UNIVERSITY OF NEWCASTLE UPON TYNE

COUNCIL

3 April 2006

Present:  Mrs M O Grant (in the Chair), the Vice-Chancellor, Professor J B Goddard (Deputy Vice-Chancellor), Dr J C Appleby, Mr L M Aviss, Mr N Blezard, Mrs B Dennis, Sir Leslie Elton, Mr J C FitzPatrick, Dr F Harvey, Ms J Henderson, Sir Miles Iving, Mr P M Johnson, Mr S Lightley, Professor P J W Olive, Ms K Priestley, Mr A Robson (Communications Officer), Professor P Sen and Mr A M Wilton.

In attendance:  Professor O R Hinton, Professor O F W James, Professor T F Page, Professor C B Riordan, Professor E Ritchie and Professor A C Stevenson (Pro-Vice-Chancellors), Dr J V Hogan (Registrar), Mr H B Farnhill (Bursar), Mrs V S Johnston (Director of Human Resources) and Mrs J M Clark (Assistant Director of Human Resources),

Mr J Dersley (Newcastle Science City Project Co-ordinator), Mr C Pywell (Head of Innovation, Industry and Science, One NorthEast) and Mr P Rubinstein (Director of Policy & Assistant Chief Executive, Newcastle City Council) attended for items 54 and 55.

M I N U T E S

49. MINUTES

The minutes of the meeting of Council held on 6 February 2006 were approved as a correct record and signed.

50. MATTERS ARISING FROM THE MINUTES

(a) Progress of business

Received a business tracking form.  
[Circulated with the Agenda as Document B. Copy filed in the Minute Book.]

(b) Joint Council and Executive Board away day  
(Minute 36, 6.2.2006)

Noted that:

(a) The Chairman of Council and the Vice-Chancellor were both willing to discuss any of the matters raised at the joint Council and Executive Board away day with any members of Council who were unable to attend the meeting.

(b) The documentation that had been circulated for the away day and the notes of the meeting had been very useful.
51. VICE-CHANCELLOR’S BUSINESS

(a) Deaths

Received a report on deaths recently announced by the University.
[Details filed in the Minute Book.]

Resolved that Council record its deep regret and sympathy for the relatives concerned.

(b) AUT Industrial Action

Considered an oral report from the Vice-Chancellor.

Noted that:

1. The industrial action being undertaken by the AUT was a national dispute. Just under 350 members of the University staff had participated in the one-day strike called by the AUT on 7 March. Some staff were now following the AUT policy of further action short of a strike, which included a boycott of assessment. The Vice-Chancellor emphasised that the University was anxious not to exacerbate what was a difficult situation. Nevertheless, the University’s position was that it could not permit the boycott of assessment to harm student progress, graduation and, thereby, job prospects without taking some action.

2. The Union Society had made clear its opposition to the AUT boycott. The Communications Officer reported that they had advised students who wished to complain to direct such complaints to the local AUT branch.

3. The Vice-Chancellor reported on the position being adopted by other members of the Russell Group in relation to the industrial action. Approximately half of the members of the Russell Group had already submitted proposals to their senates to reduce the potential damage that the AUT action would cause for student progress and student graduation. This University intended to submit proposals to the meeting of its Senate to be held on 2 May 2006.

4. The University had already written to staff to advise that the University did not accept partial fulfilling of contracts and retained the right to withhold some, or all, of the pay of individuals not fulfilling their normal contracts. The University was reluctant to take such a step but would do so at the point where severe harm was being caused to students. In such a situation, there could be no assumption that the money withheld would eventually be paid to the individuals concerned.

5. The University intended to write to staff again to inform them of its concerns over this matter and to reiterate the policy on withholding pay.

6. There had been some concern about the need for UCEA, representing the employers, and AUT/NATFHE to negotiate in an appropriate manner about the pay claim. UCEA and AUT/NATFHE were very shortly to hold talks about talks, which was a welcome development.
7. The additional income raised through the higher student fee would help to fund pay, but was also required to fund a range of other issues including reducing the staff:student ratios, thus easing the burden on academic staff.

8. The introduction of fair measures would increase the University’s overall pay bill by approximately 3% during 2006-07. The AUT’s claim would need to be seen on top of this 3%.

9. The AUT claim was for an increase above the average pay increase for public sector workers of +4%, +3%, +3% over the next three years.

10. That UCEA’s position was that any pay award would need to be applied to all university staff.

11. The AUT had declared a dispute very early in the negotiation process.

12. An offer had been made by UCEA, to the Unions participating in the consultation process, of 3% and 3% award over two years. The AUT had responded to this offer by describing it as derisory.

13. The University intended to send out a briefing to Heads of Schools and this briefing note would be copied to members of Council.

14. Dr Appleby declared an interest as a member of the local AUT committee, but emphasised that this was a national dispute. He drew to Council’s attention the following:

- that the costs of fair measures had been covered, at least in part, by the earmarked rewarding and developing staff fund, established by the HEFCE;
- that, over a period of time, the comparative salary of professional staff represented by AUT had fallen by approximately 40% against staff outside universities performing similar professional duties;
- that the AUT had always interpreted a commitment of a third of the extra money raised by the higher fees on pay, to mean an increase in the pay levels for members of staff;
- that there was a strong feeling amongst staff that if pay was deducted for partial performance, then the work would not be undertaken at the end of the dispute.

15. Some concern was expressed about the tactics being followed by UCEA and, specifically, the condition placed upon AUT/NATFHE undertaking talks, that the two trade unions should suspend the current industrial action prior to joining such talks.

16. The AUT represented approximately 30-35% of the staff employed on relevant professional grades, although it represented a higher proportion of those undertaking University teaching.
Resolved that:

(i) Council wished to make clear its grave concern over any situation that caused significant damage to the normal expectations of students to progress in their academic studies and graduate on normal timescales.

(ii) Heads of Schools should be kept informed, both about the University’s internal measures it was planning to take and the situation with regard to the national negotiations.

(iii) The Vice-Chancellor be authorised to undertake appropriate steps to protect the interests of the University’s students during the current dispute. This would include the withholding of pay, if deemed necessary.

(iv) The Vice-Chancellor should liaise with the Chairman of Council and other members of the senior management team as appropriate on this matter.

(c) Incorporation of the Russell Group

Reported that the Russell Group of Universities, of which Newcastle was a member, had agreed to formalise their arrangement by incorporation under a Memorandum and Articles of Association, a copy of which was available, on request, from the Governance Office. [Copy filed in the Minute Book.]

52. DEATH OF MR D K WILSON

Reported the death of Mr D K Wilson, Honorary Treasurer of the University from 1993 to 2004 and one of the initial recipients of an Honorary Fellowship of the University, on 9 February 2006. Mr Wilson contributed significantly to the development of the University.

Resolved that Council record its deep regret and sympathy for the relatives of Mr Wilson.

53. DEATH OF MR R N D STEPHENSON

Reported the death of David Stephenson, a former member of Council and businessman in Newcastle.

Resolved that Council record its deep regret and sympathy for the relatives of Mr Stephenson.

54. BARRAS BRIDGE DEVELOPMENT AND THE BUSINESS SCHOOL

Considered recommendations in a report from Executive Board dated March 2006. [Circulated with the Agenda as Document C. Copy filed in the Minute Book.]
After noting that:

1. When Council had originally approved the building on the Barras Bridge site, it had been for a building which was to be jointly occupied by the Business School and Student Services. As part of the planning process, it had been necessary to reduce the building capacity on the Barras Bridge site and a very small proportion of the Student Services would now be capable of being housed in a building alongside the Business School.

2. The University’s attempt to obtain planning permission for a building on the Barras Bridge site had proved to be difficult. A significant period had been spent in consultation with various statutory and non-statutory bodies. During this process, officers from the City Council had suggested that the Boulevard site, which was owned by Bridging Newcastle and Gateshead (BNG), would offer a number of distinct advantages for a Business School, not least a very important development and synergistic opportunity for Science City.

3. Faulkner Brown had been employed by the University to undertake a building massing study on the Barras Bridge site and the Boulevard site.

4. The Boulevard site would need to be purchased and the Chief Executive of One NorthEast had indicated that the Science City Partners may want to buy the site.

5. The University faced severe problems with regard to the provision of adequate student and administrative services accommodation in Kensington and Park Terraces. The negotiations over the possible location of the Business School on the Boulevard site therefore presented an opportunity to locate a new Student Services/Administrative building on the Barras building site.

6. It was recognised that the Student Services/Administrative Services would work much more efficiently in a modern, open-planned environment.

7. Mr Rubinstein reported that BNG was a housing renewal pathfinder initiative committed to improving housing standards. The use of the site would, therefore, be subject to close public scrutiny and Newcastle and Gateshead Councils would need to obtain value for money in an appropriate transparent financial transaction based on an open market valuation. Mr Rubinstein emphasised that BNG were not looking to make a profit on the sale of the land.

8. Mr Rubinstein emphasised that, as of yet, no planning permission had been given for any building on the Barras Bridge site.

9. Dr Appleby declared an interest as a member of the City Council, but one not involved in the planning process.

10. Concern was expressed about the need to have clear financial information prior to any decision being taken by Council concerning the two building strategy. The Vice-Chancellor indicated some current projections of possible building costs.
[Secretary’s note: The figures indicated by the Vice-Chancellor at Council should remain confidential and would form part of the business and financial cases presented to Council at its meeting on 22 May 2006.]

11. It was proposed that alternative sites, including the Boulevard, should be kept under consideration for the Business School. It might be possible to locate the Business School on the Science Central site, for example.

12. The Union Society’s Communications Officer expressed some concern about the possibility of the Enterprise Centre being located in the Business School, away from the King’s Campus. This was a student service and he was concerned about access to the service for students. In response, Professor Goddard indicated that no decision had been taken concerning Enterprise, although the Enterprise Centre did form an important interface with the University’s proposals for Science Central and it was intended to keep undergraduate teaching for business on the King’s Campus.

13. Concern was expressed about the wider property implications of the proposals, in the light of the University’s under-utilisation of various parts of the estate on King’s Campus. It would, therefore, be necessary to consider the University’s plan for surplus accommodation as part of the case for the Barras Bridge and Boulevard sites.

14. Concern was expressed about the possibility of the Boulevard site being sold to the University on open market value, since this value was determined, in part, by the potential use of such a site.

15. It was important for the University to demonstrate to Council the value for money aspects behind the two building strategy.

16. The University had already spent a significant amount of money on professional fees for the development of the Barras Bridge site and would wish to ensure that this money was not written off. Currently, there was no expectation that the expenditure on the Barras Bridge site would be a charge against the University’s revenue for the current financial year, since it formed part of the capital project.

17. It would be necessary for Council to consider the proposals in the light of the University’s overall capital priorities.

18. The University had a number of funding streams which would be used as part of the building strategy. These included the receipts from the sale of Close House and the Business School’s capacity to increase its income from premium fees with better accommodation.

19. In response to a question, the Vice-Chancellor indicated that the Business School would be the priority if the University was forced to choose between the possibility of a new Business School and new Student Services/Administrative building on the grounds that such a facility would generate significant extra revenue which could then help fund other developments in future years.
Resolved that:

(i) The concept of planning to build both a Business School and a Student/Administrative Services building be supported.

(ii) The proposal to provide two buildings should be considered in the context of the overall University financial position, the University's capital priorities, the utilisation of the existing estate, value for money and the potential exposure on planned capital projects that would be wholly, or partly funded through borrowings.

(iii) The University would submit to the May meeting of Council, via Executive Board, revised detailed business plans and financial statements for the Barras Bridge development and the Business School at the St James’s Boulevard site, together with revised risk assessments.

(iv) The Director of Estates would explore, with the HEFCE, whether the £3.6m SRIF money originally hypothecated to the Barras Bridge building could be retained for such a purpose.

(v) Future HEFCE capital funding should be allocated to support the development of the Business School building on the St James’s Boulevard site, subject to clear priorities being presented on the overall capital investment for the University.

(vi) Two separate steering groups should be formed to take forward both capital projects and make regular reports to Council, via Executive Board, on progress. The membership of the steering groups would be augmented by lay members of Council, if individual members of Council would wish to volunteer to undertake such a role.

55. SCIENCE CITY

Received oral reports from Mr Chris Pywell (Head of Innovation, Industry and Science, One NorthEast) and Mr Paul Rubinstein (Director of Policy & Assistant Chief Executive, Newcastle City Council) on the Science City vision from the University’s Partners perspective.

Noted that:

1. Mr Rubinstein emphasised that Science City was one of the most important projects for the City Council. It was regarded as having the same kind of transformational potential as Capital of Culture. It formed a portent theme running through the current draft of the regeneration strategy, available at http://www.newcastle.gov.uk. The City regarded the Science Central site as a particularly important part of the potential regeneration of the West End of the City. Similarly, the Newcastle General Hospital site offered important opportunities for the West End.

2. Mr Pywell stated that Science City was one of the most important projects for the Regional Development Agency and would form an important example in the new economic strategy. One NorthEast therefore regarded the partnership with the City and the University as extremely important. One North East regarded Science City as key to developing new
forms of partnership between private and public sector organisations that would lead to significant economic regeneration.

3. Mr Dersley, who had served the University successfully for many years as Director of Regional Development, had recently joined the Science City project team as Newcastle Science City Project Co-ordinator. He confirmed that there was a great deal of congruence between the Partners on both the sense of importance and sense of direction for Science City.

4. The Vice-Chancellor emphasised his great pleasure in working closely with both the City and One NorthEast on the Science City project. He praised the work of officers and elected officials in both organisations.

56. **STATUTES**

Received, for information, a report from Dr J V Hogan (Registrar) concerning proposals on how the Government would implement the recommendations in the 2003 White Paper which would enable universities to make minor changes to their Statutes without reference to the Privy Council.

[Circulated with the Agenda as Document D. Copy filed in the Minute Book.]

57. **ENQUIRIES TO REGISTRATION**

(Minute 46, 4.4.2005)

Reported that Council, at its meeting on 4 April 2005, resolved that it be informed of the results of the introduction of the new enquiries to registration system in due course.

Received an oral report from Professor E Ritchie (Pro-Vice-Chancellor, Teaching and Learning).

Noted that:

1. The Enquiries to Registration project (E2R) had been undertaken to improve significantly the process by which postgraduate students applied to the University. It was intended to produce a more efficient process within the University and a more efficient process for applicants, thus encouraging a greater number of student registrations.

2. The project had stemmed, in part, from a shortfall against the targets for the recruitment of overseas students in 2004. Professor Ritchie and Professor Riordan had played a leading role in championing the project with a capable project management support from the Director of ISS, Mr Paul Hopkins and Ms Maggie Donnelly from the Student and Academic Services Office.

3. The project had cost approximately £2m to implement. This had been significantly higher than the original budget estimates and, in part, reflected the complicated nature of the SAP solution and the significant improvement undertaken to a range of business processes. The expenditure had included the provision of new SAP facilities which would be of benefit, not only on the E2R project.
4. The project had resulted in a significant improvement in the University’s efficiency. In August 2005, on average, it took 39 days to process a postgraduate taught application for a postgraduate taught place and 51 days for an application for a research postgraduate degree. In March 2006, on average, these figures had been reduced to 13 days and 24 days respectively.

5. There had been a significant increase in the number of offers and acceptances made to date.

6. There had been a significant improvement in the University’s website and customer relationship management support for applications from postgraduates.

7. During discussion it was pointed out that there were still further improvements required to the system to produce all the functionality expected.

58. ACCIDENT STATISTICS

Received, for information, a report from Executive Board on accident statistics for the period October-December 2005.

[Circulated with the Agenda as Document E. Copy filed in the Minute Book.]

Noted that:

1. Concern had been expressed following the decision to designate Safety Committee as a sub-committee of Executive Board. The Chairman had emphasised the importance of Executive Board taking responsibility for health and safety matters and demonstrating to Council the response it was taking to concerns raised by Safety Committee. She had ensured that reports from Safety Committee would be submitted to Council alongside the comments from Executive Board, since she believed this strengthened the due process for reporting health and safety matters.

2. The way in which accident statistics were being compiled had been improved and in the future it would be possible to obtain comparative information from other universities. The most serious accidents were those defined under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations (RIDOR). The proportion of RIDOR accidents to overall accidents continued to go down.

3. The University’s closed circuit TV coverage on its main campus was extremely good and it was reported to be one of the safest campuses in terms of assaults in the country.

4. There was an error in the report from Executive Board which was a result of a misunderstanding concerning the position of one School. It was, in fact, the case that all Schools were reporting on health and safety matters regularly, as required.

59. HEFCE GRANT 2006-07

Received, for information, a paper prepared by Mr S Frater (Director of Planning).

[Circulated with the Agenda as Document F. Copy filed in the Minute Book.]
Noted that:

1. The University’s grant from the HEFCE for 2006-07 was set to increase by 5.9%. This included a significant increase of over £1m for additional funded numbers.

2. The University’s grant increase was actually below the national average and was amongst the lowest in the Russell Group. Further investigation had been undertaken on this, and it did appear that the changes to the rules concerning funding for charitable research had not worked in the University’s favour. As part of the recognition of the need to provide adequate funding to undertake research, the Funding Council had agreed to provide more funding as part compensation for failure of charities to meet the full economic costs of research. However, this increased funding was constrained by both the nature of the charities and the amount previously received. The University intended to investigate this matter further to ensure that it was obtaining appropriate income from this new part of the QR formula.

60. SUSTAINABILITY FRAMEWORK

Received, for information, a copy of the University’s Sustainability Framework.

[Circulated with the Agenda as Document G. Copy filed in the Minute Book.]

Noted that the Chairman expressed the view that she would wish to see the assumptions presented in the Sustainability Framework being incorporated into the Corporate Plan.

61. MEMBER OF SENATE ELECTED TO SERVE ON COUNCIL

Reported that Professor G J Docherty (Dean of Business Development, Faculty of Humanities and Social Sciences) had been elected by his colleagues on Senate to serve on Council from 1 August 2006 until 31 July 2009.

62. DATES OF MEETINGS 2006-07

Reported that Council would meet on the following dates in 2006-07:

9 October 2006, 2.30 pm
11 December 2006, 2.30 pm
5 February 2007, 2.30 pm
26 March 2007, 2.30 pm
21 May 2007, 2.30 pm
16 July 2007, 3.30 pm (followed by dinner)

Noted that the meeting of Council on 9 October would be followed by the dinner for Honorary Fellows and a letter would be sent to members of Council about this shortly.
63. REPORTED BUSINESS

Received a report of action taken in accordance with agreed procedures, approved where necessary by the Vice-Chancellor on behalf of Senate and/or the Chairman of Council on behalf of Council, and by other University bodies and Chairmen.

[Circulated with the Agenda as Document H. Copy filed in the Minute Book.]