NEWCASTLE UNIVERSITY
COUNCIL
10 July 2017

Present: Mr Mark l'Anson (Chair of Council), Vice-Chancellor and President, Professor Tony Stevenson (Deputy Vice-Chancellor), Mr Neil Braithwaite, Mr Mike Davison, Dr Jonathan Galloway, Mr Jonathan Glass, Mrs Teresa Graham, Professor Tom Joyce, Mr Stephen Lightley, Mr Jeff McIntosh, Mrs Heidi Mottram, Ms Dianne Nelmes, Mr Ronnie Reid (President, Students' Union), Mr Rowan South (Education Officer, Students' Union), Mr Paul Walker and Ms Vicky Wright.

In attendance: Professor David Burn, Professor Suzanne Cholerton, Professor Richard Davies, Professor Julie Sanders, Professor Nick Wright, Professor Phillip Wright (Pro-Vice-Chancellors), Mr Richard Dale (Executive Director of Finance), Dr John Hogan (Registrar), Ms Abi Kelly (Executive Director of Corporate Affairs), Mrs Judith Whitaker (Executive Director of Human Resources) and Miss Janice Trewick (Executive Officer (Governance)).

Apologies: Mr Neil Braithwaite, Professor Paul Christensen and Dr Ole Pedersen.

M I N U T E S

133. DECLARATIONS OF INTEREST

No declarations of interest were received.

134. MINUTES

The minutes of the meeting of Council held on 22 May 2017 were approved as a correct record and signed.

[Circulated with the agenda as Document A. Copy filed in the Minute Book.]

135. MATTERS ARISING FROM THE MINUTES

Science Engineering & Excellence Project (Minute 117, 22.05.17)

Received a report on measuring the success of the Science Engineering and Excellence Project.

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

Noted that:

1. To date good progress had been made on the Science Engineering & Excellence (SEE) project, work continues on the project and a number of reviews were still in progress. The ultimate target of the SEE is for the Faculty of Science, Agriculture and Engineering to be in the top half of the Russell Group by 2028.

2. Since the target date of 2028 is a long way ahead, a number of shorter and medium term milestones and target dates should be devised to ensure that progress could be monitored.

3. Reviews of the re-organisation are planned to be undertaken at 6 month, 12 month and 3 years.
4. The SEE project is a culture change across the Faculty and a HR framework had been established to support the on-going change. Changes around PDRs being held at research group level to support the aims of the group and the individuals are being implemented.

5. The Faculty Strategic report produced during 2017/18 would include the updated KPIs and target dates.

136. HEALTH AND SAFETY

Received an oral report from Mrs Judith Whitaker, Executive Director of Human Resources, on current health and safety issues affecting the University, including performance measures and actions taken. Received a report on actions taken following the Grenfell Tower fire.

[Circulated with the agenda as Document C. Copy filed in the Minute Book.]

Noted that:

1. The following health and safety management standards had been approved by the University Health and Safety Committee:
   - Fire Safety
   - Travel and Work Abroad
   - Incident Reporting and Investigation
   - Transport of Dangerous Goods
   - Dangerous Substances and Explosive Atmospheres
   - Hazardous Waste

2. Following the Grenfell Tower fire, reviews had been carried out on University buildings with cladding and none of the academic buildings or student accommodation owned by the University had been found to have had the same type of cladding as that of Grenfell Tower.

3. Two of the nominated student accommodation providers had been identified to have the same type of cladding as Grenfell Tower and the University is working with the providers and the fire service on this matter. The local Council were taking the lead over buildings in the city identified to have the same type of cladding.

4. Those students who are staying in accommodation found to have the cladding had received communications from Student Wellbeing who had provided further advice, support and guidance.

5. All students taking up tenancy agreements within University student accommodation receive comprehensive fire safety advice before being issued with keys.

6. Members of the Health and Safety Office had previously visited and conducted reviews at the campuses in London, Malaysia and Singapore and no issues had been highlighted during the visits.

7. The situation is evolving however Council was reassured by the work which had been carried out and requested that an updated record is filed with the minutes.

137. CHAIR’S BUSINESS

Noted that:

1. Trustee of the Development Trust
Resolved that Professor David Burn is appointed as a Council appointed trustee of the Development Trust.

2. The Chair recorded his appreciation and thanks to Mrs Jacqui Henderson Vice-Chair and current and past members of Council on his last meeting of Council.

3. Thanks were recorded to Professor Tom Joyce, Dr Ole Pedersen, Mr Jack Taylor and Mr Christopher Duddy on their last meeting of Council.

138. VICE-CHANCELLOR AND PRESIDENT’S BUSINESS

Received the Vice-Chancellor and President’s report. Highlights of this report are discussed below.

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

Noted that:

1. Deaths

Received a report on deaths recently announced by the University.

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

2. Queen’s Birthday Honours

Resolved that Council record its congratulations to those receiving Queen’s Birthday Honours.

3. The process for developing the revised vision and strategy had been on-going and would continue in the coming months. The working draft of the revised vision and strategy would be presented to Council and Senate in the autumn 2017.

4. The Home Office had recently visited the University to assess Tier 4 and 2 visa arrangements. No concerns were raised during the visit and the outcome of the visit in the form of the official report would be received in due course.

5. The national pension scheme for academic and related staff, USS, faces challenges. In 2014, a recovery plan was agreed that was intended to gradually reduce the USS pension deficit over time, and required changes to the scheme benefit structure and employer contributions to increase to 18%. USS was required to carry out the next valuation by 31 March 2017 and the outcome, together with a recovery plan, needs to be submitted to the Pensions Regulator by 30 June 2018. UUK will prepare a draft response to the technical provision consultation by 1 September and the University will be asked to respond to this by 26 September.

6. The prayer space in the King George VI building would be closed at the end of July 2017, to allow for the removal of asbestos from ducts under the floor. Following the removal the space would be re-launched as a multi faith space which would be managed by a Faith Co-ordinator.

7. Work to replace the King’s Gate cladding had been delayed due to quality control issues at the quarry. The delay in replacing the cladding was very disappointing.

8. The work undertaken by Students’ Union to build relationships in the local community was encouraging.
139. **RISK MANAGEMENT**

Received the summary risk register from Dr John Hogan, Registrar, on behalf of Executive Board.

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

Noted that following the increase of the UK terror threat level following the attacks in Manchester and London, SR5P Failure to prevent radicalisation on campus, had been escalated from the PSS risk register to the strategic risk register. The threat level had since been downgraded but still remained at 'severe'.

*Council confirmed that it had received sufficient assurance that the risks facing the University were being managed appropriately.*

140. **INSTITUTIONAL KPI SUMMARY REPORT**

Received the summary KPI report from Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

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

*Council confirmed that it had received sufficient assurance that the identified KPIs were being managed appropriately.*

141. **MEMBERSHIP OF AUDIT, RISK AND ASSURANCE COMMITTEE 2017/18**

Received a report from Dr John Hogan, Registrar, on behalf of Executive Board.

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

Resolved that

(i) *Mr Mike Davison is approved to serve as a lay member of Audit, Risk and Assurance Committee for one further year from 1 August 2017 until 31 July 2018.*

(ii) *Mrs Teresa Graham to be appointed to serve as a lay member of Audit, Risk and Assurance Committee for a period of one year from 1 August 2017 until 31 July 2018.*

142. **SUMMARY REPORT FROM MEETING OF SENATE, 27 JUNE 2017**

Received a summary report from the meeting of Senate that took place on 27 June 2017.

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

143. **BUDGET 2017-18**

Received the Budget 2017-18 and 2108-19 Plan from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board.

[Circulated with the agenda as Documents J. Copies filed in the Minute Book.]

Received a PowerPoint presentation from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board.

[Copies of PowerPoint slides filed in the Minute Book.]

Noted that:
1. This had been a difficult budget due to lower growth in income which had resulted in the need to reduce expenditure plans. The budget for 2017/18 is based on net income of £503.0m, total expenditure of £470.0m and a surplus of £27.9mm (EBITDA £33.0m).

2. A number of key themes had emerged during the build of the budget which had shaped the final submission. The themes were presented as five key issues that the University faced:
   - International student recruitment
   - Loss of market share of research income
   - Investment in staff student ratios
   - Investment in research capacity and other critical areas requiring strategic investment
   - Capital development plans

3. The fee income is worse than previous year due to the fall in international student recruitment. There is evidence of a small recovery of international undergraduate applications for 2017 entry compared to 2016. International PGT and PGR applications for 2017 are down compared to the previous year.

   Resolved that

   (i) the draft budget for 2017-18 be approved
   
   (ii) the proposed subvention to the Students’ Union in 2017-18 be approved.

144. MEDIUM TERM FINANCIAL FORECAST

Received the Medium Term Financial Forecast from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board.

[Circulated with the agenda as Documents K. Copies filed in the Minute Book.]

   Resolved that the medium term financial plan be approved for submission to HEFCE.

145. ESTATE STRATEGIC PROGRESS REPORT

Received the Estate Strategic Progress Report from Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

[Circulated with the agenda as Document L. Copy filed in the Minute Book.]

Noted that:

1. The report provided an update on projects including those in design and under construction and provided the strategic direction of the estate, estate performance and identified key issues.

2. The report highlighted the work done on the effective utilisation of space and the number of initiatives involved in achieving the reduction in net internal area per student FTE.

3. The SEE project included an off-campus strategy a review is being undertaken to establish if heavy duty facilities and mechanical and electrical work could be moved off-campus to centralised facilities and shared laboratories.

4. The Great Exhibition of North would provide a great number of visitors to the campus with walking circuits around the city and an exhibition being held at the Great North Museum: Hancock.
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146. ENVIRONMENTAL SUSTAINABILITY STRATEGY REPORT

Receive the Environmental Sustainability Strategy Report from Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

[Circulated with the agenda as Document M. Copy filed in the Minute Book.]

Noted that the work done to reduce single occupancy car journeys had been remarkable and more than 75% of staff now travel to work by public transport, walking or cycling.

147. HR STRATEGIC PROGRESS REPORT

Received the HR Strategic Progress Report from Mrs Judith Whitaker, Executive Director of HR, on behalf of Executive Board.

[Circulated with the agenda as Document N. Copy filed in the Minute Book.]

Noted that:

1. The challenges and priorities from the HR Strategy would be included in the new People Strategy which is currently being developed and would be widely consulted on during its development.

2. That the draft People Strategy should use language which is clear and concise, include ‘action’ words and, where possible, avoid the use of jargon.

3. The Change Governance Board had been established to provide oversight of all strategic change activities. The Change Governance Board is chaired by the Deputy Vice-Chancellor.

148. ACCEPTANCE OF DONATION

Received a report to on a proposed donation from Ms Abi Kelly, Executive Director of Corporate Affairs, on behalf of Executive Board.

[Circulated with the agenda as Document O. Copy filed in the Minute Book.]

*Council accepted the unrestricted donation of £5 million from the McArdle family. The donation would be acknowledged by attaching the McArdle name to the academic quarter of the Campus for Ageing and Vitality and the naming of a public lecture relating to ageing research/innovation.*

149. REPORT FROM FINANCE COMMITTEE

Received a report from the Finance Committee.

[Circulated with the agenda as Document P. Copy filed in the Minute Book.]

Noted that:

1. The operational performance had been strong budget holder surplus to April 2017 was £22.7m which was £5.3m better than budget.

2. The University is undertaking an exercise to rationalise the endowment funds to create a manageable portfolio where the funds are put to the best use by the University whilst maintaining the spirit of the donation in accordance with the donors’ wishes. To pool the funds, the endowments must all have the same classification, therefore an exercise is underway to re-classify some of the funds.
Resolved approved reclassifying the 11 prize funds in the School of Dental Sciences from permanent to expendable.

150. LEARNING AND TEACHING CENTRE

Received a report on the Learning and Teaching Centre from Dr John Hogan, Registrar, on behalf of Executive Board.

[Circulated with the agenda as Document Q. Copy filed in the Minute Book.]

Resolved that Council approve the signature of the contract by the Executive Director of Finance on behalf of the Science Central LLP provided the overall cost of the project does not exceed the authorised budget of £34.27m.

151. CYBER SECURITY

Received a report on Cyber Security from Dr John Hogan, Registrar on behalf of Executive Board.

[Circulated with the agenda as Document R. Copy filed in the Minute Book.]

Noted that:

1. The paper provided an update on the on-going work to provide reassurance that the University is prepared and able to respond to a cyber attack following concerns raised by the Audit, Risk and Assurance Committee.

2. NUIT had been working with experts in the School of Computing Science to ensure that the balance between usability and security is at the right level, and they would be working together to keep this under review.

3. The University is seeking to appoint a Chief Information Security Officer and two further appointments would be made to establish an Information Security Team to further enhance the support and resilience in the area.

4. NUIT and Organisation Development would be developing cyber security training for all staff as it is noted that this is an area where the University is most vulnerable.

152. REPORT FROM UNIVERSITY/STUDENTS’ UNION PARTNERSHIP COMMITTEE

Received a report from the meeting of the University/Students’ Union Partnership Committee held on 19 May 2017.

[Circulated with the agenda as Document S. Copy filed in the Minute Book.]

Noted that:

1. Following the dis-affiliation from the National Students' Union there would be no referendum on re-affiliation this year.

2. Discussions are on-going between Newcastle and Northumbria Students' Union regarding the future of the Stan Calvert event to ensure that it continued to be an inclusive event.

3. The President would be focusing his efforts in the coming year on having more invited speakers and engagement events at the Students’ Union. Work would also be undertaken to allow every student the option to type examinations and that work would be undertaken to investigate ways this could be achieved and taken forward.
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153. ENERGY POLICY

Received the Energy Policy from Professor Tony Stevenson, Deputy Vice-Chancellor on behalf of Executive Board.

[Circulated with the agenda as Document T. Copy filed in the Minute Book.]

Resolved that the Energy Policy be approved.

154. ENVIRONMENTAL SUSTAINABILITY POLICY

Received the Environmental Sustainability Policy from Professor Tony Stevenson, Deputy Vice-Chancellor on behalf of Executive Board.

[Circulated with the agenda as Document U. Copy filed in the Minute Book.]

Resolved that the Environmental Sustainability Policy be approved.

155. 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 Chair of Council on behalf of Council, and by other University bodies and Chairs.

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

156. CHAIR’S CIRCULAR

Noted that no Chair’s Circular was issued in advance of the meeting.