NEWCASTLE UNIVERSITY

COUNCIL

16 October 2017

Present: Mr Paul Walker (Chair of Council), Vice-Chancellor and President, Professor Caroline Austin, Mr Neil Braithwaite, Professor Paul Christensen, Professor Nicola Curtin, Dr Jonathan Galloway, Mr Jonathan Glass, Mr Stephen Lightley, Ms Adrienne McFarland, Mr Jeff McIntosh, Dr Sara Maioli, Ms Claire Morgan, Mrs Heidi Mottram, Ms Dianne Nelmes, Sir Michael Rawlins, Mr Ronnie Reid (President, Students’ Union) and Mr Rowan South (Education Officer, Students’ Union).

In attendance: Professor David Burn, Professor Suzanne Cholerton, Professor Richard Davies, Professor Julie Sanders, Professor Brian Walker, 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 Corporate Affairs), Mrs Judith Whitaker (Executive Director of Human Resources), and Mrs Janice Trewick (Executive Officer (Governance)).

Apologies: Mr Mike Davison, Ms Teresa Graham and Ms Vicky Wright.

Dr Phil Ansell, Dean of Sport, attended for Minute 15.
Mr Chris Walton, Acting Assistant Director Health and Safety attended for Minute 13.

M I N U T E S

1. DECLARATIONS OF INTEREST

Professor Nicola Curtin declared an interest in Rubraca on item 25, report from Finance Committee, and left the room for this discussion.

2. WELCOME

The new lay members of Council, Ms Adrienne McFarland, Ms Claire Morgan and Sir Michael Rawlins and the new members appointed to Council by Senate, Professor Caroline Austin, Professor Nicola Curtin and Dr Sara Maioli were welcomed to their first meeting of Council. Professor Brian Walker, Pro-Vice-Chancellor Research Strategy and Resources was welcomed to his first meeting.

3. MINUTES

The minutes of the meeting of Council held on 10 July 2017 were approved as a correct record and signed.

4. MATTERS ARISING FROM THE MINUTES

There were no matters arising or outstanding actions from the previous minutes.

5. HEALTH AND SAFETY

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

Noted that since the update to Council in July 2017, there had been no change in position of the cladding on student accommodation. No University owned buildings are affected.
Council, 16 October 2017

Flammable cladding had been identified on student accommodation at Liberty Plaza and Verde which are nominated accommodation and managed by an external provider. There are currently no students housed in Liberty Plaza. There are students housed in Verde and a work plan is in place to replace the cladding. Students had been notified of the works and had been offered additional support and guidance.

6. **CHAIR’S BUSINESS**

Noted that Professor Tony Stevenson had retired from the University at the end of September 2017 and that thanks were recorded for his support and dedication to the University.

7. **VICE-CHANCELLOR AND PRESIDENT’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.]

Noted that:

1. The capital and project summary report highlighted a number of projects which had been completed.

2. The Executive Board responsibilities provided the current portfolio for members of Executive Board. Following the appointment of the Deputy-Vice-Chancellor the responsibilities would be updated.

3. **Staff Headroom**

   There is a need for reinvestment in order to develop the University strategy, however, there are budgetary challenges in part due to drop in international student recruitment and research income. In order to address this issue it is proposed that Voluntary Severance scheme is promoted. The scheme will focus on the Faculty of Medical Sciences and Faculty of Science, Agriculture and Engineering. The proposal would be shared with Senate and the trade unions. It is noted that the scheme would be voluntary and it was estimated that a take up maybe of around 50-60 people.

   **Resolved that Council should receive updates on the progress of the Voluntary Severance scheme.**

4. **Great North House**

   The Estate Capital Strategic Planning Committee had considered the proposals for the Great North House in detail and had received external advice and were satisfied with the approach taken and the future plans for the space.

   **Resolved that Council delegate authority to the Chair of Council, in conjunction with the Treasurer, to approve the Business Case supporting the acquisition.**

5. **Goldman Chair**

   Members of Council were asked to forward any potential nominees to the Director of the Business School, Professor Sharon Mavin.

6. **The Prayer Space and issues with students living in Jesmond** had been reported in the press recently. Both of these issues are being monitored.
7. **Late News**

Professor Jackie Leach Scully, School of Geography, Politics and Sociology, had been awarded Fellow of the Academy of Social Sciences.

Mr Richard Dale, Executive Director of Finance had been named Northern Finance Director of the Year 2017 for Outstanding Achievement at the Northern Finance Director awards.

7. **RISK MANAGEMENT**

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

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

Noted that:

1. The risk register is considered regularly by Executive Board. The full risk register had been presented to Audit, Risk and Assurance Committee at its meeting on 4 October 2017.

2. The scores relating to Pensions and Brexit remained high due to the external nature of the risks

3. The risk score for cyber security remained high. Audit, Risk and Assurance committee had been monitoring this risk and a range of measures would be undertaken to address the risk.

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

8. **INSTITUTIONAL KPI SUMMARY REPORT**

Received the summary KPI report from Dr John Hogan, Registrar on behalf of Executive Board.

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

Noted that the KPIs would be revised following the implementation of the new University Vision and Strategy.

_Council confirmed that it had received sufficient assurance that the identified KPIs were being managed appropriately._

9. **SUMMARY REPORT FROM MEETING OF SENATE, 3 OCTOBER 2017**

Received a summary report from the meeting of Senate that took place on 3 October 2017.

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

10. **SPORT STRATEGY**

Received the Sport Strategy from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching and Dr Phil Ansell, Dean of Sport on behalf of Executive Board.

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

Noted that:

1. The Sport Strategy had developed following a review of the approach to sport and the facilities across the campus. In performance sport the University is in the top 10, however
more can be done to encourage engagement with recreational and social sporting activities is less.

2. A number of comparator institutes had in recent years invested heavily into sporting facilities.

3. Since the review a number of developments had taken place which included the introduction of a Sport and Exercise Science degree and Council had approved £30 million expenditure on Sporting facilities.

4. The draft Sport Strategy had been considered by Senate on two occasion and had been approved at its meeting on 3 October 2017.

5. It was noted that the Action Plan reflected that during the initial operational period a number a major development works would be in progress, namely Park View Student village, Sports Centre and Cochrane Park. It is envisaged that these projects would have an impact on the overall targets listed in the Action Plan.

6. The Sport Strategy Group would be established and would involve a range of stakeholders and would be responsible for the implementation of the Sport Strategy.

*Resolved that Council approved the Sport Strategy, targets and sport action plan for 2017-18.*

11. **LEARNING, TEACHING AND STUDENT EXPERIENCE STRATEGY AND QUALITY ASSURANCE ARRANGEMENTS**

Received:

(a) An introductory report from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board, setting out the background to and purpose of the three documents that follow.

(b) A report on the implementation of the Learning, Teaching and Student Experience Strategy presented by Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board.

(c) A report on the assurance of the student academic experience, student outcomes and degree standards that was provided to Senate at its meeting on 3 October 2017 by Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board.

(d) A mapping document setting out how the University meets the European Standards and Guidelines.

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

Noted that:

1. Since 2016-17 HEFCE has discharged its statutory duty relating to academic quality through a revised operating model for Quality Assessment which requires governing bodies to provide an annual assurance to HEFCE each December on the quality of the student academic experience, student outcomes and standards of awards.

2. In October 2016 Council agreed to provide HEFCE with an assurance relating to academic quality and standards. HEFCE confirmed in April 2017 that the University had met national requirements for academic quality and standards.
3. Senate, at its meeting on 3 October 2017, had considered the same documents that were presented to Council and had resolved that Council should be advised that assurance could be given to HEFCE regarding the University’s student academic experience, student outcomes and degree standards.

4. The overall indicator for learning and teaching performance in 2015-16 was Amber-Green. During 2016-17 the University obtained a Gold Award in Year Two of the Teaching Excellence Framework (TEF), the highest grade obtainable and a strong endorsement of the quality of the undergraduate education the University provides to students. However, there two areas where performance during 2016-17 had declined, the National Student Survey (NSS) and graduate destinations. The overall satisfaction in the NSS had dropped from 90% to 88% in 2017, and the Destinations of Leavers from Higher Education (DLHE) showed a drop in the percentage of graduates in graduate level employment from 82% to 80%.

5. There is a considerable amount of work being undertaken to address the low NSS scores. It was noted that there is variability in the scores but that some subject areas which are consistently achieving low scores.

6. A recent Director of Excellence in Learning and Teaching forum had focussed on the student voice and a range of best practice across the campus had been shared. The Students’ Union are undertaking a project to help students manage the transition to University.

Resolved that Council endorse Senate’s recommendation that assurance can be given to HEFCE regarding the University’s student academic experience, student outcomes and degree standards.

12. NATIONAL STUDENT SURVEY 2017

Received a report on the results of the National Student Survey 2017 from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board.

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

Noted that:

1. In 2017 substantial changes were introduced to the NSS survey questionnaire, including nine amended questions, ten new questions and three new sections. The University’s overall satisfaction declined from 90% in 2016 to 88% in 2017.

2. The 2017 NSS had been boycotted by some institutions.

13. HEALTH AND SAFETY POLICY

Received the Health and Safety Policy from Mrs Judith Whitaker, Executive Director of Human Resources and Mr Chris Walton, Acting Director OHSS, on behalf of Executive Board.

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

Noted that:

1. The revised policy had been updated and was more succinct and included with links to the relevant sections of the Health & Safety web pages.
2. An External Health & Safety audit would be carried out on 27 November 2017 and the findings would be reported to Council in the New Year.

Resolved that Council approved the Health and Safety policy.

14. FINANCIAL SUSTAINABILITY

Received:

(a) A report from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board;

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

(b) A presentation from Mr Richard Dale, Executive Director of Finance, on behalf of Executive Board.

[Copy of slides filed in the Minute Book.]

Noted that:

1. The year 2016-17 the overall status had been recorded as Green and that the coming year would be challenging.

2. The key issues for 2017-18 would focus on

- International student recruitment: Non-EU immediately and EU in the longer term
- Research income and market share
- HASS student-staff ratios and space
- London
- USS and RBP
- Longer term capital programme and financing

15. PREVENT DUTY ANNUAL REPORT

Received an update on the University’s Prevent Duty Annual Report from Dr John Hogan, Registrar, on behalf of Executive Board.

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

Noted that:

1. The University had submitted in December 2016 the annual Prevent return to HEFCE who duly confirmed in February 2017 that they were satisfied that due regard to the statutory duty had been given.

2. The next return is due to be submitted on 1 December 2017.

Resolved that:

(i) On behalf of Council, the Chair of Council will declare that throughout the academic year and up to the date of approval, Newcastle University had:

- Had due regard to the need to prevent people being drawn into terrorism (the Prevent Duty);
- Provided to HEFCE all required information about its implementations of the Prevent Duty;
• Reported to HEFCE in a timely way all the serious issues related to the Prevent Duty.

16. ANNUAL REPORTS AND FINANCIAL STATEMENTS

Received a report from the Executive Director of Finance explaining a number of related items on the agenda.

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

Noted that HEFCE had not yet published the Annual Assurance Return template for 2016/17. After publication of the template it would be signed by Vice-Chancellor will sign prior to submission to HEFCE.

21. REPORTS FROM AUDIT, RISK AND ASSURANCE COMMITTEE

Received reports from the meetings of Audit, Risk and Assurance Committee held on 20 July and 4 October 2017.

[Circulated with the agenda as Documents Q & R. Copies filed in the Minute Book.]

Noted that:

1. The Committee had been kept informed of the progress of the transfer of the School of Medicine, Pharmacy and Health from Durham University and were pleased with the successful transfer of the School to Newcastle University.

2. The Committee had co-opted Mr David Carroll, an IT expert and the Committee had been considering the area of cyber security. The committee was encouraged by the work that had been undertaken in this area. The Digital Campus Steering Group would be focusing on Cyber Security and they would report to Council at a future meeting.

22. ANNUAL REPORT OF AUDIT, RISK AND ASSURANCE COMMITTEE

Received the Annual Report of Audit Committee to Council for 2016-17.

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

Resolved that Council approved the Annual Report of Audit, Risk and Assurance Committee 2016-17 for submission to HEFCE.

23. FINANCIAL STATEMENTS 2016-17

(i) Going Concern

Received a report from the Executive Director of Finance.

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

Resolved that Council approve the following recommendation from Executive Board that:

“Council confirms that it has reasonable expectation that the University has adequate resources to continue in operation for the next five years. For this reason, it continues to adopt the going concern basis for preparing the accounts.”

(ii) Financial Statements

Considered:
Council, 16 October 2017

(a) The audited consolidated Financial Statements of the University for the Financial Year ended 31 July 2016.

(b) The commentary to the accounts.

[Circulated with the agenda as Documents U and V. Copies filed in the Minute Book.]

Noted that the 2016/17 annual report was an initial step towards Integrated Reporting (IR). It is informed by the IR framework developed by the International Integrated Reporting Council (IIRC). Further work will be carried out in the coming 12 months to develop the approach to reporting and to ensure that future Integrated Annual Reports comply fully with the IIRC framework.

Resolved that:

(i) Council approve the recommendation of Audit, Risk and Assurance Committee that it approve the audited consolidated Financial Statements of the University for the financial year ended 31 July 2017.

(ii) Council record its thanks to the Finance Office staff for the production of the University’s Financial Statements.

24. VALUE FOR MONEY ANNUAL REPORT 2016-17

Received the Value for Money Annual Report 2016-17, prepared by Dr John Hogan, Registrar.

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

Noted that:

1. The annual report had been a compulsory requirement of HEFCE, however for the 2016-17 submission HEFCE would be providing a template for completion.

2. That the Students’ Union would welcome the opportunity to have a student representative on the Value for Money Working Group.

Resolved that:

(i) The Value for Money Annual Report 2016-17 be approved for submission to HEFCE.

(ii) A student representative to become a member of the Value for Money Working Group.

25. REPORT FROM FINANCE COMMITTEE

Received a report from the meeting of Finance Committee held on 2 October 2017.

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

Noted that the Rubraca drug is at a stage whereby discussions are taking place around the royalty scheme. No decision had been reached at this stage and advice is being sought from a number experts.

26. SCIENCE CENTRAL

Received a report on the Science Central Development from Mr Richard Dale, Executive Director of Finance on behalf of Executive Board.
Resolved that:

(i) Council approve the additional capital contribution by the University to Newcastle Science Central Management LLP of up to £1.7m for capital work to develop the site and £1.0m for expected project management and running costs over the next seven years.

(ii) Council approve a work capital facility from the University to Newcastle Science Central Management LLP of up to £3.6m to cover development costs prior to disposal of plots to third parties.

27. REPORT FROM REMUNERATION COMMITTEE

Receive a report from the meeting of Remuneration Committee held on 25 May 2017.

Noted that:

1. There are on-going discussions at a national level regarding Remuneration Committee and that in due course the Term of Reference for the committee would be updated.

2. The Task and Finish group set up to address concerns raised in the Times Higher Education regarding the gender pay gap had completed their findings and this had been reported to Executive Board and the new policy would be finalised and circulated.

3. The Students’ Union would welcome the opportunity to have a student representative as a member of the Committee.

29. UNDERGRADUATE ADMISSIONS FOR 2017 ENTRY

Received a report on undergraduate admissions for 2017 from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board.

Noted that:

1. The some subject areas had to drop their grades below ABB in order to fill places across all programmes. This drop in grades may impact negatively on the league table positions.

2. There had been delays by the Home Office in issuing visas for international students and it is hoped that actual registration of international students would increase once visas had been issued.

3. Widening participation (WP) targets had been exceeded and both the Clearing and Adjustment arrangements had been successful.

30. INTERNAL AUDIT ANNUAL REPORT 2016-17

Received the Internal Audit Annual Report 2016-17 prepared by Mrs Juliet Simpson, Head of Internal Audit.
31. **ANNUAL REPORT ON CHARITABLE STATUS 2016-17**

Received the annual report on Charitable Status for 2106-17.

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

32. **UPDATE ON GOVERNANCE REVIEW 2015 RECOMMENDATIONS**

Received a progress report on the implementation of the Governance Review 2015 recommendations from Dr John Hogan, Registrar, on behalf of Executive Board.

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

33. **SOCIALLY RESPONSIBLE INVESTMENT POLICY**

Received for approval the revised Socially Responsible Investment Policy from Dr John Hogan, Registrar, on behalf of Executive Board.

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

*Council approved the Socially Responsible Investment Policy.*

35. **CATHERINE COOKSON FOUNDATION**

Received a report from the Catherine Cookson Foundation held on 4 July 2007.

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

36. **CHAIR’S CIRCULAR**

Chair’s circulars of routine business were sent to members on 25 September 2017. No issues on the circulars were raised by members and the business was, therefore, deemed to have been approved by Council.

1. **25 September 2017**

**Approved business:**

There were no items for approval.

**Items for information:**

(i) Membership of Council 2017-18  
(ii) Delegation of Powers and Authority  
(iii) Principles of Council  
(iv) Role of Council Members  
(v) Schedule of Council Business 2017-18  
(vi) Council Briefing lunches 2017-18  
(vii) Statutory Returns  
(viii) Committee of University Chairs – IPN4: Institutional Sustainability  
(ix) Reported Business

37. **DEPUTY VICE-CHANCELLOR**

Reported that the University Statutes permitted the appointment of a Deputy Vice-Chancellor following the recommendation of the Vice-Chancellor and President and the establishment of a joint committee of Senate and Council.

Considered an oral report from the joint committee of Senate and Council regarding the appointment to a Deputy Vice-Chancellor post.
Resolved that:

i) **Professor Julie Sanders be appointed to the role of Deputy Vice-Chancellor elect with immediate effect.** Professor Julie Sanders will be appointed to the role of Deputy Vice-Chancellor from the date a successor is appointed to the Pro-Vice-Chancellor Faculty of Humanities and Social Sciences for a period of five years.

ii) **Council delegated authority to the Chair of Council and the Vice-Chancellor for the establishment of joint committee of Senate and Council for the appointment of Pro-Vice-Chancellor Faculty of Humanities and Social Sciences.**