NEWCASTLE UNIVERSITY  
COUNCIL  
19 October 2015  

Present: Mrs Jacqui Henderson (in the Chair), the Vice-Chancellor, Professor Tony Stevenson, (Deputy Vice-Chancellor), Mr Neil Braithwaite, Professor Paul Christensen, Mr Mike Davison, Mr Dominic Fearon (President, Students' Union), Dr Jonathan Galloway, Mr Jonathan Glass, Mr Stephen Lightley, Mr Jeff McIntosh, Ms Dianne Nelmes, Dr Ole Pedersen, Mr Simon Pleydell, Mr Matthew Price (Education Officer, Students' Union), Mr Paul Walker and Ms Vicky Wright.  

In attendance: Professor Suzanne Cholerton, Professor Richard Davies, Professor Chris Day, Professor Steve Homans, Professor Julie Sanders (Pro-Vice-Chancellors), Mr Richard Dale (Executive Director of Finance), Dr John Hogan (Registrar), Ms Abi Kelly (Executive Director of Corporate Affairs), Mrs Veryan Johnston (Executive Director of Human Resources) and Mrs Lizzie Taylor (Executive Officer (Governance)).  

Apologies: Mr Mark I’Anson (Chair of Council), Mrs Teresa Graham, Mrs Heidi Mottram, Professor Tom Joyce and Professor Nick Wright.  

MINUTES  

1. DECLARATIONS OF INTEREST  
No declarations of interest were received.  

2. WELCOME  
The Chair welcomed Professor Paul Christensen, Mr Dominic Fearon, Dr Jonathan Galloway, Mrs Dianne Nelmes, Mr Matthew Price and Professor Julie Sanders to their first meeting of Council.  
The Chair also welcomed Ms Abi Kelly who was in attendance at her first meeting of Council since becoming Executive Director of Corporate Affairs, and a full member of Executive Board.  

3. MINUTES  
The minutes of the meeting of Council held on 15 June 2015 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  
Received:  
(a) An oral report from Mrs Veryan Johnston, Executive Director of Human Resources, on the current health and safety issues affecting the University.  
[Circulated with the agenda as Document B. Copy filed in the Minute Book.]
Noted that:

1. HESA was now responsible for recording the safety statistics for the sector, having taken over this responsibility from the University Health and Safety Association (USHA). This change had resulted in a delay in the production of comparative sector data causing the annual report to come to a later meeting of Council than normal.

2. The results showed that the University was making progress in terms of a reduction in accident rates but there remained work to do. Figure 2 of Appendix I showed that the University’s incident rate per 1000 members of staff was 1.47 which placed it in the upper quartile. Appendix II, which displayed accident trends, showed there had been a fairly sustained downward trend in the total accident rates for staff and students over the last five years which was to be welcomed.

3. Typically accident rates increased in Quarter 1 which could, in part, be attributed to a large number of new staff and students moving around an unfamiliar campus. Executive Board was to consider actions that could be taken to address this.

4. A University-wide Health and Safety Management Profile (HASMAP) audit would take place in 2016 the results of which would be reported to Council once available.

6. **CHAIR’S BUSINESS**

   Committee of University Chairs’ (CUC) Meeting

   The Vice-Chair of Council had attended the Northern CUC Chairs’ meeting on 7 October on behalf of the Chair who was overseas. Topics under discussion had included: Chairs of Remuneration Committees, diversity and the 30% Club, the CUC Code of Governance, payment of lay members of Council and Chairs, the Teaching Excellence Framework (TEF), relationships with new government ministers and the role of Council members in relation to the Prevent agenda.

7. **VICE-CHANCELLOR’S BUSINESS**

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

   [Circulated with the agenda as Document C. 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. Pay and Pensions

      It was reported that a number of unions had now ‘noted’ UCEA’s final pay offer. One union was to ballot its members but it was hoped that it would be possible to implement the pay award before the end of the calendar year.

      With regards to the USS pension scheme, it had been confirmed that the Defined Contribution (DC) element of the changes to the scheme would be implemented from 1 October 2016.

   3. **Reputation and Rankings**
The Times Higher Education was to release six subject rankings that would be published as a staggered release, with one published each week over a six-week period. The tables would cover the following areas: Clinical, Pre-Clinical & Health, Arts & Humanities, Life Sciences, Social Sciences, Engineering & Technology and Physical Sciences.

4. Devolution

An announcement regarding devolution was expected in the near future. The devolution of powers to the region could bring benefits for the higher education sector and the University would seek to identify any potential opportunities.

5. Donations

Resolved that Council approve the acceptance of the following donations:

(i) £1.59m from the Heritage Lottery Fund in support of the “Capturing our Coast: Marine citizen science making a difference (CoCoast)” project;
(ii) £2.1m from the Heritage Lottery Fund for the Hatton Gallery refurbishment project.

6. Sir Terry Farrell Archive

A location had now been identified for the Sir Terry Farrell Archive. It was proposed that it should be housed in the Claremont Building and Sir Terry had agreed to this suggestion during a recent meeting with the Vice-Chancellor. The Claremont Building would require refurbishment and Sir Terry had agreed to provide some funding for this. Additional capital would be raised through fundraising. It was agreed that a paper outlining the potential costings of the project should be prepared for a future meeting of Council.

7. Prevent

It was confirmed that the recently implemented Prevent legislation set out certain responsibilities for Higher Education governing bodies, including a sign off role for the Chair of Council. The Chair of Council was required to confirm that the University was making progress against a template of responsibilities. The University was incorporating the Prevent agenda into its wellbeing provisions and was content that this was the appropriate approach to adopt. Prevent was included as a risk on the Professional Support Service risk register and would be kept under regular review. Council would rely on Audit Committee to provide assurance that the University was meeting its responsibilities under the Prevent duty.

8. Home Office Immigration Rules

There was thought to be some debate within the Government as to whether or not it should change its position regarding the inclusion of overseas students in immigration figures. A potential increase in the English language requirement for students coming to the UK to study was also under consideration.

9. Science Central

The Science Central development was still in its first phase. It was intended that ‘The Key’ building would be occupied by January 2016. The Urban Sciences Building was also to be developed as part of the first phase.

‘Commercial in Confidence’ Minute redacted.
10. **EQUIS Accreditation Visit**

EQUIS had recently undertaken an accreditation visit to the University's Business School. This is part of its normal cycle of accreditation visits.

11. **UNESCO Chair**

The University had been invited by UNESCO to join its prestigious universities network and establish the first ever UNESCO Chair in Cultural Property Protection and Peace. Professor Peter Stone OBE, Head of the School of Arts and Cultures, had been appointed as the UNESCO Chairholder.

*Resolved that Council send its congratulations to Professor Peter Stone OBE on his appointment as UNESCO Chair of Cultural Property Protection and Peace.*

8. **RISK MANAGEMENT**

Received a 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:

1. The University’s offering in Singapore was under review and this could impact upon the risk profile. A proposed academic strategy for Singapore would be presented to Senate and Council in the near future.

2. ‘Strictly confidential’ Minute redacted.

3. Council was reminded that risk management was a standing item on the agenda for Audit Committee meetings and reports to Council were intended to provide Council with assurance that this area of activity was kept under regular review. There was to be significant discussion of risk management and the risk management processes at the Audit Committee’s next meeting on 25 November 2015.

*Resolved that Council confirm that it had received assurance that the risk management process was being appropriately managed.*

9. **INSTITUTIONAL KPI REPORT**

Received the summary KPI report from Professor Tony Stevenson, Pro-Vice-Chancellor Planning and Resources, on behalf of Executive Board.  
[Circulated with the agenda as Document E. Copy filed in the Minute Book.]

*Resolved that Council confirm that it had received assurance that the KPIs were being appropriately managed.*

10. **EFFECTIVENESS OF COUNCIL AND MEMBERS OF COUNCIL 2014-15**

Received the annual effectiveness report prepared by Dr John Hogan, Registrar  
[Circulated with the agenda as Document F. Copy filed in the Minute Book.]

Noted that:

1. As previously agreed by Council, the longer Leadership Foundation questionnaire had been used on this occasion to inform the Governance Review.
2. It was important to note that in most cases a significant majority of respondents either agreed or partly agreed with the statements made.

11. GOVERNANCE REVIEW 2015

Received the final report from the Working Group on Governance.

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

Noted that:

1. The inclusion of two external members in the Working Group’s membership had been helpful and had resulted in some good contributions.

2. The report had identified a number of areas where improvements could be made. The role of Senate had been a key consideration and a number of suggestions had been made with a view to improving its operation.

3. The uneven turnover in the membership of Senate was considered and a proposal for addressing this had already been implemented. Senate would consider recommendations 22-25, which related specifically to its procedures and operation, at a future meeting.

4. One recommendation required Audit Committee to give an opinion in its annual report on the extent to which appropriate policies and procedures were applied consistently. Audit Committee had considered this recommendation at its meeting on 7 October and had suggested that all relevant policies should include details of how they would be monitored to ensure compliance. It was confirmed that this would be considered as a part of a review and consolidation of all policies and procedures.

5. It was considered that it was important to include a student representative on the Estate Capital Strategic Planning Committee.

6. The recommendation that the University should not rely on advertising as the sole method of appointing new members of Council was welcomed as this was not considered to be an effective method of identifying members with appropriate skills and expertise.

Resolved that:

(i) Council approve the recommendations in the final report from the Working Group on Governance.

(ii) Mrs Jacqui Henderson, Chair of the Working Group on Governance, and the members of the Working Group be thanked for their work.

12. COUNCIL BRIEFING SESSIONS AND EVENTS 2015-16

Received:

(a) A report from Dr John Hogan, Registrar, outlining a proposal for the Council Briefing Sessions for 2015-16.

(b) A calendar of University events to which Council members are invited throughout the 2015-16 academic year.

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

13. FINANCIAL SUSTAINABILITY
14. RAISING THE BAR IMPLEMENTATION

Received:

(a) An oral report from Professor Chris Day, Pro-Vice-Chancellor Medical Sciences;

(b) A report from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning & Teaching, on behalf of Executive Board.

Noted that:

1. Each faculty had developed its own version of a Research Expectations document the template for which had been approved by Senate at its meeting on 7 July 2015. These documents set out minimum research performance expectations that were appropriate for each faculty.

2. Heads of Academic Unit were now required to categorise all academic staff within their unit according to their research performance. The process to be followed had been communicated to Heads of Academic Unit at a meeting on 8 October 2015. A letter would be sent to staff from the faculty Pro-Vice-Chancellors and this would be followed by meetings within each faculty.

3. It was proposed to put three support packages in place for academic staff. A £30m Research Investment Fund would be available to support specific projects to improve the University’s excellence in research. The Research Excellence Academy funded by the £13m received under the research expenditure credits would provide PGR studentships and early career fellowships. Finally a University Excellence Support Fund would be made available to enhance the performance and aspirations of all academics across the University. This would include a package of customised and individualised support such as timely sabbaticals, release from duties, mentoring, development programmes and targeted financial support.

4. The distribution of the Research Excellence Academy funding had been considered carefully. The equal distribution of funding across the University, which was the University’s usual approach, had not produced the necessary results. It had now been decided that funding should be weighted toward higher performing subject areas. 20% of the total funding would be set aside to support academics with excellence in research or an upward trajectory but who were not within the ‘Arc of Excellence’.

5. There were some concerns amongst staff about the categorisation process that would be followed. It was important for Unit Heads to have clear conversations with their staff to make
them aware that the procedures to be followed were not new but sought to introduce an increased level of transparency and to set out clear expectations.

6. It was suggested that the targets set at faculty level did not invite appropriate ambition and if alternative, incentive-driven approaches were to be adopted, then this could help establish a different reputation for the University and encourage a more positive response from the staff involved. It was noted in response that the targets set had to be both realistic and fair and it was considered that an appropriate balance had been achieved.

7. Early discussions with UCU representatives suggested that the greater clarity provided by the expectations document was welcomed but it would be important for the detail to be finessed at the level of the individual and there was more work to be done here.

8. It would be necessary to establish an appropriate culture to help staff fulfil the targets they had been set and also to acknowledge and reward their achievements.

9. The faculty Pro-Vice-Chancellors would undertake visits to their academic units to ensure the Raising the Bar processes were being followed consistently and fairly.

Resolved that Council approve the recommendation set out in Document M to use the £13m of research expenditure credits to fund the Research Excellence Academy.

15. ANNUAL REPORTS AND FINANCIAL STATEMENTS

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

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

16. REPORT FROM AUDIT COMMITTEE

Received reports from the meetings of Audit Committee held on 20 June and 7 October 2015.

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

17. ANNUAL REPORT OF AUDIT COMMITTEE 2014-15


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

Noted the opinion of Audit Committee that:

“Audit Committee has received and considered assurance on a wide variety of topics from various sources, including the University’s own management, ‘independent’ sources (eg the HEFCE Assurance Service, auditors from the funding councils), the University’s Internal Audit service and External Auditors.

On the basis of the information presented to Audit Committee by these assurance providers, and the discussion and review of that information with these groups, it is Audit Committee’s opinion that the University’s arrangements for:

- risk management;
- internal control;
- corporate governance;
- economy, efficiency and effectiveness (value for money);
- and the management and quality assurance of data submitted to HESA and to HEFCE and other funding bodies

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are generally adequate and effective and can be relied upon by Council.”

Resolved that Council approve the Audit Committee Annual Report 2014-15.

18. FINANCIAL STATEMENTS 2014-15

(i) Going Concern

Received a report from the Executive Director of Finance.
[Circulated with the agenda as Document R. 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 foreseeable future. For this reason, it continues to adopt the going concern basis for preparing the accounts.”

(ii) Financial Statements

Considered:

(a) The audited consolidated Financial Statements of the University for the financial year ended 31 July 2015.

(b) The commentary to the accounts.

[Circulated with the agenda as Documents S and T. Copies filed in the Minute Book.]

Noted that the External Auditors had identified no material issues that would prevent them from issuing an unqualified opinion.

Resolved that:

(i) Council approve the recommendation of Audit Committee that it approve the audited consolidated Financial Statements of the University for the financial year ended 31 July 2015.

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

19. VALUE FOR MONEY REPORT 2014-15

Considered a report on Value for Money 2014-15, prepared by Dr John Hogan, Registrar.
[Circulated with the Agenda as Document U. Copy filed in the Minute Book.]

Noted that a benchmarking exercise of administrative costs was currently ongoing the results of which would be available later in the current academic year.

Resolved that the Value for Money Annual Report be endorsed for submission to HEFCE.

20. REPORT FROM FINANCE COMMITTEE

Received a report from the meeting of the Finance Committee held on 5 October 2015.
[Circulated with the agenda as Document V. Copy filed in the Minute Book.]
Resolved that Council approve the restated budget for 2015-16 showing the estimated impact of FRS102.

21. NATIONAL STUDENT SURVEY 2015

Received a report on the results of the National Student Survey 2015 from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning & Teaching, on behalf of Executive Board. [Circulated with the agenda as Document W. Copy filed in the Minute Book.]

Noted that:

1. The University had maintained its overall satisfaction score of 91% which placed it joint 6th among ‘full service’ universities and joint first in the Russell Group together with Oxford.

2. Rather than the overall satisfaction score it was likely that the scores for the teaching, assessment and feedback and academic support questions would be used to inform the forthcoming Teaching Excellence Framework (TEF). The University’s score for assessment and feedback (71%) remained behind the HEI average of 73% and it was necessary to improve this in preparation for the TEF.

3. Assessment and feedback was an area where the University had received lower scores for a number of years. Some improvement had been made through the introduction of a 20 working day deadline for the receipt of feedback. This area would be revisited at institutional level and better sharing of good practice would be encouraged. The Students’ Union would also work to engage with students in relation to the areas which had received lower satisfaction scores.

4. It was important to gain a better understanding of the students’ interpretation of the questions they were asked in the NSS. It was suggested that in some cases a void existed between a student’s view of good feedback and that of their tutor and it was necessary to resolve this.

22. STUDENT RECRUITMENT

Received a report from Professor Suzanne Cholerton, Pro-Vice-Chancellor Learning and Teaching, on behalf of Executive Board. [Circulated with the agenda as Document X. Copy filed in the Minute Book.]

Noted that:

1. There had been a significant contribution made by staff across the University during the recruitment, admissions and clearing process and it was important for this to be acknowledged.

2. The decision had been taken to exceed the target for undergraduate students to offset the impact of a projected downturn in international postgraduate taught and international postgraduate research student numbers. This strategy had been successful and undergraduate student numbers were 4% up on target.

23. XIAMEN FEASIBILITY REPORT

Considered a report from Professor Richard Davies, Pro-Vice-Chancellor Internationalisation & Engagement, on behalf of Executive Board. [Circulated with the agenda as Document Y. Copy filed in the Minute Book.]

Noted that:
1. The Xiamen-Newcastle University project had undergone a change in direction since it was first proposed in June 2013. Following consultations across the University, the project had been broadened and the number of potential activities increased. The result was a project which made sense to the staff involved and which involved fewer risks.

2. At this stage the University did not intend to establish a physical presence in Xiamen as expected student numbers in the early years would not be sufficient to make this viable but this would be kept under review.

3. At its meeting on 8 December 2014 Council, had approved the proposal to establish Xiamen-Newcastle University College (XNUC) as a Sino-Foreign collaborative partner. As this was not to be pursued at this stage it was possible that alternative approvals could be required from Senate and Council to reflect the change in direction.

Resolved that Council endorse the change in nature of the relationship with Xiamen University, as detailed in Document Y.

24. URBAN SCIENCES BUILDING

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

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

Reserved Minute.

25. HIGH VOLTAGE INFRASTRUCTURE RENEWAL BUSINESS CASE

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

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

Reserved Minute.

26. ANNUAL ACCOUNTABILITY RETURN TO HEFCE

Received:

(a) The Internal Audit Annual Report 2014-15 prepared by Mrs Juliet Simpson, Head of Internal Audit.

(b) The Annual Assurance Return 2015.

[Circulated with the agenda as Documents BB and CC. Copies filed in the Minute Book.]

27. ANNUAL REPORT ON CHARITABLE STATUS 2014-15

Received the annual report of the Charitable Status for 2014-15.

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

28. CHAIR’S CIRCULAR

Two Chair’s circulars of routine business were sent to members on 27 July and 28 September 2015.

1. 27 July 2015

Approved business:
There were no items of business to approve.

**Items for information:**

(i) Council Effectiveness Review 2014-15  
(ii) Reported Business  
(iii) Council Briefing Lunches

2. **28 September 2015**

**Approved business:**

(i) Policy and Procedure on Public Interest Disclosure (Whistle-blowing)  
(ii) Records Management Policy  
(iii) Statement of Primary Responsibilities

**Items for information:**

(i) Membership of Council  
(ii) Delegation of Powers and Authority  
(iii) Principles of Council  
(iv) Schedule of Council Business 2015-16  
(v) Statutory Returns  
(vi) Reported Business