

THE COUNCIL



Minutes of the meeting held on 19th November 2012

- Present: The Chairman of the Council (Mr R. Jewson) (in the Chair), the Vice-Chancellor (Professor E.D.J. Acton), the Pro-Vice-Chancellors (Professor N. Norris and Professor D.J. Richardson), the Treasurer (Mr J. Sisson), Dr M. Blyth, Sir Richard Dales, Mr D. Edwards, Mr G. Jones, Ms V. Keller-Dorsey, Ms L. McGillivray, Dr K. Skoyles, Mrs E. Slaymaker, Mr D. White and the Student Representative except for business marked ** (Mr J. Levell and Mr M. Myles).
- With: The Registrar and Secretary, the Director of Planning (Mr I. Callaghan), the Director of Finance (Mr S. Donaldson), the Senior Assistant Registrar (Dr L. Moulard), the Senior Administrative Assistant (Committee Office) (Mrs R. Phillips) and for minute *29 Professor T.D. Davies, Mr I. Woodward, Mr N. Sidor, Mr K. Clarke, Mr E. Everson and Mr C. Clarke.
- In attendance: The Deans of Faculty (Professor P. Gilmartin, Professor I. Harvey, Professor Y. Tasker and Professor N. Ward).

22. MINUTES

Confirmed
the minutes of the meeting held on 15 October 2012 (Enclosed).

23. STATEMENTS BY THE CHAIR

There were no statements.

24. STATEMENTS BY THE VICE-CHANCELLOR

The Vice-Chancellor invited the Pro Vice-Chancellor (REE) to discuss a recent development in respect of The Genome Analysis Centre (TGAC). TGAC is currently reviewing forward strategy following the resignation of the current Director. They are in the process of identifying a new Director and would like to adopt the same model as exists for the IFR (but not JIC) where the Director is on the University payroll; the financial cost of which is not currently in the University financial plans. In addition, there is a request for the University to become a member of the Company to bring TGAC in line with the existing arrangements in JIC and IFR. In discussion it was AGREED that Council was supportive of the proposal but required an analysis of the financial commitments of these and similar relationships. It was also noted that it was beneficial to have each of the relationships established on the same footing.

The University has been approached to hold the British Association Festival of Science in 2015; this was last held on campus and at other locations throughout the Greater Norwich area in 2005 with, at the time, financial contribution from the East of England Development Agency (EEDA). The 2005 Festival generated footfall of 170,000 across all events. The likely financial requirement would be in the region of £250k and it would be a challenge to raise these funds but there is potential support from BBSRC and other local organisations.

The Chief Executive of Norwich City Council reported that Norwich had been invited to take part in the second round of City Deals. It was identified that this request was an ideal opportunity to showcase the University, City and County and it should be pursued and that both the City and County Councils would be supportive with an offer from each Chief Executive to identify a colleague with whom the University could work in considering this bid.

25. FINANCIAL STATEMENTS

Reported

that the Audit Committee (16 November 2012) considered:

- (a) the draft Financial Statements 2011-12 and
- (b) the Auditors' report on the audit and the financial statements, including the draft letter of representation

Considered

a confidential recommendation from the Audit Committee

- (1) that the Financial Statements for the year ended 31 July 2012 in the form in which they would be presented to the Court and published externally, including the Treasurer's report which forms an integral part of the statements, be approved. (A copy is filed in the Minute Book, ref. COU12D019)
- (2) that the letter of representations concerning the University's compliance with relevant laws and regulations be approved. See Appendix 2 of (A copy is filed in the Minute Book, ref. COU12D020).

(The financial statements were also reviewed in draft together with the draft Treasurer's report, by the Finance Group at its meeting on 14 November 2012.)

(The Chair of Audit Committee confirmed that the auditors gave a clean sign-off to the accounts and that the auditors had commented that this was one of the cleanest audits they had dealt with. Three minor wording changes had been made to the Treasurer's report following consultation at the Finance Group. It was confirmed that the Public Benefit Statement was a requirement of the Charities Acts and HEFCE, in its capacity as lead regulator for HE Charities. In respect of the letter of representation it was confirmed that this was a standard letter specifically tailored to highlight the treatment of the Biomass Power Station and the banking covenants.)

RESOLVED

to authorise the Chairman, Treasurer, Vice-Chancellor and Finance Director to sign the financial statements on behalf of the University.

26. FINANCIAL FORECASTS

Considered

a confidential report from the Director of Finance which incorporates summary financial forecasts update to reflect the 2011/12 outturn. The outturn for 2011/12 and the current year forecast would then be submitted to HEFCE. (A copy is filed in the Minute Book, ref. COU12D021)

(The financial forecasts have been amended to take account of the outturn position for 2011/12 and reflect other known factors such as the revised tuition fee income following this year's recruitment results and an update on the Biomass Power Station. There had been two significant factors that affected the outturn for 2011/12 (aside from timing differences) which were the bursary spend and late notification of sums due from UEA London in respect of rent guarantees. The amendments have altered the forecast deficit for 2012/13 from £2.4m to £3.9m. The latest version of the financial forecasts for the current year will be submitted to HEFCE with the financial statements in November with subsequent years being submitted in July 2013. The later years' forecasts have been rolled forward over five years and continue to maintain the £3m headroom over the existing banking covenants and a cash balance of £25m (including Sportspark ring-fenced funds). The EIB covenant requirements may be more challenging but these will be reviewed by the Finance Group prior to entering into the loan agreement. Council members requested that the covenants also be circulated to members of Council prior to signature of the loan agreement.)

RESOLVED

to approve the updated forecasts and authorise submission of the 2012/3 forecast to HEFCE.

27. AUDIT COMMITTEE

Considered

the Annual Report of the Committee and this is subject to any amendments required at the Audit Committee Meeting on 16th November 2012. (A copy is filed in the Minute Book, ref. COU12D022)

(Audit Committee made some minor editorial notes to the financial statements which were non-substantive in nature. In next year's cycle of internal audit reports they have requested audits on IT Governance, IT Strategy and Financial Planning. Audit Committee also noted HEFCE's assessment of risk at the University as "not at higher risk". However, the Committee also noted that the University was intending to enter into arrangements for additional debt at a time when there was concern about future income and requested the Chair to bring this concern to the attention of Council members. In response, it was noted that the financial statements show underlying cash generation which taken together with the policy to retain cash balances of £25m and £3m cover to the current banking covenant demonstrate management of this risk. The current rates on offer from the European Investment Bank were also highly attractive for long term finance. In addition, the treatment of joint ventures in the financial statements distorts the position. The University has taken a conscious decision to invest in quality to maintain the future strength of the institution. Members of Council note that the detail of the negotiations on the loan agreement has been deferred to Finance Group. However, they have requested that the EIB covenant requirements be circulated to both Council and Audit Committee in addition to the Finance Group.)

Confirmed

the signature of the annual assurance return. (A copy is filed in the Minute Book, ref. COU12D023)

COU12M002

COU-M4
19.11.2012
Min. 28

28. NEW RESIDENCES DEVELOPMENT

Reported

that Council has approved in principle development of an additional 250 bedrooms on campus. (COU11M006 (Minute 66).)

Considered

the confidential detailed investment appraisal documents for the development of the additional bedrooms. (A copy is filed in the Minute Book, ref. COU12D024).

(Council has already approved in principle the development of 250 bedrooms. It was noted that this academic year demand for accommodation outstripped supply and that currently all double rooms are occupied and 20 students are housed in Broadview Lodge. In addition, 25 other students were unable to be offered accommodation. These figures relate to the current student accommodation guarantee and there are many categories of student who are not eligible for guaranteed accommodation. It is highly likely that this block will be occupied by a combination of undergraduate and postgraduate students and the financial forecast was undertaken on this basis. The plan is for slightly fewer (235) rooms but this is primarily related to design factors and a desire to include more communal space.)

RESOLVED

to approve the development of 235 residential rooms as outlined in the paper submitted.

*29. NPH LLP

This minute is confidential and is attached as a separate sheet.

*30. UNIVERSITY CAMPUS SUFFOLK

This minute is confidential and is attached as a separate sheet.

31. STUDENT CENSUS REPORT

Reported

the confidential results of the latest student number count. (A copy is filed in the Minute Book, ref. COU12D027)

32. FINANCE GROUP

Received

a confidential report from the Finance Group meeting which took place on 12 November 2012. (A copy is filed in the Minute Book, ref. COU12D028).

33. HEFCE ASSESSMENT OF RISK

Received

a confidential letter from the Higher Education Funding Council (HEFCE) identifying the Funding Council's risk assessment of the University. (A copy is filed in the Minute Book, ref. COU12D029)

34. INVESTMENT DOCUMENTS

Considered

a proposal for Power of Attorney to be granted in respect of investment documents. (A copy is filed in the Minute Book, ref. COU12D030). (A copy is filed in the Minute Book, ref. COU12D030).

35. ORDINANCES

Considered

(1) The recommendation for a change in Ordinance 5 in respect of the Deans' attendance at Council meetings.

(2) The recommendation for a change in Ordinance 5 in respect of confidentiality.

(A copy is filed in the Minute Book, ref. COU12D031). (A copy is filed in the Minute Book, ref. COU12D031)

36. COUNCIL MEMBERSHIP COMMITTEE

Considered

the confidential recommendation contained within the report from the Council Membership Committee. (A copy is filed in the Minute Book, ref. COU12D032)

37. GRADUATE STUDENTS' ASSOCIATION

Considered

a nomination for the post of Returning Officer for the Graduate Students' Association. (A copy is filed in the Minute Book, ref. COU12D033). (A copy is filed in the Minute Book, ref. COU12D033)

38. ITEMS FOR REPORT

Received

the following Items for Report. (A copy is filed in the Minute Book, ref. COU12D034). (A copy is filed in the Minute Book, ref. COU12D034)

(1) Sealings

39. DATES OF MEETINGS

Reported

(1) that the date of the next Council meeting was Monday 21 January 2013 - 10.30am

(2) that the dates of future Council meetings were:

Monday 11 March 2013 - 10.30am

Monday 20 May 2013 - 2pm

Monday 24 June 2013 - 10.30am

COU12M002

COU-M6
19.11.2012
Min. 40

40 SENIOR OFFICERS' REMUNERATION COMMITTEE

Received

the confidential and reserved report of the Senior Officers' Remuneration Committee on 2 July 2012. (A copy is filed in the Minute Book, ref. COU12D035)

RESOLVED