NEWCASTLE UNIVERSITY
COUNCIL
17 July 2006

Present: Mrs M O Grant (in the Chair), the Vice-Chancellor, Professor J B Goddard (Deputy
Vice-Chancellor), Dr J C Appleby, Mr N Blezard, Mrs B Dennis, Sir Leslie Elton,
Mr J C FitzPatrick, Dr F Harvey, Mr M I’Anson, Sir Miles Irving, Mr P M Johnson,
Mr S Lightley, Mr A Robson (Communications Officer), Professor P Sen and
Sir John Willis.

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),
Mr R Hull, Mrs V S Johnston (Director of Human Resources), Mr A McIntee
(President elect) and Ms A M Wainwright (Vice-President Democracy and
Training elect).

Mr S Frater (Director of Planning) attended for item 93 and Mr J Williams (Director of the
International Office) attended for item 94.

M I N U T E S

89. MINUTES

The Minutes of the meeting held on 22 May 2006 were approved as a correct record and
signed.

90. MATTERS ARISING FROM THE MINUTES

Progress of business

Received a business tracking form.

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

91. CHAIRMAN’S BUSINESS

(i) Welcome

The Chairman welcomed Mr Robert Hull, new lay member of Council from 1 August
2006, Mr Adam McIntee (President elect) and Ms Alice Wainwright (Vice President
Democracy and Training elect) to the meeting, as observers.
(ii) Retiring members

Reported that it was the last meeting of Council for Dr J C Appleby, Mr D Bulmer (Education Officer), Mrs B Dennis, Professor P J W Olive, Mr A Robson (Communications Officer), Professor P Sen and Sir John Willis (Vice-Chairman). The Chairman thanked all those members for their valuable contribution to the work of Council and, in particular, Sir John Willis who, as Vice-Chairman of Council, had given exceptional service for many years. His contribution to the affairs of the University was greatly appreciated.

(iii) Ms J Henderson

Reported that Ms Jacqui Henderson had recently taken up the post of Interim Chief-Executive for UK Skills. This position would last for approximately six months but it might make it more difficult for Ms Henderson to attend meetings for the duration of the appointment.

(iv) December 2006 meeting of Council

Reported that the meeting of Council on 11 December 2006 would begin at the earlier time of 1.30 pm to allow the Vice-Chancellor to attend another appointment later in the afternoon.

(v) Union Society

Reported that:

(a) Following the review of the relationship between the University and the Union Society, chaired by Llew Aviss, the University had established a Partnership Committee with the Union Society to improve the level of communication and strategic oversight. In particular, the University was working towards a capital plan to improve the accommodation available for the Union Society.

(b) There had been some significant operational difficulties in the Union Society during the course of the year. Again, the officers had been working closely with the senior staff in the University to address these difficulties and currently a member of the University staff, Paul Bandeen, was acting as General Manager in the Union Society on a temporary basis. The Union Society would have a significant financial loss this year but urgent steps were being taken to improve the financial position for 2006-07.

(c) The Union Society was legally an independent entity. Under the terms of the current Charities Bill, which had recently received its second reading in the House of Commons, it would have to register directly with the Charities Commission as an independent charity. Under the terms of the 1994 Education Act, Council needed to ensure that the Union Society operated in a fair and democratic manner and was accountable for its finances. Under the schedule of delegated authority, Council had delegated its responsibilities in this matter to the University/Union Society Partnership Committee, chaired by Sir John Willis. The University is particularly grateful to
Sir John for taking on this responsibility during what had been a difficult first year for the Partnership Committee.

(d) Sir John Willis, as Chairman, and Mr A Robson both reported that the Partnership Committee with the Union Society had been an effective mechanism and helped to address some difficult issues facing the Union Society during its first year of operation.

(e) External advice had been sought about the position of the Union Society. The Society faced a significant deficit for 2005-06. It was aiming to achieve a small surplus or, at worst, a break-even for 2006-07. It was recognised that there needed to be major changes for staffing and income generation. The Sabbatical Officers intended to produce a five-year plan for the operation of the Union Society.

(vi) Effectiveness review

Reported that:

(a) The Chairman thanked those members of Council for completing the first questionnaire on the effectiveness of Council and members of Council. She asked others who had not yet completed the questionnaire to do so and return the form directly to her. The results of the questionnaires would be analysed and presented to Audit Committee early in the new academic year.

(b) The Chairman intended to have more direct discussions with the academic members of Council during 2006-07 to ensure that such members received an appropriate induction similar to the ones received by the lay members.

92. 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) Queen’s Birthday Honours, 2006

Reported that the following had been awarded Honours in the Queen’s Birthday Honours, 2006:

Ms J Kay, Senior Lecturer, School of English Literature MBE
Language and Linguistics

Mr R H Maudslay, former member of Council and member of Court CBE

Miss S M Underwood, former member of Council OBE
Resolved that Council record its congratulations to the individuals concerned.

(c) Clinical Research Infrastructure Initiative (CRI)

Reported that Newcastle University (with the Newcastle upon Tyne Hospitals NHS Foundation Trust), had been successful in a bid to establish a Clinical Ageing Research Unit (CARU) as part of the Newcastle Campus for Ageing and Vitality. This would be funded by a consortium of research funders led by the Wellcome Trust and would allow the construction of a new building, together with running costs (total over £7 million). CARU would support research programmes on dementia, stroke, age-related impairments in control of blood pressure and heart rate that were associated with falls, cognitive decline and fatigue; risk factors for muscular skeletal disorders such as osteoarthritis and osteoporosis; heart failure and age-related visual disorders.

(d) QAA Institutional Audit

Reported that the next QAA Institutional Audit would be held during the Autumn of 2009.

93. CORPORATE PLAN 2006/07 - 2010/11

Considered:

(i) The University’s Corporate Plan 2006/07 - 2010/11.
   [Circulated with the Agenda as Document C. Copy filed in the Minute Book.]

(ii) Subject to Council’s approval of the Corporate Plan, the Financial Forecasts.
   [Circulated with the Agenda as Document D. Copy filed in the Minute Book.]

After noting that:

1. The Corporate Plan had been prepared after a much more detailed and consultative planning process led by the Pro-Vice-Chancellor (Planning and Resources) and the new Director of Planning. The Corporate Plan covered the full range of the University’s activities and was intended to meet both the requirements of the HEFCE and the University’s own planning needs.

2. The Vice-Chancellor explained that it would be necessary for the University to continue to develop the plan and in particular discuss with Council the implementation.

3. The Vice-Chancellor expressed the following six priorities as key for the institution:

   - The Student Experience, building on the information available from the National Student Survey and our own internal survey.
   - Student recruitment - under a quarter of the University’s home undergraduate students came from the North East and the changing pattern of home recruitment might present some difficulties. Similarly, international student recruitment was proving to be a very competitive market. There was a need to explore partnerships and new forms of delivery.
• Research - leading into the submission for the RAE exercise in 2007. The University would need to ensure that its submission was designed to obtain the optimum profile and this would probably require a higher degree of selectivity than in previous exercises. Further attention needed to be paid to the award of research grants and contracts. The University had been successful in increasing its overall level of income but income from research grants had plateaued. Again, this was a competitive environment and, whilst the performance indicators showed some progress in terms of income per FTE academic, there was still not sufficient increase in the overall level of income. The University would be examining how best to support its staff in securing more research grant income.

• Science City - the scale of this initiative was potentially much bigger than any other single project undertaken by the University.

• Development of the capital plan - this was linked closely to Science City and it was a subject which would need regular attention by Council.

• The evolution and strengthening of the University’s governance arrangements.

4. Some concern was expressed that the current academic structures were somewhat cumbersome with duplication at different levels and lack of clarity about the authority for certain decisions. This was coupled with concerns about difficulties of obtaining information in a coherent and consistent manner. An example was given over the use of online module information where there still appeared to be no standard way in which this information should be recorded and reported in the University.

5. The University’s academic estate was larger than many of its competitors. Although it was intended to develop further capacity, careful attention would need to be paid to ensure effective rationalisation and use of available resources.

6. It was recognised that the University had a large estate in terms of the net usable floor area although it had only a limited number of potential development sites. The purchase of the Science Central site would allow some opportunity for rationalisation but it had been purchased as part of the University’s Science City initiative and not as an extension of the University’s existing campus.

7. Concern was expressed about the relatively poor standard of some University accommodation.

8. The plan envisaged further growth in academic activity. In terms of academic space, the University would appear to have some capacity but it was recognised that residential accommodation presented a major challenge. We were currently two to three hundred bedrooms short of accommodation required to continue to offer first year undergraduate students a ‘guarantee’ of accommodation. The University was working closely with the City on the issue of student residential accommodation and further sites or development opportunities would be identified and presented to Council.

9. The projected decline in the number of eighteen year olds that would occur beyond 2010-11 would mainly occur from the social economic groups which currently were under-represented in higher education and the potential decline that would affect the University was limited.
10. Some disappointment was expressed that the document had lost some of the original excitement that had been generated at an earlier stage of the planning process, in particular the away day event with members of Council.

11. The University was asked to exercise particular care about how the Corporate Plan would be communicated and whether or not it would be treated as a public document with access promoted via the web.

12. The financial projections within the Plan took a prudent approach to capital income. The University had followed the HEFCE’s own guidelines and had not made any assumptions about future levels of earmarked capital grants. This somewhat distorted the income projections and a note to this effect could be usefully included in the text.

13. Executive Board was aware of the need to strengthen the management information and would shortly be receiving a high level report on management information which it intended to submit to Council for information.

14. It was intended to pay much closer attention to the University’s strategic objectives, aims and targets and the ways in which the performance could be measured. Appendix 3 in the report provided information on the use of performance indicators. It was worth noting that the Committee of University Chairmen were overseeing a project on the development of key performance indicators for the sector and the results of this exercise could be fed into the University’s own planning processes.

15. Some caution was expressed about the projected significant increase in the expenditure on land and buildings and there was a need to ensure the University’s planning assumptions on income and costs were robust.

16. Support was expressed for the use of a wide range of performance indicators and not a ‘dumbed down’ set of KPIs and the University was asked to give consideration to the possibility of converting the information in Appendix 3 into a format which could be presented regularly to meetings of Council to allow Council to monitor progress against targets. It was recognised that the University’s targets would change and again the reasons for such changes should be indicated to Council.

Resolved that:

(i) The University’s Corporate Plan 2006/07 - 2010/11 be approved.

(ii) The University’s Financial Forecasts be approved for submission to the HEFCE.

(iii) The Vice-Chancellor be asked to consider the way in which the Plan could be made available. This might involve the production of a shortened version which could be used for external stakeholders.

(iv) Finance Committee, at its next meeting, be requested to review the financial assumptions contained within the Plan with particular reference to the projected capital planning and that other members of Council with particular financial expertise should be invited, via Finance Committee, to attend for this particular item.
(v) Further information needed to be provided on the development and use of key performance indicators and the priorities for capital expenditure. In both cases, effective project management would be required to ensure appropriate implementation.

(vi) The Vice-Chancellor’s priorities identified above be approved and Council would need to return to the implementation of the Plan on a regular basis.

94. INTERNATIONAL RECRUITMENT STRATEGY

Received a presentation from Mr John Williams (Director of the International Office), together with the International Recruitment Strategy.

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

A copy of the slides used by Mr Williams in his presentation is attached as Appendix I

After noting that:

1. The international student market was changing. Increased competition was leading to different forms of delivery with partnerships, multi-site and virtual learning all being used to claim market advantage. Over the last three years there had been a decline in the number of new overseas fee-paying students coming to the University. The University had invested heavily in the Enquiries to Registration process and the current results indicated that more offers had been made and, more importantly, the University had received more acceptances than this time last year. The indications were, therefore, that the University could expect an increase in the number of international students registering in September 2006.

2. The internationalisation of higher education was an important agenda item for all of the University and it was of critical importance that we maintain the quality of provision and intake.

3. A key requirement for the University’s internationalisation was to maintain the quality of the student experience. This was an important general message although there were key individual markets (India and China were given as examples) where further direct marketing would be of significant benefit. The role of the City in helping to promote international student recruitment was also of critical importance. The new Leader of the City Council, John Shipley, had identified this as a key priority for him, which was particularly encouraging. There were also opportunities to work with the Local Authority in Gateshead to promote international student recruitment.

Resolved that:

(i) Mr Williams be thanked for his presentation and his offer to produce a single page briefing of key facts for members of Council.

(ii) The University’s International Recruitment Strategy be approved.
95. **BARRAS BRIDGE DEVELOPMENT AND THE BUSINESS SCHOOL**

(Minute 68, 22.5.2006)

Received a progress report.

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

After noting that:

1. The Barras Bridge site was an extremely sensitive one and the planning process had proved to be difficult. The previous architects for the Barras Bridge building had resigned and, following a competition, Bond Bryan had been appointed as the new architects.

2. It was intended to submit planning permission for a new building which would act as a gateway for the University, a hub for student services and a home for the University’s executive.

3. Particular attention had been paid to the quality of the design and the costs.

4. It would be important, during the planning process, to pay attention to the relationship to the Union Society building to ensure that there would not be unnecessary duplication. The Registrar was taking responsibility for overseeing the Capital Planning Group that had been set up for the development of the Union Society facilities and this would help to ensure the coordination between the two projects.

5. The outcome of the work with the first set of architects on the Barras Bridge building had obviously been disappointing. A number of important lessons had been learnt and it would be helpful for these to be reviewed and built into the University’s capital planning process.

6. Given the scale of the University’s Capital Plan, careful attention would need to be paid to the financial management of all of the capital programmes to avoid financial overruns.

7. The University’s Capital Plan would be presented to Council in the Autumn.

96. **PAY AGREEMENT 2006-09**

Considered a paper from the Director of Human Resources.

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

After noting that:

1. The support staff unions had voted overwhelmingly in favour of the three year pay offer. The results from the UCU ballot would be available on 18 July. The negotiations had obviously proved to be long and difficult. In addition to the percentage increases over the next three years, the national negotiations had agreed to review the negotiation machinery and to undertake a review of the financial framework during the third year.
2. Council was asked to authorise the Chair and Vice-Chancellor to take appropriate action which might include imposition of the settlement should any Trade Union reject the agreement. An alternative form of wording was proposed to authorise the Chair of Council and the Vice-Chancellor to take appropriate action which may include adoption of the settlement until such time as a new national agreement was made.

Resolved that should any Trade Union reject the proposed pay agreement, the Chair of Council and the Vice-Chancellor be authorised to take appropriate action which may include adoption of the settlement.

(Dr J C Appleby asked for his abstention from this resolution to be noted.)

97. REPORTS FROM FINANCE COMMITTEE

Received Reports from the meeting of Finance Committee held on 21 June 2006.
[Circulated with the Agenda as Documents H & J. Copies filed in the Minute Book.]

Noted that:

1. The projected deficit for the Union Society for 2005-06 was in the region of £200,000. Council had previously agreed to increase the subvention to the Union Society by 8% for 2006-07 and the Union Society had implemented a wage freeze together with other measures to avoid a deficit position for 2006-07.

2. The University was currently projecting a surplus for the current financial year. Under the University’s current financial arrangements, budgeted surpluses were required for the University’s Capital Plan and would be invested in that way but surpluses achieved above the agreed financial budgets would continue to be held with individual budget holders.

3. All of the extra income arising from the higher undergraduate tuition fee would be absorbed by the increased pay costs and the student bursaries for the next three years.

[Members of Council were reminded of the continued strictly confidential classification of Document J.]

98. BUDGET

Reported that one of the recommendations of the Working Group on Governance, which was approved by Council, was that Senate and Council should receive a report, at least annually, on the extent to which the budget allocations matched the institutional strategy.

Received a copy of powerpoint slides prepared by Professor A C Stevenson, Pro-Vice-Chancellor (Planning and Resources), on the income flows to the University and how they were allocated.
[Circulated with the Agenda as Document K. Copy filed in the Minute Book.]

Noted that within the Faculty of Science, Agriculture and Engineering, two areas were identified as presenting particular financial difficulties and the University had established projects to help address some of the financial problems.
99. **MEMBERSHIP OF COUNCIL**

Reported that:

(a) Mrs B Dennis had resigned as a member of Council from 31 July 2006.

(b) The Chairman of Council, on behalf of Council, had approved the re-appointment of Mr L M Aviss as a member of Council from 1 August 2006 until 31 July 2007, vice Mrs Dennis.

(c) The Chairman of Council, on behalf of Council, had approved the recommendation of Nominations Committee that Mr R Hull and Mr I Shott be appointed as lay members of Council from 1 August 2006 until 31 July 2009.

(d) Professor J N Marshall and Dr E G N Cross had been elected to serve on Council from 1 August 2006 until 31 July 2009.

100. **MEMBERSHIP OF SENATE**

Reported that:

(a) The membership of Senate included three elected sabbatical officers of the students’ Union Society appointed by the Council after consultation with the Union Council and the Senate. The three sabbatical officers currently serving on Senate were the Communications Officer, the Education Officer and the Welfare Officer.

(b) The University/Union Society Partnership Committee had approved the following new titles for the Sabbatical Officer posts:

- President
- Vice President Democracy and Training
- Vice President Student Support
- Athletic Union President
- Editor of ‘The Courier’
- Vice President Activities

Considered a recommendation from the Union Council and Senate that the holders of the following offices henceforth serve on Senate. The persons appointed to those offices for 2006-07 were shown:

- President: Adam McIntee
- Vice President Democracy and Training: Alice M Wainwright
- Vice President Student Support: Sophie C Nicolaysen

*Resolved that the above recommendation be approved.*
101. **HEFCE: ANNUAL MONITORING AND CORPORATE PLANNING STATEMENTS**

Received the HEFCE Annual Monitoring and Corporate Planning Statements.
[Circulated with the Agenda as Document L. Copy filed in the Minute Book.]

102. **TERMS AND CONDITIONS OF CONTRACT**

Considered revised Terms and Conditions of Contract for the provision of University services, which had been approved by Executive Board and Senate.
[Circulated with the Agenda as Document M. Copy filed in the Minute Book.]

*Resolved that the revised Terms and Conditions of Contract for the provision of University services be approved with immediate effect.*

103. **GREAT NORTH MUSEUM PROJECT**
(Minute 45, 6.2.2006)

Received a progress report on the Great North Museum Project.
[Circulated with the Agenda as Document N. Copy filed in the Minute Book.]

104. **ESTABLISHMENT OF INSTITUTE OF CELLULAR MEDICINE AND INSTITUTE OF HEALTH AND SOCIETY AND DISESTABLISHMENT OF SCHOOL OF POPULATION AND HEALTH SCIENCES**

Reported that Senate, at its meeting on 20 June 2006, had approved a recommendation from the Faculty of Medical Sciences that an Institute of Cellular Medicine and an Institute of Health and Society be established from 1 August 2006 until 31 July 2011, subject to further consideration being given by Executive Board, Senate and Council to the managerial arrangements necessary to ensure that the research institutes could exercise appropriate responsibility for the management of staff.

Considered a recommendation from Executive Board and Senate that, as a consequence of the establishment of the Research Institute of Health and Society, the School of Population and Health Sciences be disestablished from 1 August 2006.

*Resolved that the School of Population and Health Sciences be disestablished from 1 August 2006.*

105. **FEES SCHEDULE 2006-07**

Considered the Fees Schedule 2006-07.
[Circulated with the Agenda as Document O. Copy filed in the Minute Book.]

*Resolved that the Fees Schedule 2006-07 be approved.*

106. **REPORT FROM NOMINATIONS COMMITTEE**

Considered a Report from the meeting of Nominations Committee held on 9 May 2006.
[Circulated with the Agenda as Document P. Copy filed in the Minute Book.]
Resolved that Ms J Henderson be appointed Chairman of the University/Union Society Partnership Committee from 1 August 2006 until 31 July 2009.

Council noted the remaining item in the Report.

107. RECORDS MANAGEMENT  
(Minute 22(d), 12.12.2005)

Reported that Council, at its meeting on 12 December 2005, had considered a report from Audit Committee which included an item on records management. Council resolved that a management report on this issue be presented to Council to clarify the University’s approach to this issue. Council asked that the report should take account of Audit Committee’s comments and the report from the Records Manager, and should outline the management’s views on these issues and where they fitted into the University’s overall priorities.

Received a report from Miss R Draper, Head of the Executive Office.  
[Circulated with the Agenda as Document Q. Copy filed in the Minute Book.]

108. EMPLOYEE OPINION SURVEY  
(Minute 82, 19.7.2004)

Reported that:

(a) Council, at its meeting on 19 July 2004, had received a presentation on the Employee Opinion Survey that had been undertaken, the results of which were published in the autumn of 2003. At that time, Council asked for a report on progress before the next survey was undertaken.

(b) Following extensive communication of the results to staff, several improvement projects were undertaken and the intention had been to repeat the survey in 2005. The workload generated by pay modernisation had resulted in the survey being delayed until the new pay structures were implemented in June 2006.

(c) Staff Committee recently considered an outline proposal to repeat the survey in 2006-07. Work would begin over the summer to plan the project with the intention of having the results available before the end of the next academic year. The results would, therefore, be ready for the incoming Vice-Chancellor.

(d) A more detailed report would be made to Council in the autumn when the project was underway.

109. ANNUAL REPORTS FROM THE MUSEUMS AND GALLERY

Received Annual Reports for 2004/05 for the Hatton Gallery, Hancock Museum and the Archaeological Museums.  
[Circulated with the Agenda as Documents R-T. Copies filed in the Minute Book.]
110. **REPORTED BUSINESS**

Received a report on 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 U. Copy filed in the Minute Book.]

**RESERVED BUSINESS**

111. **REPORT FROM REMUNERATION COMMITTEE**

Considered a Report from the meeting of Remuneration Committee held on 4 May 2006.

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

*Resolved that the recommendations in the report be approved.*