The annual accountability statement and data return, which Council was required to approve for submission to OfS.
- The University's own status review of its implementation of the Prevent duty, in which the relevant officers and their teams had confirmed that, in the last two years, they had not dealt with any cases relating to the suppression or curtailment of academic and human rights, where the University's implementation of the Prevent duty had been a factor.
- The draft submission to the national Independent Review of Prevent, the key messages being the difficulties relating to the application of the Prevent duty to the university sector, specifically the terminology used (e.g. radicalisation, non-violent extremism) and the tension between the duty and critical university values around free speech, academic freedom, and public debate.

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In the discussion, the point was made that the resources that had to be devoted to the reviews and returns were disproportionate and the Prevent strategy itself was not effective.

Council:

- (i) **noted** the outcome of the annual report submitted to the OfS in December 2018;
- (ii) **noted** the outcome of the OfS Prevent Review Meeting;
- (iii) **noted** the information on the University's implementation of the Prevent duty and, in light of this,
- (iv) **approved** the draft Prevent annual accountability statement and the data return for submission to the OfS;
- (v) **noted** the outcome of the 'status update'; and
- (vi) **approved** the University's response to the Independent Prevent Review.

CONFIDENTIAL 9. **Strategic financing (C(19)126)****

Council **took the actions** set out in the paper.

10. **Report from the meeting of Finance Committee held on 13 November 2019 (C(19)127)**

RESTRICTED (a) *Parks College⁴***

On the recommendation of Finance Committee, Council:

- (i) **approved** the Full Business Case for the Parks College (Radcliffe Science Library and Inorganic Chemistry Teaching Laboratory Redevelopment) project;
- (ii) **approved** the progress of the Parks College (Radcliffe Science Library and Inorganic Chemistry Teaching Laboratory Redevelopment) project through Gateway 2; and
- (iii) **approved** the release of funding from the programme contingency.

11. **Report of the meeting of the Planning and Resource Allocation Committee held on 12 November 2019 (C(19)128)****

RESTRICTED (a) *St. Cross College West Quad*

Council **approved** the release of the next tranche of funding to increase the total allocated funding to date for the project.

CONFIDENTIAL 12. **Report of the Education Committee held on 15 November 2019****

Council **considered** the report.

13. **Report of the meeting of the General Purposes Committee held on 18 November 2019 (C(19)132)**

(a) *Legislative proposal to amend the College Contributions Scheme*

The Registrar reminded Council that at its meeting in July 2019 it had received and endorsed a proposal from Conference of Colleges for a new scheme, scheme 7, that would support both University wide evidence-based access schemes and building up college endowments. The Pro-Vice-Chancellor (Education) and the Chair of AdEx were asked to make proposals for the access element of the scheme. The Oxford College Contributions Fund, created by Scheme 6, would remain and will continue to be administered by the College Contributions Committee.

The Registrar explained that the drafting of the legislation to implement the proposed new scheme had been completed in consultation with Conference of Colleges. The draft of

⁴ Anne Trefethen, Richard Ovenden and the Assessor declared an interest as members of the Parks College Programme Board.

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Statute XV was unchanged from that seen by Council and Conference in Trinity term 2018. The draft regulations containing the detail of scheme 7 (and the ongoing administration of scheme 6) had been prepared and were now put to Council. The College Contributions Committee received the draft Statute and Regulations at its meeting on 11 November. It was satisfied with the drafts and has started to consider how to implement the new scheme. Conference of Colleges endorsed the drafts on 14 November 2019, and GPC was now recommending them to Council. If approved by Council, they would be put on Congregation's agenda for 28 January and if approved there would be forwarded to the Queen in Council.

The Registrar advised that the draft explanatory note would be amended to inform Congregation and the Privy Council that the new scheme had been agreed by Council in consultation with Conference of Colleges.

In discussion, two drafting points were made, one in relation to a superfluous use of the word 'societies' in section 7 of the draft statute⁵, and the other as to whether any amendment was required to allow PPHs to participate in the year 0 graduate access purpose of the scheme and to benefit from the University wide projects funded from the undergraduate access portion. The Registrar agreed to check these two points⁶.

Subject to the amendment of the explanatory note and the resolution of the drafting points, Council **approved** the Legislative Proposal attached at Annex A for submission to Congregation, and if approved, to Her Majesty in Council.

CONFIDENTIAL 14. **Strategic risk register** (C(19)133)

Council **approved** the revised Strategic Risk Register.

CONFIDENTIAL 15. **Tender of external audit services: recommendation of the Audit and Scrutiny Committee and the Finance Committee of the Delegates of the Press for the appointment of external auditors** (C(19)134)**

Council **took the actions** set out in the report.

16. **University response to the County Council's Connecting Oxford proposals** (C(19)135)

The Pro-Vice-Chancellor (Planning and Resources) explained that the city and county councils were consulting on the Connecting Oxford proposals, with the intention of reducing road congestion, improving air quality and reducing CO² emissions. The additional traffic restrictions proposed were intended to prevent transit across Oxford, provide for a workplace parking levy in Headington and Cowley, and use the funds generated to promote alternative means of transport. Initial consultation on this within the University had found support for this direction of travel, but also a strong feeling that the proposals needed to be more radical. In particular, that

- the workplace levy should be extended to the whole of Oxford and its major employers;
- significant investment should go into public transport to provide alternatives to car use within the city, including the free use of park and ride;
- significant improvements were needed to the facilities for pedestrians and cyclists; and
- freight consolidation was needed to enable the more rational delivery of goods within the city.

In the light of this thinking, the Pro-Vice-Chancellor (Planning and Resources), had raised wider awareness in the University and sought further feedback through an article in the

⁵ Section 1 of the draft statute having already defined 'colleges' to mean both the colleges and societies listed in Statute V (but not the PPHs).

⁶ The Registrar reviewed the drafting, agreed that the superfluous word 'societies' in section 7 of the draft statute should be deleted, but confirmed that no change was needed to the draft regulations to allow PPHs to participate in the year 0 graduate access purpose of the scheme and to benefit from the University wide projects funded from the undergraduate access portion.

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Oxford Magazine and a consultation in the Gazette. Some of the responses were summarised in the paper and others tabled. Council's views were now sought.

In discussion, Council was supportive of the draft response. The following were among the points made.

- It was right for the University to play a prominent role in this.
- The University should do what it could to ensure that what is proposed does not make peoples' lives more difficult, e.g. improving bus routes and providing sufficient places in park and rides would be required.
- It would be desirable to make the use of the park and ride more affordable, especially for lower-paid staff.
- It was not thought that the need for parents to drop off and pick up students and their belongings would be impacted by the proposals.

Council **approved** submission to Oxfordshire County Council (the County) of the proposed University response to the Connecting Oxford proposals set out in Annex 1 of the paper.

CONFIDENTIAL 17. **Annual report of the Head of the Humanities Division**

The Head of the Humanities Division reported on the following aspects of the Division's work.

- The Schwarzman Centre, including the faculties/departments, libraries and other activities to be housed there.
- The launch of the Humanities Cultural Programme that would form part of the Schwarzman Centre.
- The average research income to the Humanities in Oxford, 2015-18, showed it to be the leading humanities research centre in the UK.
- The development of Deep Mind AI for ancient text restoration with transformational potential for the subject.
- Good current financial performance, as a deficit division, but with challenges from the USS pension settlement, under-recruitment of postgraduates, and the potential impacts of Brexit.
- On staff and students, good progress on equality and diversity, including an Athena Swan Bronze Award to History, and the creation of BAME scholarships in the humanities.
- Concerns about Erasmus post Brexit, but plans have been drawn up with international partners to secure the continuation of year-abroad provision on a bilateral basis in the immediate future.
- The commissioning of a report from the University's Education Department on Understanding the Value of an Oxford Humanities Degree. The publication of the report was awaiting the incorporation of employer perspectives.

Council **noted** the report.

Items for approval or report without discussion ('below the line')

18. **The Vice-Chancellor's unreserved business (below the line) (C(19)136)**

Without discussion, Council **noted**:

- (i) the OfS publications; and
- (ii) the UUK press statements.

19. **Report of the meeting of the Education Committee held on 15 November 2019 (C(19)137)**

- (a) *Annual Quality Assessment Report for 2018-19*

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Without discussion, Council:

- (i) **noted** the Annual Quality Assessment Report for 2018-19 (Annex A) and the Education Committee's responsibilities set out in Part 2 of Council Regulations 15 of 2002 to define and keep under review the educational philosophy, policy, and standards of the collegiate University and to keep under review the academic quality and standards of the University' education provision and the enhancement of good practice, and that Education Committee will therefore follow through on the actions set out in the Report and report back to Council in its next Quality Assessment Report; and
- (ii) **confirmed** that the report provides assurance to Council that an effective framework to oversee the quality of teaching and learning is in place.

RESTRICTED 20. **Report of the meeting of the Planning and Resource Allocation Committee held on 12 November 2019** (C(19)138)

(a) *Value For Money Report 2018/19*

Without discussion, Council **noted** the Value for Money report.

RESTRICTED 21. **Office for Students Annual Accountability Return** (C(19)139)

Without discussion, Council **noted** the annual OfS accountability return.

22. **Report of the General Purposes Committee held on 18 November 2019** (C(19)140)

(a) *Updating Council Regulations 10 of (2002): Kellogg College*

Without discussion, Council **approved** proposed changes to the Regulations for Kellogg College (attached at Annex A of the report) and the revised By-Law (attached at Annex B of the report), noting that GPC would make the necessary changes to the regulations (as set out in Annex A), on behalf of Council.

(b) *Proposed changes to the Regulations for the Strategic Capital Steering Group and new regulations for the Planning and Housing Strategy Group*

Without discussion, Council **approved** changes to the regulations for the Strategic Capital Steering Group and new regulations for the Planning and Housing Strategy Group as set out in Annex C of the report noting that GPC would make the necessary changes to the regulations (as set out in Annex C), on behalf of Council.

(c) *Proposed change to the membership of the Committee for the Nomination of Select Preachers*

Without discussion, Council **approved for submission to Congregation** the proposed change to the membership of the Committee for the Nomination of Select Preachers, as set out in Annex D of the report.

(d) *Proposed amendments to legislation*

Without discussion, Council **approved** the following proposals:

(i) *Proposal to Change Terms of Reference of the Budget Subcommittee of PRAC* (GPC(19)107)

(ii) *Proposal to Change Terms of Reference of the Building and Estates Subcommittee of PRAC* (GPC(19)108)

RESTRICTED 23. **Review of Oxford University Department for Continuing Education** (C(19)141)

Without discussion, Council **approved** minor changes to the composition of the review panel and **noted** its membership.

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CONFIDENTIAL 24. **Schedule for Council's meetings during 2019/20** (C(19)142)

Without discussion, Council **approved** the schedule for Council's meetings during 2019/20.

CONFIDENTIAL 25. **Performance of the Oxford Endowment Fund** (C(19)143)

Without discussion, Council **noted** the information.

26. **Any other unreserved business**

There was none.

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