NEWCASTLE UNIVERSITY

COUNCIL

11 July 2016

Present: Mr Mark I’Anson (in the Chair), Vice-Chancellor, Professor Tony Stevenson, (Deputy Vice-Chancellor), Mr Neil Braithwaite, Professor Paul Christensen, Mr Mike Davison, Mr Dominic Fearon (President, Students’ Union), Mr Jonathan Glass, Mrs Teresa Graham, Mrs Jacqui Henderson, Professor Tom Joyce, Mr Stephen Lightley, Mr Jeff McIntosh, Ms Dianne Nelmes, Mr Simon Pleydell, and Ms Vicky Wright.

In attendance: Professor Suzanne Cholerton, Professor Richard Davies, Professor Julie Sanders, Professor Phillip Wright (Pro-Vice-Chancellors), Mr Richard Dale (Executive Director of Finance), Mr Christopher Duddy (Education Officer-elect, Students’ Union), Mrs Louise Edwards-Holland (Acting Director of Human Resources), Dr John Hogan (Registrar), Ms Abi Kelly (Executive Director of Corporate Affairs), Mr Jack Taylor (President-elect, Students’ Union), and Mrs Lizzie Taylor (Executive Officer (Governance)).

Apologies: Dr Jonathan Galloway, Professor Neill Marshall, Mrs Heidi Mottram, Dr Ole Pedersen, and Mr Matthew Price (Education Officer, Students’ Union), Mr Paul Walker and Professor Nick Wright.

MINUTES

119. DECLARATIONS OF INTEREST

No declarations of interest were received.

120. MINUTES

The minutes of the meeting of Council held on 23 May 2016 were approved as a correct record and signed.

121. MATTERS ARISING FROM THE MINUTES

University Budget 2016-17 (Minute 111, 23.05.16)

At its meeting on 23 May 2016, Council had requested further information about the strategy for the London Campus.

Reported that Professor Amanda Broderick, CEO & Director, NU London, would now attend the meeting of Council on 31 October 2016 to deliver a presentation on the proposed strategy for the London Campus.

122. HEALTH AND SAFETY

Received an oral report from Mrs Louise Edwards-Holland, Acting Director of Human Resources, on the current health and safety issues affecting the University, including performance measures and actions taken.

Noted that there were no health and safety issues to report.
123. **CHAIR’S BUSINESS**

Received an oral report from Mr Mark I’Anson, Chair of Council.

Noted that members of Council were invited to complete the Council Effectiveness Questionnaire that had recently been circulated by email.

124. **VICE-CHANCELLOR’S BUSINESS**

Received the Vice-Chancellor’s report. Highlights of this report are discussed below. [Circulated with the agenda as Document B. Copy filed in the Minute Book.]

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. **EU Referendum Result**

The impact of the vote to leave the EU on student recruitment for September 2016 was unclear but there was no early evidence to suggest that EU students were withdrawing their applications.

3. **Local Industrial Action regarding Research Expectations**

Following a further UCU ballot on the Research Expectations documents which had resulted in the declaration of a marking boycott, further meetings had been held with Heads of Academic Unit. This had resulted in a decision to withdraw the Research Expectations documents which had led to the resolution of the local industrial action. A University-wide consensus had been reached on the need to improve the University’s research performance which was to be considered further at unit level.

4. **Fairness Commission Event, 28 June 2016**

It was noted that the book launched at the Fairness Commission Event on 28 June 2016 entitled ‘Justice and Fairness in the City’ had been jointly edited by Professor Simin Davoudi, School of Architecture, Planning & Landscape, and Professor Derek Bell, School of Geography, Politics and Sociology.

5. **Capital Project Approvals**

A weakness identified in the authorisation rules for the installation of a PET/MR scanner at the Campus for Ageing and Vitality also raised the issue of whether sufficient capacity existed within the University to undertake the many capital projects that were currently underway. It was proposed that this issue should be given further consideration.

6. **Times Higher Education Leadership and Management Awards**

The University had been awarded the DataPoint Merit Award at the *Times Higher Education* Leadership and Management Awards on 23 June 2016. This award sought
to recognise institutions whose research excellence outpaced the recognition of their strength among the academics polled in the THE’s annual reputation survey.

7. **BUCS Result**

Council was informed that the University had finished in 9th place in the British Universities and Colleges Sport League (BUCS). Council recorded its congratulations to the students and also to the staff at the Centre for Physical Recreation and Sport.

125. **RISK MANAGEMENT**

Received:

(i) A report from Dr John Hogan, Registrar, on behalf of Executive Board.
(ii) A report on the implications of the EU referendum outcome from Dr John Hogan, Registrar, on behalf of Executive Board.

[Circulated with the agenda as Documents C and D. Copies filed in the Minute Book.]

Noted that:

1. The decision to leave the EU had increased the level of risk in the environment in which the University was operating. The University had decided to allow both continuing EU students and those entering the University in 2016 to pay home fees for the duration of their studies. It was proposed that a similar decision should be taken for EU students entering in 2017.

2. The Students Loans Company had confirmed that EU students entering higher education in 2016 would be able to access loans but the position for students entering in 2017 was as yet unknown.

3. It was proposed to establish a project management group to oversee and manage the University’s response to the implications of the EU Referendum outcome. It was suggested that consideration should be given to including a lay member of Council amongst this group, although it was noted that meetings might need to be convened at short notice, which could limit the ability of lay members to participate. The group could undertake scenario planning but it was noted that it might be more appropriate for this to be done by Executive Board. A significant issue to consider would be the competing priorities for the more limited capital funding that would be available.

4. In terms of staff recruitment anecdotal evidence suggested that one individual had declined a job offer citing the uncertainty caused by Brexit as the reason. It would be important to determine whether there was a decline in the number of EU applicants at the initial stages of the recruitment process and it was suggested that benchmarking data should be sought.

5. The recruitment and retention of staff, student recruitment and access to loans for EU students were issues that had been discussed with Jo Johnson MP at a recent meeting of the Russell Group. Due to the uncertainty that surrounded the issue of Brexit, Mr Johnson was not in a position to give a particularly reassuring response.

6. With regards to research, mechanisms existed for non-EU countries to access EU research funding but there were costs attached to this and influence was more limited. This could have implications, for example, for the University’s transport research groups which benefitted significantly from EU funding.
Resolved that undergraduate and postgraduate EU students entering Newcastle University in September 2017 would pay the Home (UK) rate of fees for the duration of their programme of study.

126. 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 E. Copy filed in the Minute Book.]

Noted that there was one change to the KPIs which followed Council’s approval at its meeting in June 2015 of a revised target for carbon reduction of maintaining scope 1 & 2 emissions at 2005/06 levels. This had resulted in the KPI for carbon emissions improving from amber to green.

127. SUMMARY REPORT FROM SENATE, 28 JUNE 2016

Received a summary report from the meeting of Senate held on 28 June 2016.

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

128. INTERNATIONALISATION STRATEGY

Received the final version of the Internationalisation Strategy presented for approval by Professor Richard Davies, Pro-Vice-Chancellor Internationalisation and Engagement, on behalf of Executive Board.

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

Noted that:

1. The draft of the strategy that had been considered by Council at its meeting in February 2016 had since been revised following a series of consultation meetings undertaken with colleagues from across the University.

2. Further information was requested as to how the University intended to emphasise the distinctiveness of its approach. A clear narrative had been prepared and techniques would be adopted to deliver the University's vision, particularly in relation to its Societal Challenge Themes.

3. The action plan would be reviewed every 12 months and reports on progress would be submitted to the Internationalisation Committee and also to Senate and Council as part of the annual strategic progress reports.

Resolved that the final version of the Internationalisation Strategy be approved.

129. ENGAGEMENT STRATEGY

Received the final version of the Engagement Strategy presented for approval by Professor Richard Davies, Pro-Vice-Chancellor Internationalisation and Engagement, on behalf of Executive Board.

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

Noted that:
1. As with the Internationalisation Strategy, the draft of the Engagement Strategy that had been presented to Council at its meeting in February 2016 had been revised further following an extensive consultation process.

2. The reduction in the number of KPIs was welcomed. It was suggested that the new strategy displayed a confident approach and the alignment with the Research and Innovation and Learning and Teaching strategies was a positive development.

**Resolved that the final version of the Engagement Strategy be approved.**

130. **RESEARCH AND INNOVATION STRATEGY UPDATE WITH KPIs**

Received an update on the Research and Innovation Strategy presented by Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

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

Noted that there were a number of discrepancies between the grading of the Research and Innovation KPIs and those reported on the Institutional Key Performance Indicators Summary Report (Document E). It was agreed that these would be reviewed before the next summary report was presented to Council.

131. **MEDICAL EDUCATION AT DURHAM UNIVERSITY**

Received an update report on discussions currently underway with Durham University on the implications of the proposed changes to the provision of Medical Education, presented by Professor Chris Day, Pro-Vice-Chancellor Medical Sciences, on behalf of Executive Board.

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

Noted that:

1. Senate had considered the issue of the potential transfer of the School of Medicine, Pharmacy and Health (SMPH) from Durham University to Newcastle University at its meeting on 28 June 2016. Durham University’s Council was due to decide on this issue at its meeting on 12 July 2016.

2. Senate had approved the transfer in principle, subject to receiving confirmation that there would be no negative financial or resource implications for the Faculties of Humanities & Social Sciences and Science, Agriculture & Engineering. Document K sought to provide the reassurance requested by Senate and on page 9 it was noted that ‘Any initial costs will be funded from central strategic funds and there will be no negative impact on existing faculty plans for HASS and SAgE’. Council agreed to support this approach to give reassurance to Senate.

3. The Project Lead would be Professor Jane Calvert, Dean of Undergraduate Studies. The scale of the planning required for the transition, was not inconsiderable but it was considered that there was capacity to manage it successfully with the use of some additional bought in project support.

4. There would be opportunities to develop expertise in medicinal chemistry and staff at Durham were keen to work with their counterparts at Newcastle within Medical Sciences, HaSS and SAgE.
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5. A communications plan was in place which would be implemented following the outcome of Durham’s Council meeting on 12 July. This would include a communication to members of Council.

6. The University intended to consolidate its teaching base in Teesside in order to counter any concerns raised as a result of Durham’s withdrawal of its medical provision from the region.

7. Discussions were underway with the General Pharmaceutical Council to ensure that the accreditation of the Pharmacy degrees remained on course following the transfer to Newcastle.

Resolved that:

(i) Council approve the proposed transfer of the School of Medicine, Pharmacy and Health (SMPH) from Durham University to Newcastle University from 1 August 2017 with a physical move of staff and students to take place in a phased manner;

(ii) Council authorise the PVC Medical Sciences, supported by the Executive Director of Finance and the Acting Director of Human Resources, to implement and finalise negotiations with Durham University on the proposed transfer;

(iii) Council agree that any initial cost associated with the transfer should be funded from central strategic funds.

132. SPORTS FACILITIES PROJECT

Received a report on the Sports Facilities project, incorporating Cochrane Park, Henderson Hall and the Sports Centre extension, presented by Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning & Teaching, on behalf of Executive Board.

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

Noted that:

1. Confirmation was requested that the University would be able to accommodate all its requirements on plot 4 of Richardson Road and it was confirmed that this should be the case, subject to appropriate planning permission being obtained.

2. With regards to gym facilities, a solution had not yet been found. Following a recent consultation, student need had been re-established and responses had included a notable number of requests for access to a swimming pool. The City Baths were to be refurbished and negotiations were underway to secure a good membership deal for students.

Resolved that Council approve expenditure of £30.1m for the extension of the Sports Centre at Richardson Road and the development of Cochrane Park Sports Ground.

133. UNIVERSITY EVENT SPACE AND LANDSCAPING (BOILER HOUSE)

Received a report on plans for the refurbishment of the Boiler House into a University Event Space and a landscape extension to the Student Forum presented by Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

[Circulated with the agenda as Document M. Copy filed in the Minute Book.]
Resolved that Council approve expenditure of up to £4.1m for the refurbishment of the Boiler House into a University Events Space and landscape extension to the Student Forum.

134. REVISIONS TO HOME/EU UNDERGRADUATE FEES FOR 2017-18

Received:

(i) A report on the proposed revisions to the Home/EU undergraduate fees from 2017-18 from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning & Teaching, on behalf of Executive Board.

(ii) The draft minute of Senate’s discussion of this item from its meeting on 28 June 2016.

[Circulated with the agenda as Documents N & O. Copies filed in the Minute Book.]

(iii) A paper providing further explanation and supplementary information.

[Tabled at the meeting. Copy filed in the Minute Book.]

Noted that:

1. As a result of an announcement made by the Government on 25 May 2016 and the successful outcome of the University’s QAA Higher Education review, the University was in a position to increase the £9k tuition fee by inflation from 2017-18 onwards both for new entrants and continuing students. It was necessary to give the issue careful consideration due to potential reputational issues and concerns expressed by the Sabbatical Officers at the meeting of Senate on 28 June 2016 as to how such an increase would be viewed by continuing students.

2. Prior to the introduction of the £9k in 2012-2013, tuition fees had risen in line with inflation. Following its introduction, the £9k fee for Home/EU student had been capped but fees for international students, which were unregulated, had continued to increase in line with inflation. It was suggested, therefore, that there was a fairness argument that could be made in favour of increasing the fee.

3. Charging all students from 2017 onwards an increased fee of £9250 would generate additional income of £3.8m. Applying the increase to new entrants from 2017-18 only would result in additional fee income of £1.26m. A decision not to increase the fee in line with inflation for all students would represent a significant reduction in resource. Student loans would be increased to accommodate the higher tuition fee but, it was acknowledged, would result in higher student debt.

4. Students who commenced their studies in 2016 would be advised that they should expect their tuition fee to increase in line with inflation from 2017 onwards. It was important to make this information available as early as possible so that applicants could take this into account when deciding which offers to accept.

5. It was noted that amongst the general student population anger had been expressed about the increase in the interest rate applied to student loans which many felt had not been fully explained. As a result, it was important to ensure the fee increases were transparent for all new students and that they were communicated clearly.

6. It was suggested by the Sabbatical Officers that it would be possible for the University to accommodate the loss of fee income that would result in a decision to apply the increase to new entrants only.
7. There was considered to be reputational risks associated with not implementing the inflationary increase since this could give the impression that the University had not achieved the required standards in the Teaching Excellence Framework.

8. Whichever decision was taken, it would be important to communicate this clearly to students at an early stage to guard against a possible break of faith.

9. It was noted that the value of the £9k had declined significantly in real terms since it was first introduced in 2012 but it was acknowledged that this was not a factor that would resonate with students.

10. Achieving the indexing of the tuition fee had been a long-term aim of the Russell Group and it was expected that most member institutions would agree to increase the fee for all students from 2017-18 onwards.

Resolved that:

(i) Subject to the relevant government legislation being introduced, the Home /EU undergraduate and PGCE fee be increased in 2017-18 in line with the OFFA guidance for new students entering in 2016 and 2017.

(ii) The principle of increasing the fees with inflation thereafter be approved.

135. MEDIUM TERM FINANCIAL FORECAST

Received the medium term financial forecast, as set out in a report from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board.

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

Noted that, whilst no adjustments had been made to the medium term financial forecast, HEFCE had requested some commentaries around the potential impact of the EU referendum result. Sensitivity analyses were to be prepared.

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

136. REPORT FROM FINANCE COMMITTEE

Received a report from the meeting of Finance Committee held on 20 June 2016.

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

137. REPORT FROM REMUNERATION COMMITTEE

Received a report from the meeting of Remuneration Committee held 2 June 2016.

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

Noted that was necessary to identify a lay member to replace Mr Simon Pleydell as a member of Remuneration Committee.

138. REPORT FROM UNIVERSITY/STUDENTS’ UNION PARTNERSHIP COMMITTEE

Received a report from the meeting of the University/Students’ Union Partnership Committee held on 20 May 2016.

[Circulated with the agenda as Document S. Copy filed in the Minute Book.]
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Noted that currently there were no arrangements in place that allowed students at the University’s London campus to be formally represented on Students’ Union committees. Action was to be taken to address this.

139. CHAIR’S CIRCULAR

The Chair’s circular of routine business was sent to members on 21 June 2016.

Approved Business

There were no items for approval.

Items for Information

(i) Council Effectiveness Review 2015-16
(ii) Equal Pay Review Report
(iii) Reported Business

140. ESTATE STRATEGIC PROGRESS REPORT

Received the Estates Strategic Progress Report 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.]

141. ENVIRONMENTAL SUSTAINABILITY STRATEGIC PROGRESS REPORT

Received the Environmental Sustainability Strategic Progress Report 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.]

142. EMPLOYABILITY AND ENTERPRISE STRATEGY

Received the Employability and Enterprise Strategy for approval from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning & Teaching, on behalf of Executive Board.

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

Resolved that the Employability and Enterprise Strategy be approved.

143. SOCIALLY RESPONSIBLE INVESTMENT POLICY

Received for approval the revised Socially Responsible Investment Policy from Professor Tony Stevenson, Deputy Vice-Chancellor, on behalf of Executive Board.

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

Noted that the revised Socially Responsible Investment Policy increased the period that had to elapse before a decision taken under the policy could be re-considered from two to four years. It was noted that this would prevent some students from putting forward motions during their studies. As a result it was agreed that the original period of two years should be retained.

Resolved that the revised Socially Responsible Investment Policy be approved, subject to the amendment noted above.