

Meeting: COURT

Date and Time: Tuesday 16th January 2018 at 2.15pm

Venue: East Building Lecture Theatre

Present:	Mr P Troughton Mr J Preston Professor Dame G M Breakwell Mr M Williams Mr M Humphris	Pro-Chancellor (Chair) Treasurer President & Vice-Chancellor Director of Finance University Secretary	
	Cllr J Barber Prof J Barnett Mr H Bashforth Cllr C Beath Dr A Best Mr R Beazley Prof D Bird Prof D Bonfield Mr D Brewer Prof Brian Brisdon Prof N Brook Prof W Brooks Prof Angus Buchanan Dr M Carley Prof P Chivers Prof P Coleman Mr J Coles Prof D Collard Prof J Davenport Mr B Davies Mr C Davies Prof John Davies Mr G Dennis Prof K Edge Mr T Elworthy	Mr L Emery Dr P Ford Mr T Ford Ms R Foreman Prof D Galbreath Mr W Galloway Prof B Gilbertson Cllr I Gilchrist Mrs A Goodman Prof P Goodwin Prof I Gough Prof N Gould Prof M Greaves Mr M Halani Dr P Harrowing Prof G Hawley Dr J Henderson Ms W Hobhouse Prof V Hope Hailey Mr J Howell Lord Hylton Prof C Jennison Prof J Knight Prof P Lambert Prof A Lewis	Prof H Logemann Prof G Lunt Mr P Markwick Prof R Marsh Mr P Martin Dr M McManus Mrs M McNeir Mrs C Mealing-Jones Prof T Medland Mr D Medlock Prof A Mileham Prof B Morley The Hon S Morrison Mr H Nicholson Dr A Nightingale The Rev R Nunn Cllr J O'Neill Prof J Owen Dr D Packham Miss C Page Mr B Palmer Ms E Pawlowski Miss K Pickett-Mcatakney Cllr J Rayment Dr B Rayton
	Prof S Reynolds Sir F Richards Mrs E Richardson Ms K Robinson Dr C Roche Prof E Ryan Dr A Salo Prof V Scott Mr S Sharpe Mr T Sheppard Mr B Stables Prof D Stanton-Fraser Ms S Sutcliffe Prof G Tate Prof J Thompson Mr J Thring Prof C Tickle Mr M Whalley Dr S Wharton Mr C Wheeler Mr R Whorrod Mr R Williamson Prof S Wonnacott Prof G Wood		
In Attendance:	Mr D Allen Mr R Breckon Mr R Brooks Professor S Egan Ms C Evans Ms S Hills Dr N Kemp Mr G Maggs Mrs S Maxwell Ms A Pater Mr M Pender Mr F Toop Mr E Webster	Halpin Partnership Media & PR Officer Director of Human Resources Vice-President (Implementation) Head of Communications Halpin Partnership Director of Policy & Planning Director of Development & Alumni Relations Senior Executive Officer Head of Secretariat Secretary Halpin Partnership Deputy Director of Workforce Development	

Apologies: Apologies were received from 35 members of Court.

1. WELCOME AND OPENING REMARKS

The Chair welcomed members of Court to the meeting and passed on the apologies of the Chancellor as he was unable to chair the meeting today.

The Chair advised the meeting that his role was to manage proceedings in an independent manner to ensure that the business of the meeting was dealt with as efficiently as possible. He welcomed colleagues from Halpin Partnership, who were observing the meeting as part of the Effectiveness Review of Council, which members of Court would be given the opportunity to participate in.

The Chair also reported that whilst it had been hoped that that the University's Annual Review would be available for this meeting, due to issues with its production and the earlier date of the meeting, this document was not yet ready. It would be sent to members of Court as soon as it was available.

The Chair reminded members of Court that they had been issued with a voting card as they entered meeting to signify that they were a member, and that they would be asked to raise these cards during a vote if this was required to establish its outcome.

2. RE-APPOINTMENT OF CHANCELLOR

On the recommendation of the Committee on the Office of Chancellor, Court considered the re-appointment of His Royal Highness The Earl of Wessex as the University's Chancellor for the period 1st August 2018 to 31st July 2023.

AGREED that His Royal Highness The Earl of Wessex be appointed Chancellor of the University for the period 1st August 2018 to 31st July 2023.

3. STANDING ORDERS OF COURT

Court considered a paper (Paper CT17/18-1) which proposed the adoption of standing orders of Court.

Dr Steve Wharton, Life Member of Court, Member of Council and former Chair of Academic Assembly introduced the paper, and highlighted the fact that the lack of standing orders of Court, as prescribed in the Statutes, had been highlighted in the HEFCE report that would be discussed later in the meeting. Draft standing orders had therefore been prepared and members of Court had been given the opportunity to comment on them prior to them being finalised for consideration at this meeting. The standing orders were based on the format of those of other statutory bodies within the University, and took account of Court's role within the governance of the University. Dr Wharton believed they were a coherent and considered set of proposals, but recognised that proposed amendments to the standing orders had been received, and invited the meeting to consider these.

Two sets of amendments to the draft standing orders had been received and had been circulated to members as they entered the meeting. For ease of reference they were considered in the order in which they arose in the standing orders. Proposed deletions are in bold strikethrough and proposed additions are in bold italics.

Amendment 1

Proposed by Dr David Packham and seconded by Professor Geof Wood.

2. MEETINGS OF COURT

Add the following paragraph:

- (v) ***A special meeting of Court shall be convened at any time by written request of not less than twenty-five members of Court to conduct business, proper to the functions of Court, specified in the request.***

Dr Packham spoke to his amendment and stated that all similar bodies he was aware of (for example at Lancaster University) had the provision for a special meeting to be called by a certain number of its members, as did Council and Senate at Bath. The above provision also did not contradict the University's Statutes as claimed in the commentary provided in Appendix 2 to the report.

Dr Wharton replied that in the Statutes the determination of the timing of meetings of Court lay with Council and that this was therefore an unnecessary provision.

A discussion then ensued during which views were expressed in support of the amendment as a means of Court being able to itself determine if it should meet extraordinarily. Council would still set the date and time as set out in the Statutes.

On being put to the vote there was a clear majority in favour of the amendment and it was therefore approved.

Amendment 2

Proposed by Dr Christopher Roche and seconded by Dr Michael Carley.

4. POSTPONEMENT OF MEETINGS

- (i) ~~If in advance of the meeting it becomes clear that a meeting of Court cannot proceed~~ ***the University is or will be closed*** (due for instance to adverse weather conditions) the Chair of the meeting has the power to postpone a meeting of Court to an alternative date.

Dr Roche spoke to his amendment and stated that the rationale behind it was that the Chairs of Council, Senate or Academic Assembly did not have the power to postpone a meeting. Whilst it was recognised that there could be circumstances under which it would not be possible for Court to meet, the amendment was designed to limit the circumstances under which a meeting of Court could be postponed by the Chair.

Dr Wharton responded that there were circumstances where it could be envisaged that the University was open but it was not possible for a meeting of Court to go ahead, e.g. strike action, demonstrations or security concerns.

A discussion ensued, following which the amendment was put to the vote. 27 members voted in favour of the amendment, 37 voted against and there were 30 abstentions. The amendment was therefore rejected.

Amendment 3

Proposed by Dr Christopher Roche and seconded by Dr Michael Carley.

4. POSTPONEMENT OF MEETINGS

Add the following paragraph:

- (iii) Any meeting of the Court shall be postponed if one half of the members signify beforehand that they are unable to attend.”**

Dr Roche spoke to his amendment and stated that it was usual to receive around 30 apologies for a meeting of Court, and there would need to be approximately 100 apologies for the above proposed provision to be triggered. It was therefore very unlikely that a meeting would be cancelled under this provision.

Dr Wharton responded that if one half of the membership of Court indicated they were not attending this would still leave nearly 100 who could attend. The quorum for meetings of Court was 25 members and therefore the proposed amendment was unnecessary.

During the ensuing discussion Mr Nicholson suggested that the threshold of apologies being received from half the membership of Court was too low, and a figure of 140 would be more appropriate. This was accepted by the Chair as a valid amendment to Amendment 3. This was put to the vote and there was a clear majority against the amendment to Amendment 3, and it was therefore rejected.

The original amendment was then put to the vote, and there being a clear majority against, it was rejected.

Amendment 4

Proposed by Dr Christopher Roche and seconded by Dr Michael Carley.

5. PROCEDURE

- (i) Court shall be chaired by the Chancellor, or in his / her absence, by a Pro-Chancellor.
- (ii) In the absence of the Chancellor and any Pro-Chancellor, ~~the Chair of Council will nominate the Chair of the meeting for agreement by the meeting. If this person was not agreed, the meeting would be adjourned until it could be reconvened with the Chancellor or a Pro-Chancellor in the chair~~ **the Chair of Council will oversee an election of the Chair of the meeting. All members of Court, with the exception of the Chair of Council, are eligible for election after their nomination has been proposed and seconded by other members of Court present. In the absence of the Chair of Council, the election will be overseen by the Vice-Chair of Council, to whom the same restriction on eligibility to election as Chair of Court would then apply.**

Dr Roche spoke to his amendment and stated that there needed to be a process by which Court could elect its own Chair in the absence of the Chancellor and Pro-Chancellors. Many members travelled a significant distance to attend meetings of Court and it was therefore not appropriate for a meeting to be postponed because a Chair could not be agreed.

Dr Wharton responded that in order to chair a meeting of the complexity of Court

any Chair would need to be appropriately briefed, and it was therefore right for the Chair of Council to nominate a Chair in the absence of the Chancellor and Pro-Chancellors.

A discussion then ensued during which a variety of views were expressed. The need for a Chair to be appropriately briefed was recognised, but there was a view that Court should be able to appoint its own Chair from within its membership if required. The amendment did not preclude the Chair of Council, as a member of Court, from proposing a Chair.

On being put to the vote 45 members voted in favour, 34 against and there were 16 abstentions. The amendment was therefore approved.

Amendment 5

Proposed by Dr Christopher Roche and seconded by Dr Michael Carley.

8. VOTING

- (i) Voting will normally be by a show of hands / voting cards, but a written ballot shall be held if one-third of those present so request or if the Chair so determines.
- (ii) A motion shall be declared carried if it receives a simple majority of the votes cast. In the event of a tie, the Chair shall have the right of a ~~second~~ **or** casting vote. The Secretary to Court shall act as teller with the University Secretary.
- (iii) The number of votes cast for and against a motion, and any abstentions, will be recorded in the minutes.
- (iv) Only members of Court have the right to vote. Officers in attendance and observers do not have the right to vote. Each individual member of Court shall only have one vote even if they appear in more than one category of Court membership. ***The Chair shall not ordinarily have a vote, but will have a casting vote in the event of a tie.***

Dr Roche spoke to his amendment, and stated that all members of Court should have the same number of votes. The Chair of the meeting did not represent a particular constituency and was there to ensure neutrality. They should therefore not take part in the initial vote, but use a casting vote in the event of a tie.

Dr Wharton responded that the standing orders of Council, Senate and Academic Assembly had the same provision for the Chair to take part in the initial vote and then use a casting vote in the event of a tie, and the proposal in the standing orders of Court was therefore in line with other statutory bodies within the University.

A debate ensued following which the amendment was put to the vote. There was a clear majority in favour of the amendment and it was therefore approved.

Amendment 6

Proposed by Dr David Packham and seconded by Professor Geof Wood.

10. MOTIONS

- (i) Motions for consideration by Court, duly proposed and seconded by at least **five one** other members, must be submitted in writing to the Secretary to Court at least ten days in advance of the meeting. Acceptance of any motions received after this time will be at the discretion of the Chair. Motions must relate to a matter concerning the University. Any motions received will be circulated to all members of Court seven days in advance of the meeting at which it will be considered.

Dr Packham spoke to his amendment and stated that the standing orders of the University's other statutory bodies made it much easier for a member to submit a motion, with one individual member being able to do so. External members of Court might find it difficult to find five people to support a motion. It was therefore proposed that a motion should only be required to be seconded by one other member.

Dr Wharton responded that there was a need to ensure that Court dealt with matters in a focussed way, and that finding support from five members out of 200 was therefore appropriate. The Court of the University of Bristol required 9 seconders for a motion and this had twice as many members as the University of Bath Court. The provision in the standing orders was therefore proportionate.

A discussion ensued following which the amendment was put to the vote. There was a clear majority in favour of the amendment and it was therefore approved.

Amendment 7

Proposed by Dr David Packham and seconded by Professor Geof Wood.

10. MOTIONS

Add the following paragraph and renumber subsequent paragraphs accordingly:

- (iii) ***During Court business as set out in the Agenda, both motions and amendments may be proposed without prior notice and, provided that they are "in order", they must be considered.***

Dr Packham spoke to his amendment and stated that this was to make it explicit that during discussion of an item of business on the agenda, motion and amendments could be put, seconded and considered as appropriate without the need for prior notice.

Dr Wharton responded that the amendment was unnecessary as the Chair should retain discretion in such matters. If the Chair's decision was not accepted it could be challenged and overturned as set out in the standing orders.

A discussion ensued during which it was suggested that if a motion / amendment was put that was not relevant to the matter being discussed it could be ruled out of order by the Chair as normal.

On being put to the vote 43 members voted in favour of the amendment, 30 against and there were 16 abstentions. The amendment was therefore approved.

Amendment 8

Proposed by Dr Christopher Roche and seconded by Dr Michael Carley.

14. COMMUNICATIONS

For the purposes of these Standing Orders, any notice or written communication from or to the Secretary may be given by email. Communications to members of Court shall normally be by email from the Court email address **and will be made following procedures that work independently of those in place for Council or any other governance body. Members of Court shall be able to opt-in to sharing their contact details with all other Members of Court.** A request for a motion shall be considered to be validly seconded when accompanied by email confirmation from the requisite number of Court members. The Secretary to Court shall be available to any member of Court to advise on how to frame a motion or amendment.

Dr Roche spoke to his amendment and stated that communication to or between members of Court should be independent, and members of Court should have the ability to opt in as they see fit.

Dr Wharton responded that by certain members of Court 'opting in' and others choosing not to, two tiers of membership would be created.

A discussion ensued following which the amendment was put to the vote. There was a clear majority in favour of the amendment and it was therefore approved.

The Standing Orders of Court, as amended by amendments 1, 4, 5, 6, 7 and 8 above, were then put to the vote and it was AGREED by a clear majority that they should be adopted.

4. MINUTES

The following amendment to the minutes of the meeting held on 23rd February 2018 was circulated to members prior to the meeting:

Minute 6, page 6, after: '..... the Remuneration Committee has made in the past year" and before: 'On being put to the vote, ...' insert: 'No mention of any potential conflict of interest was made either by the Pro-Chancellor or by the University Secretary or at the time by any member of Court.'

The University Secretary declared an interest in this matter, and confirmed that the amendment which had been proposed by Professor Owen was factually correct as no mention of any potential conflict of interest was made by anyone during the meeting and the proposed addition made this even clearer. He took the opportunity to say that he very much regretted not recognising the potential conflict of interest point when the motion was put forward, and sincerely apologised for that and for voting on the motion in those circumstances.

Professor Mike Owen questioned why it had been altered to include 'or at the time by any member of Court' as this did not form part of the amendment he had submitted. He therefore asked that his amendment as he submitted it be put to the meeting as follows:

Minute 6, page 6, after: '..... the Remuneration Committee has made in the past year" and before: 'On being put to the vote, ...' insert: 'No mention of any potential conflict of interest was made either by the Pro-Chancellor or by the University Secretary.'

The Chair agreed to do so and on being put to the vote there was a clear majority in favour of Professor Owen's amendment as set out above and it was therefore accepted.

AGREED that the minutes of the meeting held on 23rd February 2017 (Paper CT17/18-2) be approved as a correct record of the proceedings subject to Professor Owen's amendment as detailed above.

5. MATTERS ARISING

1) Minute no.3, Syrian Refugees

A member of Court requested an update on the work the University was doing to support refugees. The Pro-Vice-Chancellor (Learning & Teaching) reported that the University had been working closely with other institutions and organisations such as Article 26, the main aim of which was to promote access to Higher Education for people who had fled persecution and sought asylum in the UK. In June 2017 further measures to support refugees had been approved, details of which can be found at:
<http://www.bath.ac.uk/guides/financial-support-for-refugees/>

The University had sought to follow best practice in this area and was proactively promoting the support it provided to attract more applicants. This was in addition to the measures the University had put in place to help build capacity and resilience in Jordan, which included offering 12 scholarships for the PG Certificate in Education for state-sector teachers responsible for educating Syrian refugees. The Pro-Vice-Chancellor (Learning & Teaching) thanked colleagues from across the institution for their support in establishing a sector-leading initiative in respect of support for refugees, and expressed his intention that this area would continue to be developed and kept under review.

6. MEMBERSHIP OF COURT

(1) Court noted its current membership as set out in Paper CT17/18-3. A revised version of the booklet had been circulated which included the following members of Court who had accepted their appointment as co-opted members for the period to 31st July 2020 after the production of the membership booklet:

- Sir Francis Richards (former senior civil servant and member of School of Management Advisory Board)
- Ms Charlotte Hitchings (Chair of the Avon & Wiltshire Mental Health Partnership)
- Professor Dawn Bonfield (founder & director of Towards Vision)
- Dr Anthony Best (Managing Director, Anthony Best Dynamics)
- Sir Peter Hendy (Chair, Network Rail)
- Professor Peter Chivers, (Chief Executive, National Composites Centre)

In addition, there had been a typographical error in the original booklet which was corrected as follows:

On page 1, Under Pro-Chancellors, replace Mr John Preston with Mr Peter Troughton. Under Treasurer, replace Mr Peter Wyman with Mr John Preston.

- (2) Court noted with the sadness the deaths of Sir Elgar Jenkins, Professor Darryl Almond and Professor Stephen Cotgrove, Life Members of Court.

7. HEFCE REPORT OF AN ENQUIRY INTO A GOVERNANCE MATTER AT THE UNIVERSITY OF BATH

Court considered a paper (Paper CT17/18-4) which provided HEFCE's report into an enquiry into a governance matter at the University, and the University's response to it. The Chair advised the meeting that, whilst he was content for any member of Court to speak to this item, he proposed that declarations of interest should be recorded for the following members of Court, who should not vote on the motion or any of its amendments:

The Chair of the last meeting of Court (who was not in attendance);
Members of the Remuneration Committee;
Those members of staff whose emoluments were determined by the Remuneration Committee.

This was accepted by the meeting.

The Chair of Council introduced the report and provided a detailed response on behalf of the University. As requested by HEFCE, the Chair of Council's response to the report as provided to Court are recorded in full below:

Much has happened since the last meeting of Court. As you will be aware our Regulator (HEFCE) published a report on 20 November about the governance of that Court meeting and also the work of the University's Remuneration Committee. The first recommendation of the report was that 'Before or at the next meeting of Court, the university should respond to the view of HEFCE that the vote at the Court meeting on 23 February 2017 was both poorly handled and flawed, and that this has damaged the reputation of the university. In the interests of transparency, the university's response should be fully minuted if given at the next Court meeting or presented as a written addendum to the minutes, if given before the meeting.'

My comments are intended to be balanced and not defensive and I hope that in the discussion that follows we can also show that. I, and others who I have consulted in preparing these remarks, all want to do our very best for this great University. Starting with the meeting of Court last February it was not the University's finest hour. It was in my view a difficult and unsatisfactory meeting and HEFCE is right so say that it was poorly handled. Members of Court who were present will draw what conclusions they wish about the way in which it was chaired but the voting process was flawed and the Vice-Chancellor and I have already apologised for the way it was handled and for voting on the motion.

There may be differing views on the effect of what happened but I want to assure you that we have worked hard to learn from the mistakes made and I very much hope that will be apparent from this and future meetings of Court. The HEFCE report is critical of both the handling of the vote and also for Court not having standing orders.

We accept this criticism and although this requirement for Court to have standing orders has existed for 51 years without problem they were not there when they were needed. It is also not an excuse that most other University Courts may not

have standing orders and possibly they may learn from our experience.

The substance of last February's motion before Court reflected the concerns of a significant number of members of Court about the level of remuneration awarded to the Vice-Chancellor in 2015 and the transparency of the process of the Remuneration Committee. I appreciate that some will feel a sense of injustice over how the motion was defeated by the inclusion of the votes by members of the Remuneration Committee and others who were seen to be conflicted. As I stated to Court in February I would, I raised the matter with Council which I did at a meeting later the same day and I can assure you that I have treated the motion as if it were carried. I committed on the day that there would be a full examination of the operation of the Remuneration Committee in this academic year and that is exactly what we have put in place, with a team from Halpin Partnership now carrying it out.

I have deliberately had no role at all in the choice of the consultant to carry out a review but I am advised that a reason why Halpin Partnership was chosen was because they had much experience in the field of remuneration governance.

To be quite clear in 2015, the Remuneration Committee took the decision with proper advice and in what it considered were the best interests of the University, with an emerging new strategy and with several other changes occurring to the senior management team, to retain the Vice-Chancellor's services for a further period, and the Vice-Chancellor agreed to remain on that basis. We had absolutely no expectation that would make her the highest paid Vice-Chancellor.

Whilst dealing with matters of the Vice-Chancellor's remuneration I am aware of the adverse comment about the retirement arrangements, announced on 28 November. Again I would stress that with the spotlight on this process we were very careful to act in the best interests of the University and at the same time recognise that the Vice-Chancellor – like all other employees of the University - has protected contractual rights. The process was handled with the support of external legal advice. As I am sure you know, her agreement to stand down as the Vice-Chancellor allows us to start recruiting her successor now. The sabbatical arrangement was also part of a contractual entitlement and as an eminent psychologist the Vice-Chancellor has maintained her academic standing throughout her time with us and the University's next REF return will benefit from her work during her sabbatical. There will be no salary increase in 2018 and so her current salary will remain until she leaves in February 2019 and there is no payment for loss of office.

The HEFCE report deals substantially with matters related to the Remuneration Committee and it makes very clear that we meet all the requirements of HEFCE and CUC although it encourages us to take the opportunity to embrace the changes to remuneration governance which the new regulator is likely to want to see for the Higher Education sector. I welcome this challenge and Council acted in October to implement the Vice-Chancellor's proposal not to be a member of the Remuneration Committee at all and since our HEFCE report came out universities around the country have been racing to make the same change.

Court will see that Council decided to accept all the recommendations of the HEFCE report. You will see that action has already been taken on some and for the remainder we want the Effectiveness Review to be completed by May so we can also have the benefit of the wide consultation and expertise, from beyond as

well as within the higher education sector, that Halpin will bring us and also the expected far-reaching guidance on remuneration from the CUC in April, of which a draft for consultation was published just this last week.

Council has agreed that Bath must be in the vanguard on these issues. The external review team from Halpin have much expertise to draw on and they will be engaging widely, including with Court members, as Council has asked them to do. You have a copy of our full response to HEFCE accepting the recommendations of their report and they have welcomed our response and the progress we are making.

This has been a difficult few months and on behalf of my fellow Council members, I would like to give assurance that we have heard and understood the messages from Court and elsewhere. I urge that in this discussion and any others that follow we look forwards to how this University, with the support of Court, can return to its sole focus being on the outstanding teaching, research and other activities for which it is rightly known.

Following Mr Sheppard's statement a member of Court questioned where it was stated in the University's response that all of HEFCE's recommendation had been accepted. Mr Sheppard confirmed that all the recommendations had been accepted and this was made clear in his letter to HEFCE dated 15th December 2017.

The following motion, which had been proposed by Mr Hedley Bashforth and seconded by Dr David Packham, Professor James Davenport, Dr Michael Carley, Mr Ben Davies and Dr Christopher Roche, was then considered:

Court regrets the flawed vote at its meeting in February 2017 and the damage to the reputation of the university that has followed.

Court welcomes the report of the HEFCE enquiry and calls on University Council to accept the findings and implement the recommendations of the report in full as the first steps towards openness, transparency, inclusivity and accountability in the governance of the university.

Mr Bashforth introduced his motion and stated that many members of Court had left the last meeting very unhappy and with a sense of regret, and these feelings had been compounded by the unedifying events of the last year. The University's previous Chancellor had commented about the issue of the growing pay gap between those at the top and bottom of organisations, and that leaders risked losing moral authority if this trend continued. It appeared that this had happened at the University, and people were questioning the way in which decisions were being made by the institution. Mr Bashforth also referred to the close votes of confidence in the Vice-Chancellor and Chair of Council at Senate and Council, and the recent vote of no confidence by Academic Assembly. Some decisions had not involved Court members, and the importance of this body had since been clarified in the HEFCE report. Court would not be ignored again and some of the terms of reference of the forthcoming review of governance being undertaken by Halpin would be challenged.

Mr Sheppard responded to the motion by confirming again that Council had already accepted all the recommendations in the HEFCE report, and the actions already taken had been endorsed by HEFCE. The momentum for change was underway

and the effectiveness review provided an opportunity for the University to move forward. Changes in remuneration governance had already been agreed by Council, and he urged Court to be forward-looking and not get distracted by discussing HEFCE's findings which had already been accepted.

A total of six amendments to Mr Bashforth's motion had been received prior to the meeting, and these had been circulated to members as they entered the meeting. Each amendment was discussed in turn.

Amendment 1

The following amendment was proposed by Dr Michael Carley and seconded by Professor George Lunt:

Add the following:

Court notes that the following resolution was adopted at Academic Assembly by 128 votes to 29 with 8 abstentions:

Given recent damage to the reputation of the University of Bath, arising from the conduct of senior management, Council, and the Remuneration Committee, and the criticisms contained in the resulting HEFCE report, Academic Assembly believes that the management and governance response has been inadequate. We therefore wish to communicate to Senate:

- 1. our lack of confidence in the Vice-Chancellor and our belief that she should leave her post immediately;*
- 2. our lack of confidence in the Chair of Council and our belief that he should step down immediately;*
- 3. our lack of confidence in the Remuneration Committee and our belief that its members should step down immediately and that its power to set executive pay should be returned to Council as a whole;*
- 4. a request that a complete review of governance, not only the "effectiveness" of governing bodies, be carried out, with a view to rendering the running of our university more open, transparent, and democratic.*

In view of this motion from the statutory body of Education and Research staff, Court:

- 1. endorses the view of Academic Assembly in points 1-3 above;*
- 2. requests that all those responsible for the failings identified in the HEFCE report step down from positions of authority in the management and/or governance of the university;*
- 3. endorses point 4 above and emphasizes that the failings of governance identified in the HEFCE report will not be remedied by a review of "effectiveness" of existing arrangements but only by root-and-branch reform of the governance structures, implementing open, transparent, and democratic arrangements.*

Dr Michael Carley spoke to his amendment and referred to the text of the motion passed by Academic Assembly the previous week in which no confidence was expressed in the Vice-Chancellor, Chair of Council and the Remuneration Committee. Concern was also expressed regarding the statement issued in respect of the Vice-Chancellor's retirement arrangements, and the decision of the Remuneration Committee in 2013 to allow the Vice-Chancellor a one year sabbatical was also questioned. It was stated that a sabbatical would not normally be granted to someone at the end of their career.

Dr Carley also questioned the judgement of members of the Remuneration Committee and senior management in respect of their actions at the last meeting of Court, and suggested that, with the exception of the Chair of Council, they had not acted in good faith. The Chairing of the last meeting had also been a disgrace. The University had failed to react proactively to the concerns expressed regarding the remuneration of members of senior management, and had not provided information on how decisions around remuneration had been reached or justified. The University needed to change its statutory bodies so that it could return to being an academic community and not one run for the benefit of small group of senior managers.

Dr Aki Salo, Chair of Academic Assembly, raised a point of order which the Chair agreed to take. Dr Salo stated that Dr Carley did not have the authority to speak on behalf of Academic Assembly. Neither the HEFCE report nor Court had been discussed at the meeting of Academic Assembly the previous week. The motion of Academic Assembly would be reported to Senate in the normal way, and it was bad governance to bring the motion to Court outside of the normal reporting routes. Discussion continued, following advice given to the Chair by the University Secretary.

Mr Sheppard responded to the amendment by stating that nowhere in the HEFCE report was the conduct of senior management mentioned. If the effectiveness review called for root and branch reform of the governance of the University then this would be for Council to consider, and he expected that all points in the HEFCE report would be covered by the effectiveness review.

Dr Carley responded that page 13, paragraph 27 referred to the actions of the Remuneration Committee and senior management at the last meeting of Court. He also commented that his amendment was not out of order as he was simply reporting a motion that had been passed by Academic Assembly.

Following a full discussion on this matter the amendment was put to the vote. 36 members voted in favour of the amendment, 33 against and there were 20 abstentions. The amendment was therefore approved.

The objection of Dr Salo to this amendment was noted.

Amendment 2

The following amendment was proposed by Mr Ben Davies and seconded by Ms Chloe Page:

Add after the second paragraph:

Court particularly welcomes recommendation 11 and requests that Council include

on the Remuneration Committee reserved spaces for staff and students, to be elected by the staff of the University and by the students of the University respectively.

Court requests that delegated powers be returned from the Remuneration Committee to Council, such that recommendations from the Committee are subject to approval by the governing body.

Mr Davies spoke to his motion and stated that as students were major stakeholders in the University they needed to be appropriately represented on the Remuneration Committee. The second part of his motion was not unusual and was the bare minimum under the circumstances.

On being put to the vote there was a clear majority in favour of the above amendment and it was therefore approved.

Amendment 3

The following amendment was proposed by Cllr Joe Rayment and was seconded by Ms Wera Hobhouse and Sir Geoffrey Clinton-Brown:

Add:

- 1) Court notes that HEFCE (Higher Education Funding Council for England) has initiated enquiries into the arrangements for the departure of the outgoing Vice Chancellor.*
- 2) Court expresses concern about the process by which these arrangements were agreed.*
- 3) Court notes the considerable public interest in this matter, and believes that this has further damaged the reputation of the University.*
- 4) Court is concerned that the Council has acted beyond its powers in granting a six-month sabbatical leave on full pay to the outgoing Vice Chancellor, as this contravened the Ordinances of the University (Ordinance 17.16).*
- 5) Court further notes the public interest in the loan for a car which was provided to the Vice Chancellor and will be written off at the end of her employment with the University.*
- 6) Court further notes that repayments for the loan were made in varying amounts each year from when the loan was provided in 2001/02 to 2010/11, but that the Vice Chancellor has repaid none of the loan since then.*
- 7) Court believes any loans provided to senior staff should be made on the same terms as interest free loans which are provided to other University staff (e.g. motorcycle purchase loan) and these terms should be in the public domain.*

Councillor Rayment spoke to his motion, and declared an interest by stating that the complaint made to HEFCE in respect of the arrangements for the departure of the outgoing Vice Chancellor had been made by himself. He reported that this was a cross party amendment in that it had been seconded by MPs from the Conservative and Liberal Democrat parties. Councillor Rayment expressed

concern regarding the way in which the arrangements for the departure of the outgoing Vice Chancellor had been agreed via email only two days before a meeting of Council, and questioned why this had been felt to be necessary. He also referred to Ordinance 17.16 which set out the University's rules relating to sabbaticals, and suggested that by agreeing to a sabbatical on full pay and when the member of staff in question would not be returning to the institution, Council had breached this Ordinance.

Councillor Rayment then referred to the car loan the Vice-Chancellor had received and the repayments made towards it, which appeared to be haphazard with no repayment term. It appeared that this was not a loan at all and should therefore not be written off, and that in future loans made to Vice-Chancellors should be on the same terms as any other member of staff would receive.

Mr Sheppard responded to the amendment by stating that legal advice had been followed throughout the discussions relating to the arrangements for the departure of the Vice Chancellor to ensure that the Ordinances had been complied with. The statement from the Director of Human Resources in respect of this matter had been circulated to members of Court and this explained the circumstances in full.

The amendment was then put to the vote, with 38 members voting in favour of the amendment, 23 against and 21 abstentions. The amendment was therefore approved.

Amendment 4

The following amendment was proposed by Professor James Davenport and seconded by Mr Jack Howell:

Add to the end:

In relation to recommendation 12(e), Court requests that Council also publish the ratio of the emoluments for the highest paid member of staff to the full time equivalent amount of the lowest paid member of staff. Emoluments should include costs associated with providing residence and/or the market rate for rents that would be due.

On being put to the vote there was a clear majority in favour of the above amendment and it was therefore approved.

Amendment 5

The following amendment was proposed by Professor Hartmut Logemann and seconded by Ms Elke Pawlowski:

Add:

Court notes recommendation 12(e) and requests that Council agrees a target maximum pay ratio of 10:1 between the highest and lowest paid members of staff and publishes a plan with how this is to be achieved.

Professor Logemann spoke to his amendment and stated that this would align with the government's request for restraint in executive pay, and was also in line with a policy that the Students' Union had adopted.

Professor Jennison declared an interest as his pay had been set by the Remuneration Committee when he was Dean of Science. He did not support the proposed amendment as this would cause the University difficulty in recruiting the calibre of staff required. He also suggested that the numbers stated in the proposed amendment did not add up.

On being put to the vote 25 members voted in favour of the motion, 32 against and there were 16 abstentions. The amendment was therefore rejected.

Amendment 6

The following amendment was proposed by Ms Susan Sutcliffe and seconded by Dr Marcelle McManus:

Add:

Court welcomes recommendation 12(e) of the HEFCE report and believes that all staff deserve to receive a wage they can afford to live on and asks Council to commit to the University becoming a Living Wage employer by seeking accreditation to the Living Wage Foundation within the next 12 months.

Ms Sutcliffe spoke to her amendment and stated that all staff deserved to receive a living wage. The consequences of the University becoming a Living Wage employee was discussed, and the Director of Human Resources stated that the University was currently in discussion with the Trade Unions on how to implement the Living Wage. The definition of a Living Wage employer included the wages of the employees of any suppliers, which could be an issue.

On being put to the vote there was a clear majority in favour of the above amendment and it was therefore approved.

Mr Bashforth was then given the opportunity to close the debate, in which he welcomed the amendments approved by Court. The substantive motion, as amended by amendments 1, 2, 3, 4 and 6 above, was then put to the vote and there was a clear majority in favour. It was therefore AGREED that the following motion be passed:

Court regrets the flawed vote at its meeting in February 2017 and the damage to the reputation of the university that has followed.

Court welcomes the report of the HEFCE enquiry and calls on University Council to accept the findings and implement the recommendations of the report in full as the first steps towards openness, transparency, inclusivity and accountability in the governance of the university.

Court notes that the following resolution was adopted at Academic Assembly by 128 votes to 29 with 8 abstentions:

Given recent damage to the reputation of the University of Bath, arising from the conduct of senior management, Council, and the Remuneration Committee, and the criticisms contained in the resulting HEFCE report, Academic Assembly believes that the management and governance response has been inadequate. We therefore wish to communicate to Senate:

1. our lack of confidence in the Vice-Chancellor and our belief that she should leave her post immediately;
2. our lack of confidence in the Chair of Council and our belief that he should step down immediately;
3. our lack of confidence in the Remuneration Committee and our belief that its members should step down immediately and that its power to set executive pay should be returned to Council as a whole;
4. a request that a complete review of governance, not only the "effectiveness" of governing bodies, be carried out, with a view to rendering the running of our university more open, transparent, and democratic.

In view of this motion from the statutory body of Education and Research staff, Court:

1. endorses the view of Academic Assembly in points 1-3 above;
2. requests that all those responsible for the failings identified in the HEFCE report step down from positions of authority in the management and/or governance of the university;
3. endorses point 4 above and emphasizes that the failings of governance identified in the HEFCE report will not be remedied by a review of "effectiveness" of existing arrangements but only by root-and-branch reform of the governance structures, implementing open, transparent, and democratic arrangements.

Court particularly welcomes recommendation 11 and requests that Council include on the Remuneration Committee reserved spaces for staff and students, to be elected by the staff of the University and by the students of the University respectively.

Court requests that delegated powers be returned from the Remuneration Committee to Council, such that recommendations from the Committee are subject to approval by the governing body.

- 1) Court notes that HEFCE (Higher Education Funding Council for England) has initiated enquiries into the arrangements for the departure of the outgoing Vice Chancellor.
- 2) Court expresses concern about the process by which these arrangements were agreed.
- 3) Court notes the considerable public interest in this matter, and believes that this has further damaged the reputation of the University.
- 4) Court is concerned that the Council has acted beyond its powers in granting a six-month sabbatical leave on full pay to the outgoing Vice Chancellor, as this contravened the Ordinances of the University (Ordinance 17.16).
- 5) Court further notes the public interest in the loan for a car which was provided to the Vice Chancellor and will be written off at the end of her employment with the

University.

6) Court further notes that repayments for the loan were made in varying amounts each year from when the loan was provided in 2001/02 to 2010/11, but that the Vice Chancellor has repaid none of the loan since then.

7) Court believes any loans provided to senior staff should be made on the same terms as interest free loans which are provided to other University staff (e.g. motorcycle purchase loan) and these terms should be in the public domain.

In relation to recommendation 12(e), Court requests that Council also publish the ratio of the emoluments for the highest paid member of staff to the full time equivalent amount of the lowest paid member of staff. Emoluments should include costs associated with providing residence and/or the market rate for rents that would be due.

Court welcomes recommendation 12(e) of the HEFCE report and believes that all staff deserve to receive a wage they can afford to live on and asks Council to commit to the University becoming a Living Wage employer by seeking accreditation to the Living Wage Foundation within the next 12 months.

8. VICE-CHANCELLOR'S REPORT

Court received the Vice-Chancellor's Annual Report. The Vice-Chancellor referenced the main elements of the 2016-21 University Strategy which were summarised in the Financial Statements, and members had also been circulated with a summary of the large research grants/contracts awarded to the University in 2016-17, together with its student numbers.

During her report the Vice-Chancellor highlighted the University's 50th Anniversary celebrations which had taken place in 2016/17. These included events ranging from a celebration in Bath Abbey in October 2016 to the University of Bath Festival in May 2017, and these were key in respect of alumni engagement and particularly fundraising, with £63.2 million to date raised towards the target of £66 million. The 50th Anniversary celebrations had also raised the University's profile, and enabled engagement with the City and regional opinion leaders, with around 10,000 people attending the Festival in May.

Research

The University's growing research power had seen much activity to raise awareness of the social and economic impact of its research, which was vital in persuading research funders to support it in the future. Examples included:

- The purchase, in partnership with South Gloucestershire Council, of the Bristol and Bath Science Park, a 37 acre site around 11 miles from Bath which already housed the National Composites Centre and a large Innovation Centre. This would become the site of the University's new Institute for Advance Automotive Propulsion Systems (IAAPS). The legal purchase process was underway and planning for the building of IAAPS on the Science Park has begun. IAAPS and the Science Park represented the opportunity for a step-change in the scale of the University's research activity, especially through industrial partnerships.

- The creation of a new senior post, Vice-President for Corporate Engagement, to which Professor Veronica Hope-Hailey has been appointed alongside being Dean of the School of Management. This recognised the need for a more active engagement with corporate sponsors for both research and learning/teaching developments, and was already paying dividends.
- The University winning £5m from HEFCE to lead the SETsquared consortium which would support identifying fast-growing SMEs in the South of England and connecting them to universities to encourage research and innovation collaborations.
- The University's response to the refugee crises in the Middle East referred to earlier by the Pro-Vice-Chancellor (Learning & Teaching) in building on the very strong links the Department of Education had in Jordan. Alongside this intervention, with a variety of sources of sponsorship (including philanthropic donations and an Erasmus+ International Credit Mobility grant supporting academic staff exchanges), the University had been able to send multidisciplinary teams of researchers to visit refugee camps and to consult local politicians, practitioners and academics. This had resulted in a major programme of research "Healthy Housing for the Displaced" focussed on the design of refugee housing and funded by EPSRC, which was producing practical solutions to important problems affecting the lives of many hundreds of thousands of displaced persons.

Learning and Teaching

The 2016 recruitment cycle saw the University hit its target for the stabilisation of undergraduate numbers, and recruits in 2016 mirrored the high 'A' level attainment of recent entrants. Indicators of the student experience suggested that the University was doing well in some respects (e.g. Sports University of the Year) but needed to do better in others (e.g. the provision of independent study spaces). 2016 saw the University respond to student concerns by committing to providing a new gym (now under construction); the establishment of a range of new learning commons facilities for independent study; the opening of the Virgil Building to students (a prime hub in the city centre); and the new Centre for Learning and Teaching to support teaching quality.

Alongside this commitment to continue to improve, the University received a Gold rating in TEF – being exceptionally highly rated against very high benchmarks in teaching, assessment and feedback, academic support, and graduate access to highly skilled employment or further study.

Postgraduate / Doctoral

During 2016-17 a number of actions were taken to realise the University's ambition to increase its number of postgraduate taught and research students:

- The development of a new portfolio of PGT and Doctoral programmes;
- The development of the pan-university Doctoral College, with a physical home and a leader in its new Academic Director (Prof Cathryn Mitchell). This would be supported by the newly appointed Pro-Vice-Chancellor (International & Doctoral) Professor Jeremy Bradshaw;
- Postgraduate taught recruitment co-ordination across the university, with a new organisational structure;

- Postgraduate Student Officer in the Students' Union;
- The Campus in London Pall Mall, with its initial focus on Executive MBAs and IPR doctoral work;
- The development of new postgraduate accommodation on campus, with 270 beds in Polden now being built;
- The business planning for the new building for the School of Management, which would be the natural home for significant numbers of postgraduate students.

Recruitment for the 2017-18 academic year showed that these changes were already having an effect, with the growth in postgraduate taught students marked.

All of the implications of the current University strategy took significant financial investment. The University had been very prudent for a long time, and was fortunate to be in a position as a consequence to invest in this development programme. Alongside this new financial investment, the University was fortunate to be able to attract highly qualified and talented people to take it forward. The Vice-Chancellor was particularly happy as she came to the end of her own period of office to know that the University of Bath had an increasing capacity to attract extraordinary people to work and study, and she was confident it would continue to thrive.

In response to the report of the Vice-Chancellor, a member of Court raised concern regarding students using the catering facilities in the Claverton Rooms, which meant that food had often run out when members of staff went for their lunch. Concern was also expressed regarding the pressure on parking spaces on campus, with staff often being unable to find a parking space if they arrived later in the day.

AGREED that the Vice-Chancellor's Annual Report (Paper CT12/13-3) be noted.

9. FINANCIAL STATEMENTS

Court received the Statement of Accounts for the year ended 31st July 2017. The Treasurer introduced the accounts, following which the Director of Finance gave a detailed review of the year. The following was reported:

- 2016/17 had been the second year of the new accounting standard being in place. This introduced a number of valuation, non-cash movements, which distorted the underlying operating performance of the University, and to address this reference had been made to the Historic Cost Operating Surplus in most management reporting and budget setting.
- 2016/17 saw a significant amount of investment in the University's strategy to grow its postgraduate and research activity.
- Income had increased to £267m in 2016/17, an increase of £1.4% on the previous year. Tuition fee income has increased 6.7% and represented 56% of total income. Funding body grants continued to fall, and now represented 12% of total income, compared to 30% before the introduction of the new tuition fee regime in 2012. Research income was £35.1m, broadly the same as the previous year and Other Income at £47.2m was £2.6m lower than last year.

- Expenditure has increased by 7.3% on the Historic Cost Surplus measure with staff costs increasing by 7.7%. This reflected the investment in staff but also the impact for a full year of the increased contribution to the USS scheme and the increase in national insurance contributions following the withdrawal of the contracting out arrangements in April 2016. Staff and employment costs were now 54.4% of income compared to 50.5% in 2015/16.
- Depreciation increased by 9% as the 10 West and 4 East South buildings were completed. Other costs increased with the most significant element being maintenance and refurbishment costs.
- The Historic Cost Surplus as a percentage of income was used as a target measure by the University. This target was a proxy for the cash generation required by the University to fund its investment programme and to repay its loans.
- The gearing ratio (a measure of debt to assets) was the most important of the University loan covenants. The covenant level with the European Investment Bank was set at 40% so the University was well within that target.
- The University had borrowed an additional £100m to fund its strategic capital programme. In the short term the main developments would be a new School of Management building and the IAAPS. As these projects progressed the gearing ratio would increase towards 30%.

In summary the Director of Finance reported that the University had performed above the level expected in its plans for 2016/17, leaving it well placed to deliver its strategy for the coming years. Risks existed, particularly in relation to the uncertainty on future tuition fee policy and the implications of Brexit, but the University had a strong financial position to address them from.

AGREED that the Accounts for the year ended 31st July 2017 be received and noted.

10. APPOINTMENT OF A VISITOR

The following motion had been duly proposed by Professor James Davenport and seconded by Professor Hartmut Logemann, Ms Elke Pawlowski, Mr Hedley Bashforth, Professor William Brooks, Professor Stuart Reynolds and Professor Rosalind Marsh:

The Charter of the University of Bath: Clause 4 [We means The Queen] reads as follows.

“We reserve unto Ourselves, Our Heirs and Successors, the right on representation from the Court, made in pursuance of a resolution passed by a simple majority of the members of the Court present and voting, to appoint by Order in Council a Visitor of the University for such period and with such duties as We, Our Heirs and Successors shall see fit, and his decision on matters within his jurisdiction shall be final.”

Court has never exercised this power. A Visitor would, in modern terminology, be part of an institutional checks-and-balances system. The presence of a Visitor would have provided an internal means for dealing with the “flawed handling of the

motion” at the previous Court, and might have led to a speedier resolution of the issues without the adverse publicity that has resulted. Using this power would also be a logical continuation of the tidying up that has resulted in the eventual production of Standing Orders of Court.

Court therefore resolves to petition the Crown to appoint by Order in Council a Visitor.

Professor Davenport spoke to his motion and explained a Visitor would provide a useful internal safety valve for issues and ensured a means by which concerns could be dealt with internally in the future.

The University Secretary clarified the role of the Visitor for the benefit of Court and confirmed that a number of other institutions had appointed a Visitor over the years.

On being put to the vote there was a clear majority in favour and the above motion was therefore approved.

11. ANY OTHER BUSINESS

- 1) Letter from 82 concerned Professors
Professor Logemann informed the meeting that a letter from 82 concerned Professors was available outside the meeting for members of Court to collect.
- 2) The Vice-Chancellor
Mr Jeremy Thring commented on the Vice-Chancellor’s exemplary record whilst at the University and that the University owed her a huge debt of gratitude. He thanked the Vice-Chancellor for her outstanding contribution to the University.

12. DATE OF NEXT MEETING

It was reported that the next meeting would take place in June 2018, date to be confirmed.

The meeting concluded at 5.55pm.