Present: Mrs M O Grant (in the Chair), the Vice-Chancellor, Mr N Blezard, Ms E Budge (Education Officer), Professor M F Cross, Mr J C FitzPatrick, Ms A Georgiou (President, Union Society), Dr F Harvey, Ms J Henderson, Mr R Hull, Mr M I’Anson, Sir Miles Irving, Mr P M Johnson, Mr S Lightley, Dr L Y J Liu, Professor D A C Manning, Mr S D Pallett, Professor D Parker, Ms J Parkinson, Ms K Priestley, Mr I Shott and Ms L Winskell.

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 Human Resources), Mrs V S Johnston (Executive Director of Human Resources) and Miss E M Niven (Administrative Officer).

Mr M Davison, member of Audit Committee, attended the meeting as an observer.

Mr P M Johnson was not present for item 46.

M I N U T E S

27. DECLARATIONS OF INTEREST

No declarations of interest were received.

28. WELCOME

The Chairman welcomed Ms Lucy Winskell to her first meeting of Council and also Mr M Davison, lay member of Audit Committee, who was attending the meeting as an observer.

29. MINUTES

The Minutes of the meeting of Council held on 26 October 2009 were approved as a correct record and signed, subject to the following amendment to Minute 18, resolution (i):

- delete: resolution (i)
- substitute: The Policy Statement on Research and Charitable Purposes contained in Document S be approved, subject to the following amendment:
  - delete: second sentence
  - substitute: The object of the University is, for the public benefit, to advance education, learning and research.
30. 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 the Health and Safety Executive (HSE) would undertake a routine visit to the University during the week beginning 14 December 2009. The visit was intended to review the University’s management of stress against HSE standards. Meetings would be held with the Vice-Chancellor and a cross-section of staff. Council would receive a report on the outcomes of the visit at its next meeting.

31. MATTER ARISING FROM THE MINUTES

Progress of business

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

32. CHAIRMAN’S BUSINESS

(i) Governing Body-Executive Relationships

There had been a number of articles in the press recently which focused on the relationships between governing bodies and the senior management team at a number of institutions. The issue of the relationship would be taken into account during the University’s forthcoming review of its governance structures.

(ii) Pensions

Pensions remained an area over which there was growing concern amongst university chairs and governing bodies. The Committee of University Chairs (CUC) had established a committee to consider this issue and its first meeting was due to take place on 10 December 2009.

The independent chair of the Joint Negotiating Committee for the USS, Sir Andrew Cubie, had recently indicated that he was prepared to use his casting vote in order to bring about changes to the scheme.

Council would continue to receive updates on this issue at future meetings.

(iii) Leadership Foundation seminars

Mr Bob Hull and Professor David Parker would attend the Leadership Foundation seminar on ‘Governing Body and Executive Relationships: working together to meet the challenges’ on 8 December 2009.

33. VICE-CHANCELLOR’S BUSINESS

Received the Vice-Chancellor’s report.
[Circulated with the Agenda as Document F. 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) Cockle Park Peel Tower

Noted that:

1. The £1.034m which the University was proposing to spend on the Peel Tower would be sufficient to make it safe but a further investment of a similar amount would be required to make it into a useable space.

2. Due to the scale of the work required to make the tower safe, the use of the Long Term Maintenance budget might not be appropriate. Executive Board was asked to review this decision and, if possible, identify an alternative funding stream to cover the cost of this work.

Resolved that Executive Board be asked to reconsider the funding source for the work to be undertaken on the Peel Tower.

(iii) QAA Audit

Noted that:

1. The QAA Audit visit to the University had taken place between 30 November and 4 December. The Audit team had met three groups of staff and it was felt that the University had responded robustly to the auditors’ questions. The audit team had wished to discuss issues such as collaborative provision, personal tutors, how the University managed diversity and how it ensured common standards were adhered to. The Vice-Chancellor would receive a letter before Christmas detailing the outcome of the visit and the full report would be available within approximately three months.

2. There were a number of issues emerging where it would be useful for Council to be provided with further information to enable members to contribute effectively to future discussions. Suggested areas included, tuition fees and Lord Mandelson’s recent Higher Ambitions document. Council members were invited to contact the Chairman of Council or the Pro-Vice-Chancellor Teaching and Learning if there were other areas on which they wished to receive further information.

Resolved that Council record its thanks to Professor Ritchie, Dr Clewlow and their colleagues on the successful completion of the audit process.

(iv) Pay negotiations

Received an oral update from Mrs Veryan Johnston, Executive Director of Human Resources.

Noted that two of the unions had now agreed to recommend the latest offer of an increase of 0.5% to their members. Job security remained a key issue for the UCU. Negotiations would now continue into 2010.

The Executive Director of Human Resources would continue to keep Council informed of developments in this area.
34. ENGAGEMENT STRATEGY

Considered the University’s Engagement Strategy, which took account of comments made by Council on 13 July 2009, Executive Board, the Heads of Unit Forum and Senate.  
[Circulated with the Agenda as Document A. Copy filed in the Minute Book.]

Received an extract from the draft Senate Minutes of 10 November 2009 on Senate’s discussion of this item.  
[Circulated with the Agenda as Document B. Copy filed in the Minute Book.]

After noting that:

1. A task and finish group had been established to prepare the Engagement Strategy, the membership of which was listed on page 18 of the strategy document. The group included representatives from the faculties and Professional Support Services and also student representatives. The views of external stakeholders had been obtained during the strategic positioning exercise.

2. The Strategy Map (p.3) summarised the objectives, themes and practices of the Engagement Strategy. The strategic objectives included in the document were drawn from those set out in the Vision 2021 document.

3. The Northern Rural Network was cited as a good example of the University’s successful engagement with a particular sector in the region and it was hoped that the implementation of the Engagement Strategy would encourage more activities to be developed along similar lines.

4. Page 16 of the strategy document discussed the establishment of an Engagement Coordination Panel (ECP). It was acknowledged that it would be necessary to select carefully the membership of this group to ensure the University obtained appropriate guidance from external members. Council’s advice on how best to identify the members of this group was requested.

5. It was agreed that successful engagement activities should be promoted more widely within and outside of the University. Recruitment and induction arrangements were also to be reviewed and the emphasis on engagement activities enhanced.

6. It was suggested that the structure of the Engagement Strategy document, which incorporated a large number of hyperlinks, should be adopted as a model for future documents.

7. Many external contacts were proud of their association with the University and it was suggested that the University should seek to develop these relationships and make contact with new groups. It was noted that the ‘Public Associates’ scheme referred to on page iv of the strategy document would provide one means of addressing this.

8. An operational plan was to be prepared which would develop many of the ideas referred to in the strategy document.

9. A culture change would be required in order to meet the strategy’s many objectives. Good communication would be essential. A public version of the strategy document was to be prepared and the University would also be able to draw on the skills and expertise of a visiting professor in the Business School, who was an expert in internal communications.
10. A key objective of the strategy was to encourage the view amongst external groups that the University was a good organisation to work with. This would require the University to be aware of the different levels of relationships required. The amount of time, work and PR expenditure that was required to achieve the objectives listed in the strategy should not be underestimated. The University should also identify how it would contact harder to reach groups. Local authorities were identified as being able to provide advice in this area.

11. It was suggested that milestones should be added to the operational plan to enable the strategy’s progress and effectiveness to be monitored.

12. Industries and the business sector often found it difficult to collaborate with universities. The University had an opportunity to differentiate itself from its competitors by seeking to address the needs of business and industry as part of the Engagement Strategy. The University should ensure suitable points of contact for business and industry enquiries were readily available on its website and in external publications.

13. The University was encouraged to produce a fully-costed plan as soon as possible as there were thought to be many hidden costs involved in the strategy’s implementation. It would also be important to achieve value for money. It was noted that this detail would be included in the operational plan. There would be opportunities for third-party investment and it was hoped that the majority of the projects involved in the strategy would be externally funded.

14. Many of the activities referred to in the document were already underway. The operational plan that was to be developed would consider the Engagement Strategy alongside the University’s other strategies and would identify areas of overlap.

15. Where engagement activities did not achieve their stated objectives, the University was advised to put a process in place to identify why this was the case.

16. In order to manage expectations, the University should identify the limits to its engagement activities and communicate these both within and outside the University. It was suggested that activities should be prioritised according to the five strategic objectives and the societal challenge themes.

17. The ‘open chairs’ concept mentioned in the document would be paid for using strategic funds and each faculty would be asked to put a process in place to encourage staff to bid for this funding. It was intended that these posts would pay for themselves in the long term. Governance procedures from the University of Buenos Aires could be used as a model.

18. The implementation of the Engagement Strategy would require a cultural change to take place and this was to be instigated by a change of discourse. Staff would be encouraged to refer to their activities as ‘engagement’ rather than ‘third strand’. The impact of research would become a key feature of the Research Excellence Framework and the University had an opportunity to get ahead of its competitors via the successful implementation of the Engagement Strategy.

Resolved that:

(i) The Pro-Vice-Chancellor Engagement be asked to review Council’s comments and make any necessary changes to the Engagement Strategy document.
(ii) The Chairman of Council, the Honorary Treasurer and the Deputy Chairs be granted delegated authority to approve any subsequent changes to the Engagement Strategy on behalf of Council.

35. LEARNING, TEACHING AND STUDENT EXPERIENCE STRATEGY

Received the revised Learning, Teaching and Student Experience Strategy, which had been approved by Senate on 10 November 2009 and which was being presented to Council for information. Council was invited to feed back any comments to Senate.

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

Noted that:

1. The Strategy was a refreshed version of the University’s Learning and Teaching Strategy, with the addition of integrated enabling objectives for the wider Student Experience, in light of Vision 2021. Key Performance Indicators had also been incorporated and the focus this provided was welcomed.

2. Council was informed by Jacqui Henderson, Deputy Chair of Council, that a good discussion had taken place at the meeting of Senate on 10 November. Council members welcomed the revised version and congratulated the Pro-Vice-Chancellor, Professor Ritchie, on the format and content.

Resolved that the Teaching, Learning and Student Experience Strategy be endorsed by Council.

36. REVIEW OF UNIVERSITY GOVERNANCE (Minute 6, 26.10.2009)

Considered a paper from Dr John Hogan (Registrar).

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

After noting that:

1. The review would consider the structure of Council and Senate and that of the various sub-committees. The relationship with Executive Board would also be considered. The review would seek to identify whether the existing structures allowed Council and Senate to operate effectively.

2. A joint working group of Senate and Council would be set up to conduct the review of the University’s governance arrangements. The Chairman of Council would discuss the proposed membership with Mark I’Anson, Deputy Chair of Council, who had agreed to chair the working group.

3. It would be important to ensure Senate had the opportunity to consider the proposed membership of the working group before it was finalised. Senate was not due to meet until 12 January and this would result in a slight delay in the confirmation of the working group’s membership.

Resolved that:

(i) A joint working group of Senate and Council be set up to conduct a review of the University’s governance arrangements with the intention of reporting in the autumn of 2010, subject to the agreement of Senate.
(ii) **Subject to the agreement of Senate, the membership of the working group should be:**

- A Deputy Chair of Council (in the Chair)
- A Pro-Vice-Chancellor
- Three lay members of Council
- One academic member of Council
- Two members appointed by Senate

(iii) **Mr Mark I’Anson be appointed Chair of the working group.**

(iv) **The Vice-Chancellor be asked to appoint a Pro-Vice-Chancellor to serve on the working group.**

(v) **Members of Council who would like to serve as a member of the working group should contact the Chairman of Council.**

37. **RISK MANAGEMENT**

Reported that:

(a) Executive Board, at its meeting on 24 November, had carried out its annual review of the University’s Strategic Risk Register, alongside the individual risk registers from the central services and the three faculties.

(b) Audit Committee, on 12 November, had also considered this matter.

Considered a report from Executive Board.

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

After noting that:

1. It was suggested that a timescale for the implementation of each of the action points included in the risk register should be added.

2. It was noted that, under risk SR5D – Failure to respond to a severe business disruption event – the University did not have a fully functioning second machine room in place. The University’s essential functions were backed-up via an arrangement with DataBanx but not all services and the University was exploring the possibility of setting up a shared service arrangement with other institutions in the region as a long-term solution.

**Resolved that:**

(i) **Council note Executive Board’s current assessment of the top strategic risks and controls as detailed in Document H.**

(ii) **Executive Board’s decision to change the school/institute risk register review procedure be endorsed.**

38. **STRATEGIC OBJECTIVES – KPIs : RESEARCH QUALITY AND POWER**

Considered a paper from Professor Nick Wright (Pro-Vice-Chancellor Research and Innovation), on the KPI ‘Research Quality and Power’.

[Circulated with the Agenda as Document J. Copy filed in the Minute Book.]
After noting that:

1. The Key Performance Indicator on Research Quality and Power had been prepared using the revised format which had been approved by the Chairman of Council, the Honorary Treasurer and the Deputy Chairs, on behalf of Council.

2. The KPI had been given a rating of Amber/Green as the sector was expecting cuts in funding from the Research Councils and also from charitable sources.

3. It was suggested that Council would benefit from receiving further information on the Research Excellence Framework (REF) and on how the impact of research was to be evaluated. An assessment of the University’s current position in relation to the REF was also requested. The University was in the process of implementing a system called ‘MyImpact’ which was designed to underpin the University’s research portfolio in preparation for the REF. Once this was fully implemented it would be possible to obtain an assessment of the University’s current position and also to monitor its progress towards the REF, which was due to be completed in 2013.

4. The income the University received from patents had recently increased but it was noted that, as with most universities, the income from patents did not provide a significant source of income.

39. REPORT FROM AUDIT COMMITTEE

Considered a report from the meeting of Audit Committee held on 12 November 2009. [Circulated with the Agenda as Document K. Copy filed in the Minute Book.]

(i) External Auditors

Noted that Council discussed the renewal of PricewaterhouseCoopers’ (PWC) contract as External Auditor in light of the report from Audit Committee. It was confirmed during discussions that there were a number of good reasons why the University should retain PWC as the External Auditor at this time. A fuller record of the discussion is retained.

Resolved that:

(i) PricewaterhouseCoopers’ contract as External Auditors be renewed for two years from 1 August 2010 to 31 July 2012 and that a full competitive tender take place in 2012.

(ii) Finance Committee be asked to consider the possibility of retendering for tax planning services at a future date.

The remaining items in the report were noted.

40. PRINCIPLES OF COMMERCIALISATION

Considered a report from Professor Nick Wright (Pro-Vice-Chancellor Research and Innovation) on behalf of Executive Board. [Circulated with the Agenda as Document L. Copy filed in the Minute Book.]

After noting that:

1. A review of the University’s procedures in relation to commercialisation and knowledge transfer activities had identified that there was no clear attribution of these activities within
the University. It was proposed that these activities should now become the responsibility of the faculties, supported by the Professional Support Services.

2. It was also proposed that the planning process should be amended to allow target levels of performance in relation to commercialisation and knowledge transfer activities to be included and monitored. Responsibility for oversight of these activities would be assigned to the relevant Faculty Dean.

**Resolved that Council approve the principle that the academic community was responsible for the commercialisation of intellectual property and wider knowledge transfer to companies.**

41. **EQUITY COMMITTEE**

Considered a report from Mr Richard Dale (Executive Director of Finance) on behalf of Executive Board.

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

After noting that:

1. Given the changes that had been agreed in relation to the University’s commercialisation and knowledge transfer activities (see item 40 above), it would be important to ensure that there were appropriate governance arrangements in place to manage and review these activities following Equity Committee’s disestablishment.

2. Consideration should be given to the role which the various advisory groups played in the University’s governance arrangements. It was important for the advisory groups to maintain appropriate links with Finance Committee. It was suggested that this should be considered as part of the forthcoming review of University Governance.

3. It was agreed that the proposed reassignment be adopted but that the new arrangements and issues be formally considered as part of the forthcoming Governance Review.

**Resolved that:**

(i) **The functions of Equity Committees be reassigned as follows:**

(a) **Strategic matters previously discussed by Equity Committee should be addressed by the Science City Advisory Group recently established by the Vice-Chancellor.**

(b) **Operational matters should be delegated to Executive Board, who would establish an Equity Casework Team to review spin-out proposals with delegated authority to approve cases within present criteria.**

(c) **Any cases requiring financial investment by the University would require Finance Committee approval in line with current requirements.**

(d) **An annual report would be made to Council, via Finance Committee, on all University equity holdings including its spin-out activities. This would fulfil a request made by Council in July 2009.**

(ii) **Equity Committee be disestablished with effect from 31 December 2009.**
(iii) Council record its gratitude to the members of Equity Committee for the valuable service they had provided to the University.

42. ETHICS COMMITTEE

Considered a report from Executive Board, the recommendations in which had been approved by Senate.  
[Circulated with the Agenda as Document N. Copy filed in the Minute Book.]

Noted that:

1. The faculty Ethics Committees were now working well. It was proving more difficult to obtain compliance in all areas but work was underway to address this.

2. The current Chairman of Ethics Committee, Sir Miles Irving, had indicated his intention to step down in the near future. Any member of Council who was interested in becoming a member of this committee was asked to inform the Chairman of Council.

Resolved that the revised membership and terms of reference, as set out in Appendix 1 to Document N, be approved with immediate effect.

43. RESEARCH STRUCTURES

Considered a report from Professor Nick Wright (Pro-Vice-Chancellor Research and Innovation) on behalf of Executive Board.
[Circulated with the Agenda as Document O. Copy filed in the Minute Book.]

Resolved that Council approve:

(i) That the Informatics Institute be re-branded as the Digital Institute for a period of five years from 1 January 2010.

(ii) A change to the type and title of the Institute of Nanoscale Science and Technology, to the nanoLAB Research Centre, for a period of three years from 1 January 2010.

(iii) That the current structures in SWAN and IRES continue until further notice, with the existing Directors in post, until Executive Board was able to give this matter more detailed consideration.

44. REPORT FROM THE UNIVERSITY/UNION SOCIETY PARTNERSHIP COMMITTEE

Received a report from the University/Union Society Partnership Committee.
[Circulated with the Agenda as Document P. Copy filed in the Minute Book.]

Resolved that Council record its thanks to the current members of the University/Union Society Partnership Committee and also to the previous sabbatical officers for the progress made to date in relation to the Union Society’s governance arrangements.

45. NEWCASTLE SCIENCE CITY (Minute 22, 26.10.2009)

Received a progress report from Executive Board.
[Circulated with the Agenda as Document Q. Copy filed in the Minute Book.]

46. HONORARY TREASURER
Considered a recommendation from Nominations Committee that Mr Peter Johnson be re-appointed as Honorary Treasurer for three years from 1 August 2010.

Resolved that the above recommendation be approved.

47. **ANNUAL REPORT OF THE UNIVERSITY (AHEAD 2010)**

Received the annual report of the University.

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

48. **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 R. Copy filed in the Minute Book.]