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# Oxford's Governance Structure

*A Green Paper*

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University of Oxford

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# Oxford's Governance Structure: A Green Paper



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## Notes

*(a) Comments and views from individual members of Congregation, and from colleges, the Conference of Colleges and any other body which wishes to make a reply should be sent to the Secretary of Faculties and Academic Registrar, University Offices, by Friday, 20 May 2005.*

*(b) Two open meetings for members of Congregation at which the Vice-Chancellor will present the proposals and*

*where there will be an opportunity for discussion will be held on Tuesday, 1 March at 4.00 p.m. and on Wednesday, 16 March at 4.00 p.m. The venues will be announced in an e-mail from the Vice-Chancellor as soon as possible.*

*(c) The consultation paper will be available in due course on the following website <http://www.ox.ac.uk/gazette/2004-5/supps/review.pdf>*

## Summary

1. Council has considered preliminary proposals made by the Governance Working Party (whose terms of reference and membership are set out in Annex A). The working party has also discussed these proposals with Heads of Colleges. Council has now agreed that the proposals should form the basis for wide consultation within the University and the purpose of this paper is to begin that process. The text below, which takes account of comments made by Council and by Heads of Colleges, represents the views of the working party.

2. Details of the consultation arrangements can be found in para. 45 below and on the contents page. During consultation, the working party will consider further details of the proposals and other matters covered by its terms of reference.

3. These proposals suggest fundamental changes in the governance arrangements of the University, and they take account of both the University's legal status and impending changes in national legislation (see Annex B for background note). The benefits they would bring are as follows:

- **unification of the current dual academic decision-making processes under which the University and the collegiate bodies currently consider business in parallel;**
- **greater involvement of a larger proportion of the University in academic decision making;**
- **better information and communication leading to greater understanding of the business of the collegiate university, and of the challenges and risks which confront it, from which a greater sense of trust and common purpose should arise;**
- **improvements in institutional governance to meet best practice in this area, enlisting appropriate expertise which does not exist within the University and providing the best possible framework within which teaching and research can be planned and carried out.**

4. To achieve these objectives, the working party suggests:

- (a) **that there should be a single Academic Council, which would bring together individuals from all parts of the collegiate University to take responsibility for academic business and which would have a committee structure similar to the present central committee structure;**
- (b) **that divisional boards and the divisional structure should continue, with a reporting line to the Academic Council;**
- (c) **that there should be a Board of Trustees (made up of members external to Congregation, with the Vice-Chancellor and two members of the Academic Council elected by the Academic Council in attendance), whose function would be to act as the Charity Trustees for the purpose of charity law, to take responsibility for institutional governance, and to ensure the integrity of the University's processes;**
- (d) **that the existing powers of Congregation should remain unchanged (apart from modifications necessary to allow the Trustees to fulfil their role as Charity Trustees) and that additional powers should be given to it, namely to approve the appointment of Trustees, to consider the annual report of the Trustees and to elect 40 members of the Academic Council.**

5. The colleges of the University are one of its greatest strengths. Their role as academic institutions is recognised and the proposals in this document leave unchanged the principles of college governance and the statutory responsibilities of colleges. However, the University and the colleges have joint academic responsibilities. An objective of the proposals is to improve significantly the exercise of those responsibilities by strengthening the role played by colleges in the University's academic decision making structure.

## Introduction

6. The Governance Working Party has considered the submissions received in response to the invitation to comment on the current governance arrangements. Respondents were asked to stand back as far as possible from their own concerns, to reflect broadly on the operation of the collegiate University, and to consider whether the current arrangements allow a comprehensive overview of all major areas of business to be maintained so that priorities can be established and issues dealt with at the appropriate level. The invitation to comment indicated that 'governance' might perhaps be defined as 'the organisation necessary to

enable an institution to set its policies and objectives and to achieve them, and to monitor its progress towards them'.

7. Just under 100 responses were received, from individuals, committees, and colleges. While many identified areas where the changes in 2000 had brought considerable improvement, a number of issues of major importance were also raised. The working party therefore concluded that it was essential to begin discussions on further and more fundamental changes. This document is intended to stimulate that discussion<sup>1</sup>.

## Main issues raised by the responses

8. Three major issues have emerged which require serious attention. In addition, detailed comments were made in the submissions on the present structure and its operation which have been taken into account in the development of the proposals in this paper.

### **The parallel university/college academic decision making processes**

9. First and foremost, the parallel decision making processes of the University and the colleges attracted most comment. There is general agreement that, despite the introduction of formal college representatives on University bodies and a more systematic and comprehensive approach to the conduct of business under the auspices of the Conference of Colleges, key decisions which affect the collegiate University are not made as expeditiously or as effectively as possible. The introduction of parallel structures under the Conference, while being wholly understandable, has created additional complexities, often resulting in delays without necessarily providing additional benefit. Such

delays often lead to frustration on the part of those on the University side seeking a response. A number of colleges have made the point that any consultation with them by the University has often been too late to allow them usefully to contribute to strategic decision-making. Moreover, when consulted, they may not always be aware of the full context of the matter in hand because they have not had the opportunity of hearing the discussion in University bodies.

### **Remoteness of individuals from decision making**

10. Second, there is, among individual members of the academic staff, a greater sense than hitherto of remoteness from the decision-making processes of the University. Part of the reason for this sense of isolation may be that the abolition in 2000 of many of the faculty boards and the General Board has reduced the number of academic staff who sit on formal committees so that knowledge about issues beyond an individual's own teaching and research has been reduced.

<sup>1</sup> It should be noted that the submissions drew attention to a number of other issues not touched on in this paper; some of these will be dealt with outside the review process as they are not strictly governance issues and others cannot be pursued in full until the proposals set out below have been discussed further.

### Lack of understanding

11. The second point leads to the third, namely that remoteness seems to be compounded by lack of understanding of the post-2000 structures. This may be because they are too complex or they have not been sufficiently well explained, or, more likely, a combination of both. The need for more effective communication throughout the organisation is certainly one of the strong messages coming from this consultative exercise – it is notable that there has been a uniformly positive reaction to the Vice-Chancellor's practice of sending e-mails after meetings of Council and many have recommended that this approach be extended to reporting on the activities of other bodies.

### Criticism of details of current organisation

12. On details of the current organisation, few respondents commented specifically on Council and its

major committees. Those who did think that on the whole these bodies did not operate as effectively as they might. Some said that Council is too big at least for its institutional governance functions (it currently has 25 members and power to co-opt three additional members) and that it has not focused sufficiently on matters of strategic importance. Others suggested that the remit and membership of the Educational Policy and Standards Committee (EPSC) and the Planning and Resource Allocation Committee (PRAC) need careful review, as at present there is a disjunction between them which makes matters such as the production of the Academic Strategy unnecessarily problematic. The view is widespread that too many high level committees are involved in discussing the same issue, often because it is not clear which has the responsibility for reaching a decision on any particular issue. Roles and responsibilities need to be more clearly defined and authority for action clearly specified. There was also concern in some submissions about the effectiveness of the divisions.

## Main objectives to be pursued

### Improvements in academic decision making

13. The difficulties caused by the existence of the parallel decision making structure between the University and the colleges are fundamental. Much of the academic business of the collegiate University is of concern to both the University and the colleges jointly. It can be conducted only in collaboration, and collaboration is hindered by the current arrangements. In the institutional audit<sup>2</sup>, the QAA praised the steps taken in 2000 to bring the University and the colleges together in the academic area, but this has required great effort on the part of those directly concerned, an effort which is hard to sustain. The Franks Report<sup>3</sup> drew attention (para. 32) to the lives of senior members being 'shot through with dualities of interest, loyalty and workplace'. All parts of the collegiate University

share a common enterprise, and therefore ways of eliminating the duality in decision making need to be found. The benefits which would flow from this would be considerable. Issues would be discussed through a single process and decisions reached more quickly. Above all, a unified structure should lead to improvement in understanding and trust. The background to a particular issue would be fully understood in all parts of the University. A unified structure for discussion and decision-making in all academic areas should contribute to the removal of the sense of remoteness, and bring about improvements in understanding. As a result, the shared nature of the University's and the colleges' problems and needs would be recognised. Furthermore, the existence of a single body would clarify where responsibility lies for discussion and decision.

<sup>2</sup><http://www.qaa.ac.uk/revreps/instrev/Oxford04/main.htm>

<sup>3</sup>Report of Commission of Inquiry (Clarendon Press, 1966)

### **Better information**

14. There is also lack of familiarity throughout the University (both at the level of the individual and within the various structures) with many general issues which would more easily become part of the consciousness and working background of a far larger number of members of the University if there were a system for joint discussion and decision. Were such a system in place, colleges would be more aware of, say, the current shape and detail of HEFCE's funding policies; the University centrally would be more aware, for example, of the effect on the deployment of college teaching resources of proposals made by divisions.

15. The first principle to be pursued therefore is the integration of academic decision making, leading to the greater involvement of the academic community and to a generally better informed community. This leads to the proposal (paras. 22-27) that there should be a single academic decision making body.

### **Institutional governance: need to ensure best practice**

16. The second principle is to improve the University's approach to institutional governance. Institutional governance refers to the broad financial, legal and regulatory arrangements of an institution, which give it a secure framework for the achievement of its objectives. Such governance includes the general oversight of the integrity of institutional processes, the determination of financial and investment policy and the oversight of this policy, audit, legal issues, and general oversight of the effective conduct of the University's business. Although the issue is not directly and comprehensively articulated in the submissions, elements of it emerge in comments on, for example, lack of clarity in decision making processes, or dissatisfaction with the functioning of Council. Good institutional governance leads to success in achieving an institution's goals. It is particularly important for a University with the standing of Oxford to ensure that it has impeccable institutional governance arrangements, and follows best practice in this

respect, just as it sets the highest standards for its teaching and research. The University needs to have in place a means by which both its governance framework and its major policy proposals can be reviewed, to ensure that they are realistic and well-conceived. It is not only the institutional governance structure which demands attention; there is a need also to draw on appropriate expertise which is not available within the University. It is no longer possible to secure consistently from within the institution the range of experience and knowledge for the exercise of good institutional governance. Improvements in this respect should yield significant benefits in (for example) use of resources, clarity of objectives and rigour of processes. They should therefore make it easier for the academic community to carry out its teaching and research because the framework within which that community operates will be well defined, risks diminished and the chances of unforeseen events damaging the University's academic work reduced.

17. Although the establishment of Council in 2000 as a single body responsible for all university resources was an important step forward, its effectiveness in trying to deal with both academic management and institutional governance has been limited. Most universities in the UK and also within the US have separate bodies to exercise these responsibilities. The enactment of the Charities Bill now before Parliament will also make it difficult for the University to maintain any significant number of paid employees on whichever body acts as the Charity Trustees.

18. Improvements in institutional governance (including in particular the recruitment of appropriate expertise) are therefore proposed in order to set the University's strategic direction and to provide the support, resources and protection which the academic community needs in order to pursue its work of teaching and research. It is envisaged that a separate body should bear the responsibility for the University's institutional governance. However, clear lines of responsibility

and communication must exist between it and the unified academic decision making body so that the two interrelate harmoniously and efficiently.

19. The proposals in this paper seek both to satisfy the principles of good government and to maintain

the tradition of academic self-government at Oxford. Since the proposals are in the early stages of development and have not been discussed outside the University it is not yet clear whether they would have to be modified to take account of the forthcoming legislation on charities.

## An outline of proposed changes

20. The need to unify academic decision making, to improve understanding of, and participation in, academic decision making, and to improve institutional governance could best be met as follows.

(a) **The academic management of the collegiate University should be entrusted to an Academic Council chaired by the Vice-Chancellor and consisting of all Heads of Colleges, members elected by Congregation, heads of division and academic departments, and chairmen of faculty boards and a number of other individuals. It would operate through a series of committees (see below) not unlike the present Council committee structure. Divisional boards would report to the Academic Council.**

(b) **Responsibility for institutional governance, as distinct from academic governance, should rest with a Board of Trustees. Their appointment would be approved by Congregation and they would report annually to Congregation. They would not be members of Congregation, or University or college employees. They would normally be alumni and would have the range of expertise appropriate for institutional governance functions.**

(c) **Congregation, which brings together colleges and the University in one body, should continue to play an important role. Its powers and responsibilities would be augmented by the power to approve the appointment of Trustees, to receive an**

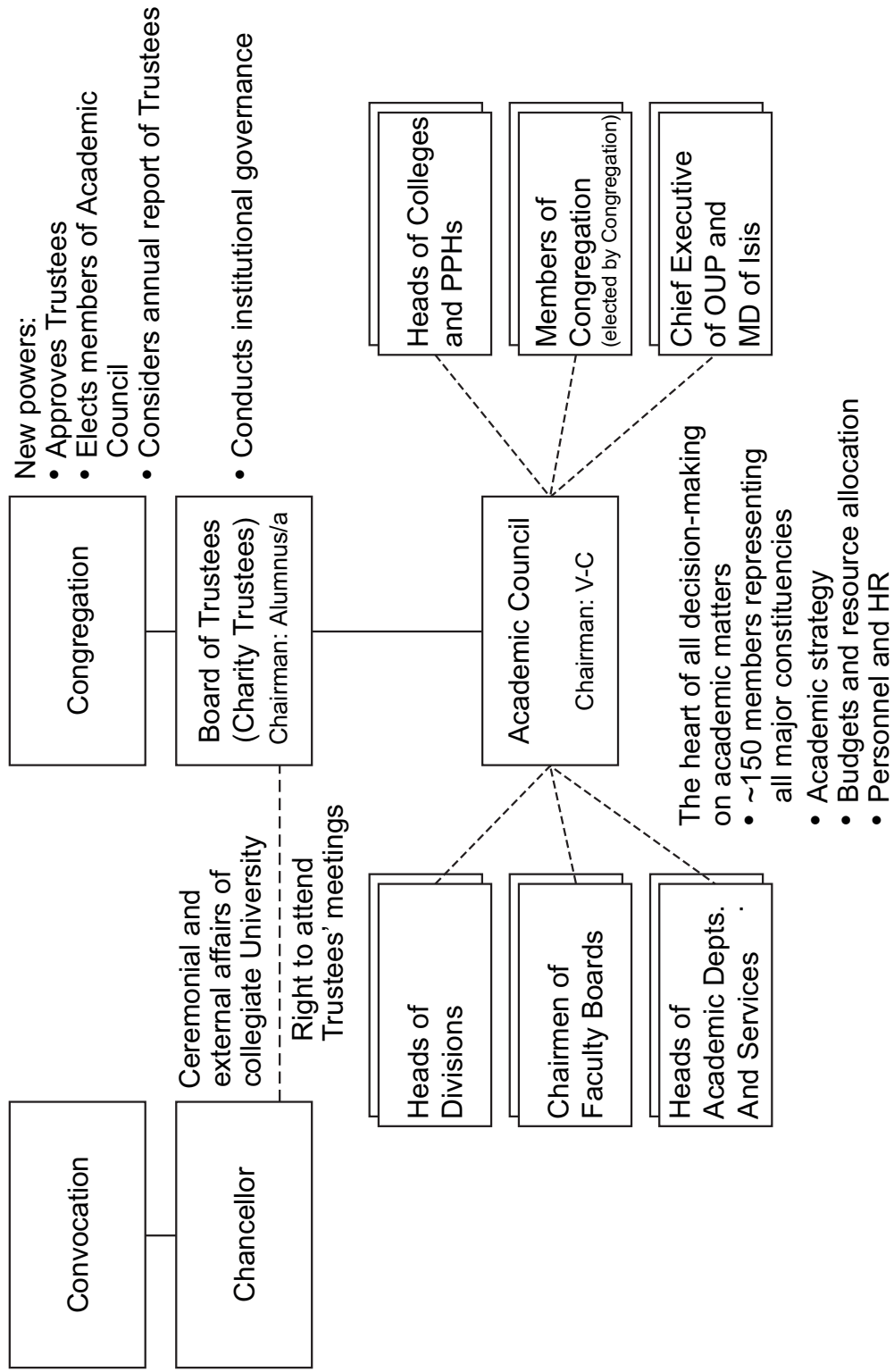
**annual report from the Trustees, and to elect 40 members of the Academic Council.**

21. The structure is sketched in the diagram on the following page and the succeeding paragraphs provide more details of the proposals.

### **Academic management: a proposed Academic Council**

22. As outlined above, the unification of academic decision making and management would be achieved by establishing a large Academic Council responsible for all academic matters and involving not only members of faculties (mostly directly elected by Congregation) but also representatives of all colleges. This would bring together the academic operations of the Conference of Colleges and of the central University in a large body approximately 150 strong. While effective institutional governance requires a small body, academic governance and management need to be fully representative. An Academic Council of the size proposed is therefore essential, both for this reason and to restore a sense of participation within the academic community as a whole. Experience of similar bodies elsewhere shows that such a body of this size can operate efficiently and effectively, with a mutual expectation amongst members that discussion will be focused and succinct. The composition would be on the following lines:

# THE UNIVERSITY OF OXFORD: PROPOSED GOVERNANCE STRUCTURE



- Vice-Chancellor (chair)
- All Heads of Colleges (including those not technically independent, known as societies in the current legislation)
- Representation of Permanent Private Halls
- The Proctors and the Assessor
- The Pro-Vice-Chancellors with portfolios
- Heads of division
- Heads of major academic departments and chairmen of faculty boards
- 40 members of Congregation elected by Congregation (in the same constituencies and proportions as the current arrangements for elections by Congregation to Council)
- Director of the University Library Services
- Director of the University Computing Service
- Directors of the University's museums
- The Chief Executive of OUP and the Managing Director of Isis
- Six student representatives (three each from the graduate and undergraduate communities)

23. The Academic Council would meet frequently (say 9-10 times per year). As now, the Vice-Chancellor would circulate a report to the University at large after each meeting of the Academic Council. In general terms, the Academic Council would be charged with formulating and keeping under review the academic objectives and strategy of the collegiate University including its corporate plan. It would have fundamental responsibility for teaching and research and for all related services. It would, in particular, be responsible for all aspects of the admission and education of students (both graduate and undergraduate), for the promotion of research, for personnel matters and for capital planning and budgeting. The Academic Council would determine the annual allocations to each spending sector. Regular interaction between the Academic Council and Trustees would be essential. Most similar academic bodies in the UK have the power to communicate with the Trustees (or equivalent) on any matter relating to the University

and such power should be given to the Academic Council if these arrangements were established in Oxford.

24. Effective committees would be essential for the work of the Academic Council. Such committees would include the following. Each of the first four would be chaired by a Pro-Vice-Chancellor.

- Education (similar to EPSC)
- Research
- Capital Planning and Budgeting
- Personnel and Equal Opportunities
- Colleges Committee (see para. 28 below)
- Divisional Boards

Other committees would also be needed.

25. The committees such as the Education Committee would be appointed by the Academic Council but would not be drawn exclusively from the Academic Council itself. The objective would be to ensure that each committee contained representatives of the collegiate University who possessed the expertise required by the committee's responsibility to develop policy in its area. The working party recognises the importance of ensuring the appropriate constitution of each committee and is developing proposals in this area. The working party envisages that the Continuing Education Board would report to the Academic Council via the Education Committee and would be chaired by the Pro-Vice-Chancellor (Education).

26. Day-to-day business of the University and general coordination is already overseen by a group which meets regularly. It consists of the Vice-Chancellor, the Pro-Vice-Chancellors with portfolios, heads of division, Chairman of the Conference of Colleges and senior officers. This would continue with the Chairman of the Colleges Committee – see para. 28 below – replacing the Chairman of the Conference. This group would ensure that the work of the various committees of the Academic Council was properly coordinated and that there was effective communication between the Academic Council and the Trustees.

27. The Academic Council would make academic regulations, personnel regulations and other regulations relevant to its responsibilities.

### **Conference of Colleges**

28. In the light of the creation of the Academic Council, the role of the Conference of Colleges would need to be reconsidered. The working party's view is that a body consisting of the Heads of Colleges would be very valuable, provided that it did not lead to the re-creation of parallel decision-making structures. It is therefore suggested that such a group should be a committee of the Academic Council called the Colleges Committee. It should elect its own chairman. Its responsibilities would include the dissemination of best practice across the colleges where this was appropriate. The work of the committee would cover, for example, quality assurance related to teaching, legal matters, purchasing and value for money. It would also be a forum for intercollegiate advice to the Academic Council or to the Divisions on matters such as the distribution of academic posts or of student numbers. The newly-established decision-making rules of the Conference should be adopted by the new body.

### **The position of colleges**

29. Questions may be asked about the effect of these proposals on the autonomy of colleges. Colleges ultimately cannot function outside the University, and the University cannot function without the colleges. The activities of each are shaped by the many interrelationships and interactions between them. A college's statutory legal position would not be changed by the decision-making process proposed in this document. The institutional designation of a college is that it is a particular college 'in the University of Oxford'. As stated above, the creation of the Academic Council would be a much more effective way of bringing the colleges and the other parts of the University together, and there should be genuine benefit for colleges in taking part in a unified process. The complaint that colleges have sometimes become involved too late in an issue would be addressed in the proposed structure since they would be involved throughout.

30. The disposition of resources by colleges is already affected by 'University' decisions. A joint process should lead to greater appreciation of the implications of a particular proposal for all those it touches and, in so far as college resources may be affected, to a more informed conclusion. There might, however, be cases where, for the benefit of all, a particular size of majority would be required in the Academic Council. These would be fundamental matters such as major changes in student number policy or alterations to the structure of academic appointments.

## **Institutional governance: Trustees**

### **Functions**

31. The Trustees would take over the responsibility of the present Council under Statute VI 'for the advancement of the University's objects, for its administration and for the management of its finance and property'. The institutional designation of the University would remain 'The Chancellor, Masters and Scholars of the University of Oxford'. Changes in the University's statutes would be needed (including Queen-in-Council statutes) but no further legal measures would be required. (Relevant legal issues are set out in Annex B.)

32. The Trustees would report annually to Congregation on the exercise of their responsibilities (at the same time as Congregation receives the Annual Report of the University). As stated above in paras. 16-18, there is a need for a secure framework within which the University can operate. This is the framework which any large and complex organisation requires in order to function effectively. The major components are clarity and rigour of institutional governance processes, good financial systems and the maintenance of excellent investment management, good risk analysis (including reputational risk), proper attention to all the requirements of financial audit, comprehensive awareness of legal issues, and appropriate ethical policies. The Trustees are needed to ensure that the University's arrangements in these respects are unimpeachable. It will be essential that the Trustees have expertise in relevant fields. They will be expected to engage in the business of the University in

areas germane to their expertise and to have substantial interaction with those whose responsibility it is to implement policy in those areas, be they external advisers or members of the University.

33. The Trustees would be required to give overall institutional approval to the University's broad strategy in order to discharge their responsibilities as the University's Charity Trustees. That duty would be undertaken without interference in academic matters, which would be in their entirety the responsibility of the Academic Council. This responsibility would be formally delegated to the Academic Council by the Trustees. The Trustees would also approve the total amount of money available each year for allocation by the Academic Council for the University's operations.

34. The Trustees would also approve changes in statutes for forwarding to Congregation (see para. 40 below) and would have power to make regulations relating to the conduct of their business and to the areas for which they were responsible.

### **Membership**

35. The Trustees would meet five or six times each year and consist of a balanced group of 13 people (the number being small enough for effective working but sufficiently large to ensure the appropriate range of expertise). They would elect their own chairman. The Vice-Chancellor would not be a Trustee but would attend meetings of the Trustees. Moreover, in order to ensure that the Trustees were fully informed on academic matters, two members of the Academic Council in addition to the Vice-Chancellor would be elected by the Academic Council to attend Trustees' meetings. The Chancellor should have the right to attend meetings of the Trustees. The Trustees would normally be alumni. The University would therefore be

able to benefit from the experience and expertise of a number of alumni in what should be a fruitful and positive relationship, symbolising the importance attached to relations with alumni as a whole.

36. Trustees would serve for seven years (with appropriate shorter periods initially to secure a rotation) and be eligible for reappointment. They would have a retiring age of 70. The Trustees would themselves be responsible for filling vacancies in their number but all Trustee appointments would be subject to the approval of Congregation. The first group of appointments would be proposed to Congregation by a group (with appropriate gender balance) consisting of the Chancellor, the High Steward, some former Vice-Chancellors of this University and some distinguished alumni.

### **Committees of the Trustees**

37. As a minimum the Trustees would need the following committees which would meet as necessary.

- (i) Finance
- (ii) Audit
- (iii) Investment
- (iv) Nominations<sup>4</sup>
- (v) Remuneration<sup>5</sup>

38. It would be possible to co-opt non-Trustees to the first three of these committees. When the Nominations Committee is seeking a new Vice-Chancellor it should be required to include a significant number of academic members. It is suggested that the Chancellor should chair this committee at all times. The Remuneration Committee should consist of Trustees only.

<sup>4</sup> The Nominations Committee would be responsible for proposing the appointment of new Trustees (subject to approval by Congregation) after the first group and the appointment of the Vice-Chancellor (also subject to approval by Congregation).

<sup>5</sup> The Remuneration Committee would be responsible for the settlement and review of the Vice-Chancellor's salary and of the salaries of other senior officers.

### ***Relationship of the Trustees to the Academic Council***

39. The establishment of the Trustees would have the effect of separating clearly the responsibility for institutional governance from academic governance and management. The Academic Council would continue the tradition of self-government in all academic matters. In reviewing the decision-making processes of the Academic Council, the Trustees' remit would not allow them to substitute their own judgement on a matter of academic substance for one properly arrived at by the Academic Council.

### **Congregation**

40. The importance of Congregation is recognised and the proposal is to maintain its existing powers (in so far as they are consistent with charity law) and to add new powers, namely the right to approve the appointment of the Trustees, the right to elect 40 members of the Academic Council, and the right to receive the Annual Report of the Trustees. It would continue to have the right of veto over changes in statute or the approval of new statutes. Legislative proposals for new statutes or changes in statute would in future come to Congregation from the Trustees.

### **Chancellor**

41. The Chancellor should continue to be elected by Convocation and should continue to have the ceremonial, ambassadorial and representational role which has traditionally fallen to the holder of this office. The working party has considered whether the Chancellor should be a Trustee and serve as chairman but it notes that in most, if not all, UK universities the roles of Chancellor and of chairman of a body equivalent to the Trustees are separate. As stated above, however, the Chancellor should have the right to attend all meetings of the Trustees and should chair the Nominations Committee.

### **Vice-Chancellor, Pro-Vice-Chancellors and senior officers**

42. This model carries implications for the operation of the University. The Trustees would delegate to the Vice-Chancellor the appropriate powers to carry out their responsibilities on a day to day basis. The Vice-Chancellor would be supported by the Pro-Vice-Chancellors with various portfolios (as has been the case since 2000 but with the number expanded from three to a maximum of five). The formal relationship of Vice-Chancellor and Pro-Vice-Chancellors to the Academic Council and its committees and to other bodies, and the extent of delegated powers, would need further definition.

43. The roles of the Registrar and the Director of Finance are crucial. The Registrar would be formally secretary to the Trustees as a whole and to their audit committee and to the Academic Council (with the Academic Registrar as deputy secretary of the latter). The Director of Finance would be secretary of the Finance and Investment Committees of the Trustees and of the Capital Planning and Budgeting Committee of the Academic Council.

## Conclusion

44. The working party believes that the above proposals promise fundamental benefits for the future of the University. Chief amongst them are the following.

(a) A representative single decision making body would be created for all academic matters, containing a significant proportion of elected members and so informed by the University's democratic traditions. This would enable views from all sections of the community to be taken into account and would foster much more effective collaboration in those areas where the institution

cannot otherwise function effectively (e.g. admissions, teaching arrangements, research, academic staff appointments and duties).

(b) Improved communication and understanding (notably of decision making processes), and hence the strengthening of trust.

(c) The effective discharge of institutional governance responsibilities, leading to the provision of resources to enable the academic community to achieve its goals and to the establishment of independent reassurance of the integrity of the University's overall processes.

## Arrangements for consultation

45. Below are the arrangements for consultation.

(a) Comments and views from individual members of Congregation, and from colleges, the Conference of Colleges and any other body which wishes to make a reply should be sent to the Secretary of Faculties and Academic Registrar, University Offices, by Friday, 20 May 2005.

(b) Two open meetings for members of Congregation at which the Vice-Chancellor will present the proposals and where there will be an opportunity for discussion will

be held **on Tuesday, 1 March at 4.00 p.m. and on Wednesday, 16 March at 4.00 p.m. The venues will be announced in an e-mail from the Vice-Chancellor as soon as possible.**

(c) The consultation paper will be available on the following website: <http://www.ox.ac.uk/gazette/2004-5/supps/review.pdf> In due course the slides used by the Vice-Chancellor in his presentation at the two meetings referred to in (b) above will be available within the University at [www.admin.ox.ac.uk/vc/gov](http://www.admin.ox.ac.uk/vc/gov)

## Terms of reference

(a) Bearing in mind that the aims of the changes made in the University's governance arrangements in 2000 included

- (i) the establishment of more effective decision-making;
- (ii) the provision of an integrated approach to strategy in areas such as planning, resource allocation, educational policy and standards, and personnel, so that the University could respond swiftly, clearly and appropriately to new opportunities and new issues;
- (iii) the devolution of more power and operational responsibility to subject areas, in line with the general principle of subsidiarity;
- (iv) the enhancement of institutional accountability and transparency in decision-making; and
- (v) the improvement of coordination and communications between the University and the colleges

the working party should review the operation since 2000 of the governance machinery of the University to determine whether these aims have been achieved and to make recommendations to Council in the first instance for changes where necessary.

(b) The working party should pay particular attention

- (i) to the terms of reference and constitution of Council, its major committees, the divisional boards, the Continuing Education Board and to the arrangements for Academic Services and University Collections;
- (ii) to the links and relationship between these various bodies;
- (iii) to the provision for college representation on university bodies and to the general

arrangements for consultation between the University and the colleges and for the conduct of business where agreement between the University and the colleges is necessary.

(c) The working party should keep in mind as far as is possible broader issues which may arise (whether from internal comment or externally) about university governance, while giving priority to its work under (a) and (b) above.

(d) Bearing in mind the University's tradition of democratic accountability

- (i) the working party should consult widely and in particular should offer all members of Congregation the opportunity to make submissions to it;
- (ii) Council should refer the report of the working party to Congregation for debate.

### Membership

- Vice-Chancellor
- Principal of Somerville
- Senior Proctor (Dr J.F. Wheeler)<sup>6</sup>
- Professor K. Burnett
- Mr B.J. Taylor
- Professor D.J. Womersley

<sup>6</sup> to continue after demitting office as Senior Proctor

## Note on Legal Status of the University

The University is a corporate body first established at common law by custom, and then formally incorporated by the Oxford and Cambridge Act 1571. This Act gave the University a corporate name – “The Chancellor, Masters and Scholars of the University of Oxford”. It is not as if the Chancellor or any individual Master or Scholar has any role by virtue of this labelling exercise. The name was prescribed for the purpose of contracts and legal proceedings.

A more recent Act of Parliament – the Universities of Oxford and Cambridge Act 1923 – has given the University the power to write its own constitution (subject, in the case of some provisions, to the approval of the Queen in Council). The present Statutes and Regulations of the University have been enacted in the exercise of this power. They prescribe the composition and roles of Convocation, Congregation and Council. The University is at liberty to alter those roles as it sees fit (subject in some cases to Privy Council approval, as mentioned above). Council proposes amendments and Congregation decides on Council’s proposals.

The University is a charity. The Charities Act 1993 calls for each charity to identify “*the persons having the general control and management of the administration of a charity*”. These persons are known as “*the charity trustees*”, and they are primarily accountable for compliance with charity law. Under the Charities Bill now before Parliament, this accountability will be to HEFCE as the University’s ‘Principal Regulator’: HEFCE has identified a University’s Charity Trustees as those in a position “*to take all final decisions on matters of fundamental concern to the institution*”. Under the present Statutes, the members of Council are thought to be the Charity Trustees. Under the proposals in this paper, the Board of Trustees would be the Charity Trustees.