NEWCASTLE UNIVERSITY
COUNCIL
13 JULY 2009

Present: Mrs M O Grant (in the Chair), the Vice-Chancellor, Mr N Blezard, Professor E G N Cross, Professor M F Cross, Professor G J Docherty, Ms C J Ellis (Education Officer), Ms J Henderson, Mr R Hull, Mr M I’Anson, Mr P M Johnson, Dr L Y J Liu, Professor J N Marshall, Ms J Parkinson and Mr W P Richens (President, Union Society).

In attendance: Professor C P Day, Professor O R Hinton, Professor E Ritchie, Professor A C Stevenson, Professor N G Wright and Professor P L Younger (Pro-Vice-Chancellors), Dr J V Hogan (Registrar), Mr R C Dale (Executive Director of Finance), Mrs V S Johnston (Executive Director of Human Resources), Ms A Georgiou (President elect), Ms E Budge (Education Officer elect) and Miss E M Niven (Administrative Officer).

MINUTES

109. DECLARATIONS OF INTEREST

No declarations of interest were received.

110. WELCOME

The Chairman welcomed Ms Andi Georgiou and Ms Emma Budge to the meeting as observers.

111. RETIRING MEMBERS

The Chairman thanked the retiring academic and student members for their contribution to the work of Council.

112. MINUTES

The Minutes of the meeting of Council held on 18 May 2009 were approved as a correct record and signed.

113. HEALTH AND SAFETY

Received an oral report from the Executive Director of Human Resources on current health and safety issues affecting the University, including performance measures and actions taken.

Noted that:

1. A series of ‘Directing Safely’ courses, offered by the Institute of Occupational Safety and Health, were ongoing. Feedback from these courses, which were aimed at senior managers, had been positive.

2. An event to thank First Aiders had recently taken place. The Executive Director of Human Resources expressed her thanks to Sir Miles Irving for attending and speaking at the event.
3. The government had recently changed the advice it was giving regarding swine flu. The decision had been taken to move from containment and outbreak management policies to the treatment phase.

114. MATTERS ARISING FROM THE MINUTES

(i) Progress of business

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

(ii) Key performance indicators: research income and research excellence
(Minute 99, 18.5.2009)

Received a breakdown of the number of postgraduate research students by gender, as requested by Council at its last meeting.
[Circulated with the Agenda as Document C. Copy filed in the Minute Book.]

115. CHAIRMAN’S BUSINESS

(i) Dr Felicity Harvey

Reported that Dr Felicity Harvey had been appointed as Director of the Prime Minister’s Delivery Unit in the Treasury from 6 July 2009.

Resolved that Council’s congratulations be conveyed to Dr Harvey.

(ii) Mr Ian Shott

Mr Ian Shott had been awarded a CBE in the Queen’s Birthday Honours.

Resolved that Council’s congratulations be conveyed to Mr Shott.

(iii) Effectiveness of Council and members of Council

The Chairman requested members to return their completed effectiveness questionnaires as soon as possible. Meetings would be arranged between the Chairman and individual members of Council in the autumn.

(iv) International Conference for Chairs of Governing Bodies

The Chairman informed members that she would be attending and chairing a workshop at the International Conference for Chairs of governing bodies in Vienna in September.

116. VICE-CHANCELLOR’S BUSINESS

Received the Vice-Chancellor’s report.
[Circulated with the Agenda as Document D. Copy filed in the Minute Book.]

(i) Deaths

Received a report on deaths recently announced by the University.
Resolved that Council record its deep regret and sympathy for the relatives concerned.

(ii) The Chancellor

The Vice-Chancellor expressed his thanks to all those involved in the organisation of the farewell events for Lord Patten.

At its meeting on 20 June 2009, Convocation had approved the appointment of Sir Liam Donaldson as Chancellor from 1 August 2009 for a period of five years in the first instance. The Vice-Chancellor expressed his thanks to the members of Council who had served on the committee to identify Lord Patten’s successor. Thought would now be given to the arrangements for Sir Liam’s inauguration.

(iii) Great North Museum

Council was informed that in excess of 220,000 people had visited the Great North Museum since it opened in May 2009.

(iv) Financial Sustainability

The University received 40% of its funding from central government. Funding from research grants and tuition fees remained fundamental and a reduction in funding from these sources could have a great impact. It was anticipated that the Government would revisit ‘unrestricted’ funding to determine whether any efficiency savings could be generated. There needed to be a renewed emphasis on process improvements and value for money. Council would receive the University’s financial strategy paper at its meeting in October.

It was noted that, whilst it was desirable for all academic units to be in surplus, the University was not a business, therefore, the full contribution made by a subject area needed to be considered.

HEFCE was known to be considering linking future capital funding to the effectiveness of the carbon reduction plans that were in place at institutions.

117. STRATEGIC FRAMEWORK FOR INTERNATIONALISATION

Considered a report from Executive Board.

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

Received an extract from the draft Senate Minutes of 16 June on Senate’s discussion of this item.

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

After noting that:

1. Document E provided a summary of the ideas which had emerged from a recent Think Tank on Internationalisation. The document sought to provide a set of principles and to recognise the international activities which were already taking place within the University.

2. Consideration needed to be given to how best to co-ordinate existing and future international activities to ensure the maximum benefits to the University were achieved. It was important to keep track of projects to ensure they were playing to the University’s strengths. There was no intention to centralise all international activities.
3. The support for strategic activities would require resources to be prioritised and the University needed to be mindful of capacity issues when pursuing its international activities.

4. It was suggested that a culture change would be required in order to facilitate an integrated approach to internationalisation.

5. The international strategies of other organisations in the region should be considered.

6. The need for effective liaison with the Union Society in this area was acknowledged.

Resolved that:

(i) Council express its support for the principles stated in Document E.

(ii) Council express its thanks to Professor Ritchie for her informative presentation.

118. RESEARCH AND INNOVATION STRATEGY

Considered the draft Research and Innovation Strategy.

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

Received an extract from the draft Senate Minutes of 16 June on Senate’s discussion of this item.

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

After noting that:

1. When compared with other institutions in its comparator group, the University had recorded a relatively high proportion of low performing areas in the Research Assessment Exercise 2008 (RAE). The Research and Innovation Strategic Vision document established a set of principles that were intended to address problem areas. These included focussing on research group structure, addressing low performance, reducing the percentage of staff who were not submitted and using the societal challenge themes as platforms for research and engagement. It was intended that these changes would result in an improved performance in the Research Excellence Framework (REF).

2. The next stage in the process would involve the development of a detailed plan and the recommendations made in the RAE Review Report (see minute 124 below) would feed into this.

3. It was necessary to review the University’s perception of the appropriate size of an effective research group with that of its competitors. There was an impression that some of our best research groups were too small.

4. The process to identify the institutional challenge themes, which were referred to under section 6.2 of the Strategic Vision, was already underway. The first theme would be Ageing and it had been agreed that SAgE would lead on Sustainability as the second theme.

5. It was suggested that the impact of the Strategic Vision document on HR procedures should be considered. It was noted that PDR procedures were well embedded but it would be necessary to provide support to some managers to ensure they set their staff appropriate targets to enable them to deal with poor performance effectively.
6. It would be necessary to prepare a communications strategy to promote the Strategic Vision document to staff. Staff should be provided with support to enable them to adapt to the requirements of the strategy. It should be emphasised that the document was not being driven by the REF but rather by a desire to achieve high quality research across the University. If this were to be achieved, then the requirements of the REF would also be addressed.

Resolved that Council approve the broad general approach of the document, which would be re-submitted to Senate for further comment, and grant delegated authority to the Chairman to approve any further amendments on its behalf.

119. ENGAGEMENT STRATEGY : INTERIM REPORT

Considered a report from the Engagement Strategy Development Group.

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

After noting that:

1. Senate, at its meeting on 16 June, had welcomed the outline development of the Engagement Strategy and looked forward to receiving a further iteration in due course.

2. Research had identified that very few UK universities had engagement strategies in place. The development of the University’s Engagement Strategy had been precipitated by the preparation of the Strategic Overview document.

3. A literature review had been completed and a research group had been commissioned to review best practice globally. This process was now complete and the results were to be published on the web in the near future.

4. An institutional audit of engagement activities had been undertaken. More than 600 responses had been received in total which were in the process of being reviewed.

5. A draft table of contents for the Engagement Strategy had been prepared and Council members were invited to comment on this.

6. An initiative that was being considered as part of the Engagement Strategy was the establishment of ‘open chairs’. An open chair provided a permanent forum for the discussion of a particular social issue. It would not be attached to a single academic but, instead, two or three individuals would be responsible for co-ordinating discussions and activities for an agreed period. It was suggested that this could be introduced in each of the faculties on a trial basis for a period of 3-4 years in the first instance.

7. It was noted that the proposed strategy would stem from the five institutional-level engagement objectives that were included in the University’s Strategic Overview. The research that had been completed suggested that these five objectives remained relevant and would not place restrictions on the development of the strategy.

8. It was suggested that the strategy should include some method of quantifying the benefits that would be obtained from its implementation and it should also contain some guidance for Heads of Units on how it should be managed.
Resolved that Council welcomed the contents of the interim report from the Engagement Strategy Development Group and looked forward to receiving the first draft of the Strategy in due course.

120. PAY BARGAINING : UCU 2009 PAY CLAIM (Minute 100, 18.5.2009)

Received an oral update from the Executive Director of Human Resources.

Noted that:

1. The most recent offer made by the UCEA remained at 0.4% despite having been rejected by all unions.

2. Job security was now the main concern for the unions. Redundancy policies were agreed by individual institutions rather than on a collective basis.

Resolved that Council agree to delegate authority to the Chairman, the Deputy Chairmen and the Honorary Treasurer to enable action to be taken on behalf of Council, should it be required prior to the next meeting.

121. REPORTS FROM FINANCE COMMITTEE

Considered a report from Finance Committee dated June 2009.

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

Received a further report from Finance Committee dated June 2009.

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

(i) Major projects review – Business School

After noting that there had been changes in scope on the new Business School project to ensure that the building provided a good environment for its students with the result being a current forecast of £6.6m which was £0.5m above the authorised £6.1m budget.

Resolved that:

(i) Council approve the additional expenditure outlined above.

(ii) Council should be provided with an annex to the minutes explaining what the additional expenditure of £0.5m would be used for. [Annex I]

(ii) In future, reports which requested Council to approve additional expenditure should contain more explanation of why the additional expenditure was required.

(ii) Quarterly Financial Report to 30 April 2009

Noted that:

1. The report showed that the University’s financial position was improving each quarter.

2. It was suggested that some of the surplus which the University generated should be used to fund postgraduate research bursaries. It was noted that £7.5m would be set aside in the next
COUNCIL 13 JULY 2009

The Council considered that the following measures were required:

1. The year’s budget which Executive Board could allocate to projects where appropriate cases were made. It was suggested that staff should be informed of the mechanisms for the distribution of such discretionary funding. Funds were provided to the faculties to support their strategic plans and also contributed to the maintenance of the estate.

3. Care would need to be taken over the way in which the University’s financial position was reported with an emphasis on surpluses enabling the University to re-invest for future academic and infrastructure developments.

4. It was noted that the University’s reserves were not as large as many of its competitors but it did possess good cash reserves.

5. It was suggested the Council should receive an update on the position of the subsidiary companies which had been capitalised e.g. Singapore and Ngee Ann. It was agreed that this could be provided.

The remaining items in the report were noted.

122. KEY PERFORMANCE INDICATORS

Reported that the KPI Annual Report to Council represented completion of the 2008/09 cycle. The paper presented the aggregated traffic light scores, determined by Executive Board and confirmed by Council. Each of these KPIs had been presented to Council for discussion over the last year. The report presented a summary of the completed set to Council.

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

After noting that:

1. It was proposed that from 2009/10 onwards, one Strategic Objective would be discussed at each Council meeting, supported by a small number of high-level KPIs. As far as possible these KPIs would be forward looking. A member of Executive Board would lead on the discussion at each meeting.

2. It was noted that the summary KPI report presented a healthy picture of the University but, given the current financial climate, it was surprising that more ‘amber’ or ‘reds’ were not included. It was acknowledged that this would be the case if the KPIs were based more on an assumption of future prospects.

3. It was confirmed that the Research Income KPI was rated as amber/green as the University had performed well in this area over the past year.

4. Council were informed that changes were to be proposed to composition of the University’s comparator group.

5. It was suggested that the KPIs should be more critical of the University’s performance in some areas. The student experience was cited as an example.

Resolved that:

(i) The Pro-Vice-Chancellor Planning and Resources would write to all members of Council to provide them with the revised set of KPIs and also to explain the proposed changes to the comparator group
of institutions. Members of Council would be asked to provide the Chairman and the Pro-Vice-Chancellor Planning and Resources with their views on the revised KPIs.

(ii) The Chairman, the Deputy Chairmen and the Honorary Treasurer would agree any changes to the KPIs which would be used from September 2009 onwards.

123. NEWCASTLE SCIENCE CITY

Received a progress report from Executive Board.

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

Noted that:

1. It was noted that in the Science City report that was received at the previous Council meeting, the three Science City partners had agreed to commit to the construction of a 40,000ft² Gateway building but in order to meet at the possible demands which could be identified, a 55,000ft² building would be required. It was noted that the Gateway building would form the first stage of the development and other buildings would follow in due course.

2. The Newcastle Gateshead City Development Company would be responsible for engaging the private sector in the further development of the site. It was acknowledged that consideration of the second phase of developments should take place in the near future.

124. RESEARCH ASSESSMENT EXERCISE (RAE): REVIEW

Considered a report prepared by Professor Nick Wright, Pro-Vice-Chancellor Research and Innovation on behalf of University Research Committee and endorsed by Executive Board.

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

After noting that:

1. The report included 10 recommended actions which needed to be taken in order to achieve a better performance in the Research Excellence Framework (REF). Although it had yet to be announced, the timescale for the REF was expected to be shorter than that of the RAE and it was therefore necessary to address the problem areas quickly.

2. Recommendation #2 required faculties to ‘pursue opportunities for the selective deployment of resources to further develop critical mass in existing areas of strength’ and also ‘address areas of weakness...’. It was acknowledged that to do this, hard decisions would have to be made and investments would have to be prioritised.

3. It would be important to increase the University’s research power which could be achieved by improving the quality of the research produced. The size of a research team was also an important consideration and the University’s international recruitment activities played a role here. Income from international activities was not restricted and therefore provided a mechanism to increase staff numbers.

4. It was suggested that a reference to research-informed teaching should be added.

Resolved that recommendations 1-10 outlined in Appendix A to Document O be endorsed, subject to any comments by Senate.
125. **NEW MEDICAL SCIENCES CAMPUS IN MALAYSIA : UPDATE** (Minute 5, 20.10.2008)

Received an update and progress report, endorsed by Executive Board.

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

After noting that:

1. Access to the facilities necessary for clinical training had been granted by the Ministry of Health Malaysia. Professional recognition from the Singaporean Medical Council had also been achieved.

2. Offers had now been made to 50 students, 20 of whom had confirmed their acceptance of the offer. The remaining 30 students were awaiting their A-level results.

3. Due to the short period of time between the release of A-level results and the course start date, there was concern that, due to new immigration requirement, some students would not receive their visas in time to start on the appropriate date. The University was taking action to ensure that students were provided with the necessary advice to prevent a delay to the start of their studies.

4. The Pro-Vice-Chancellor Teaching and Learning informed Council that the University’s activities in Malaysia had been cited as an example of good practice in the recent meeting of the British Council and Quality Assurance Agency.

*Resolved that Council express its congratulations to Professor Day, Professor Jordan and their colleagues on the progress that was being made.*

126. **HEALTH AND SAFETY : QUARTERLY REPORT**

Received a summary accident report for the first quarter of 2009.

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

Noted that the increasing trend in manual handling incidents had been noted and additional training was being provided to address this.

127. **PENSIONS**

Received a briefing paper from the Executive Director of Human Resources.

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

Noted that:

1. The University operated two pension schemes, the Retirement Benefit Plan (RBP) and the Universities Superannuation Scheme (USS). It also contributed £1.8m annually to an NHS scheme. Employee contributions to this scheme were phased, based on salary, and ranged between 5-8.5%.

2. The RBP was in a good position which could be partly attributed to the sound advice received from past and current trustees. The process of obtaining the scheme’s interim position was underway and Council would receive an update as soon as it was available.

3. Increases to both employer and employee contribution were expected to be required for the USS. USS had proposed to increase employer contributions by 2% from 1 October 2009 and had contacted
all members to inform them that further changes to the scheme would be required. The University communicated regularly with staff to inform them of the value of the benefits they received and the costs they imposed upon the University.

4. Approximately 60% of USS members came from Russell Group institutions.

Resolved that Council should continue to receive information and updates on the status of the pension schemes as they became available.

128. ACADEMIC JOB SUMMARY (Minute 114, 14.7.2008)

Received a report from Executive Board on the operation of the Summary after its first year.

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

129. NAMING OF THE NEW STUDENT AND ADMINISTRATIVE SERVICES BUILDING

Reported that following a competition held in the University, Executive Board had supported the name of ‘King’s Gate’ in December 2008. This name had been put forward by Professor Henrike Laehnemann, Professor of German Studies. However, because of the ‘royal’ reference, the University had to apply to the Ministry of Justice for official approval to use this name. Confirmation had now been received that “The Queen is content for the new student and administrative services building to be named ‘King’s Gate’”.

Received a document which supported the University’s formal application.

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

Considered a recommendation from Executive Board that Council agree that the new Student and Administrative Services Building be named ‘King’s Gate’.

Resolved that the above recommendation be approved.

130. REPORT FROM NOMINATIONS COMMITTEE

Considered a report from Nominations Committee dated May 2009.

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

(i) Lay member of Council appointed by Council

Resolved that Ms Lucy Winskell be appointed as a lay member of Council from 1 August 2009 to 31 July 2012.

(ii) Chairmanship of University Committees

Resolved that Ms J Henderson be re-appointed as Chairman of the University/Union Society Partnership Committee from 1 August 2009 to 31 July 2012.

The remaining items in the report were noted.

131. APPOINTMENTS TO CHAIRS AND READERSHIPS

Received a report from Executive Board on appointments to Chairs and Readerships.

[Circulated with the Agenda as Document W. Copy filed in the Minute Book.]
132. SUSTAINABILITY ‘THINK TANK’

Received a report from the Sustainability ‘Think Tank’ held on 23 March 2009.

Noted that

1. Environmental sustainability was now included as one of the University’s KPIs. Faculties and academic units were expected to make reference to environmental sustainability in their plans.

2. The University was in the process of auditing its current position using the EcoCampus Environmental Management System. The results of the audit would be used to set targets which would feed into the Environmental Sustainability Policy (see Minute 133 below).

Resolved that a debate on environmental sustainability should take place at a future meeting of Council.

133. ENVIRONMENTAL SUSTAINABILITY POLICY

Considered the Environmental Sustainability Policy.

Noted that the Policy was a re-working of the University’s Environmental Policy with an established set of principles. Council was asked to note that it was intended to develop hard targets for each of the principles and re-write the Policy to reflect those in due course.

Resolved that the Environmental Sustainability Policy be approved.

134. PHILANTHROPY AND ALUMNI RELATIONS ‘THINK TANK’

Received a report from the Philanthropy and Alumni Relations ‘Think Tank’ held on 6 April 2009.

135. REPORT FROM FACULTY APPOINTMENT BOARDS

Reported that, in accordance with agreed procedures, the Chairman of Council, acting on behalf of Council, had approved recommendations in a report from Faculty Appointment Boards.

136. REPORT FROM FACULTY PROMOTIONS COMMITTEES

Reported that, in accordance with agreed procedures, the Chairman of Council, acting on behalf of Council, had approved recommendations in a report from Faculty Promotions Committees.

137. REPORT FROM THE STATUTORY COMMITTEE ON PROMOTIONS TO PERSONAL PROFESSORSHIPS AND READERSHIPS

Reported that, in accordance with agreed procedures, the Chairman of Council, acting on behalf of Council, had approved recommendations in a report from the Statutory Committee on Promotions to Personal Professorships and Readerships.
138. **COUNCIL MEMBERSHIP**

Reported that the following had been elected to serve on Council from 1 August 2009 to 31 July 2012:

professorial constituency: Professor David Manning
non-professorial constituency: Mr Simon Pallett

139. **GREAT NORTH MUSEUM BOARD**

Considered a recommendation that Mrs Olivia Grant be appointed to serve on the Great North Museum Board with immediate effect to 31 July 2011.

Resolved that the above recommendation be approved.

140. **LEADERSHIP FOUNDATION BOOKLET: ‘GOVERNING BODIES, EQUALITY AND DIVERSITY. A HANDBOOK FOR GOVERNORS OF HE INSTITUTIONS’**

Reported that the Leadership Foundation had produced a new handbook for governors on equality and diversity that formed part of the joint Equality Challenge Unit and Leadership Foundation project looking at the role of governing bodies and equality. [Copies available, on request, from Barbara Akinhead in the Governance Office.]

141. **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 DD. Copy filed in the Minute Book.]

RESERVED BUSINESS

142. **REPORT FROM REMUNERATION COMMITTEE**

Considered a report from the meeting of Remuneration Committee held on 11 May 2009.

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

Resolved that the recommendations in the report be approved.
The additional costs on the business school project are due to additional audio visual and related equipment (£0.2m), improvements to the specification for floor and ceiling finishes (£0.2m) and minor changes to plant room specifications to reduce future maintenance costs (£0.1m). The improved specification reflects the Faculty’s strategy of creating a prestigious Business School and associated environment.

Normally the additional AV equipment would be treated as an additional project. However, because of the unusual VAT implications of the Downings transaction, they have had to be included as additional work in the main contract.

It is worth noting that the associated financing costs have been significantly reduced as a result of the renegotiation of the Downings contract.

Richard Dale
Executive Director of Finance
July 2009