NEWCASTLE UNIVERSITY
COUNCIL
7 June 2010

Present: Mrs M O Grant (in the Chair), the Vice-Chancellor, Mr N Blezard, Ms E Budge, Professor M F Cross, Mr J C FitzPatrick, Ms A Georgiou, 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, Mr S Pleydell, Ms K Priestley and Mr I Shott.

In attendance: Professor C P Day, Professor C Harvey, Professor O R Hinton, Professor E Ritchie, Professor A C Stevenson and Professor N G Wright (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) and Ms E M Niven (Administrative Officer).

Mr L G Wilson (Head of Capital Development) attended the meeting for item 96. Professor V G Bruce (Chair of Diversity Committee) attended the meeting for item 98.

M I N U T E S

89. DECLARATIONS OF INTEREST

No declarations of interest were received.

90. MINUTES

The Minutes of the meeting of Council held on 29 March 2010 were approved as a correct record and signed.

91. 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 measure and actions taken.

92. 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) Code of Practice for Freedom of Speech (Minute 80, 29.3.2010)

Reported that Council, at its meeting on 29 March 2010, had resolved that members of Council should forward any comments on the revised Code of Practice for Freedom of Speech to the Registrar and that the Code should return to the next meeting for final approval.

Considered the Code of Practice for Freedom of Speech which had been updated since the last meeting following the receipt of comments from a member of Council.

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

1. There remained a number of concerns with the policy as currently written, particularly over its implementation.

2. It was considered that further clarification was required on the procedure for dealing with visiting speakers at the University and the provision made for students and staff to respond to current events. The policy currently required the principal organiser to ‘ensure that at least ten working days before the date proposed for the event written notice of the proposal is given to the Designated Officer’. It was considered that this would limit the ability of students and staff to respond to current events in a timely manner.

3. Some points of the policy related to general housekeeping matters which could be considered out of place in a policy on Freedom of Speech.

Resolved that the Code of Practice for Freedom of Speech be given further consideration and a revised version be presented to Council at a future meeting.

(iii) Strategy for Environmental Sustainability in Operational Areas 2010-13 (Minute 73, 29.3.2010)

Reported that comments from the Union Society had now been received and incorporated in the Strategy which had been approved by the Chairman of Council, Deputy Chairs and Honorary Treasurer on behalf of Council.

(iv) University Safety Policy (Minute 75(i), 29.3.2010)

Reported that the University Safety Policy had been amended in light of the comments made during discussion at the last meeting and had been approved by the Chairman of Council, Deputy Chairs and Honorary Treasurer on behalf of Council.

(v) Annual Health and Safety report (Minute 75(ii), 29.3.2010)

Reported that, at its last meeting, Council had expressed concern at the number of outstanding fire risk assessments and the time estimated for their completion. Significant progress had been made since the previous meeting and all remaining risk assessments were expected to be completed by the end of the current calendar year.

93. CHAIRMAN'S BUSINESS

(i) Leadership Foundation Seminar

Reported that Professor Stevenson and Professor Parker had attended a recent Leadership Foundation Seminar entitled ‘Strategy and Measuring Performance: the role of Governors’. This was considered a useful session which had included a presentation on Exeter University’s ‘Dual Assurance’ mechanism of governance. This model involved two people; a member of the Vice-Chancellor’s Executive Group, who was responsible for the management and development of policy in a particular area of business, and a lay member of Council, knowledgeable in the same area, who provided assurance to Council that this activity was well-managed and that decisions had been reached following due process and appropriate consultation. It had been acknowledged that this model of governance required an increased time commitment by lay members.
(ii) **Induction of Council Members**

Following the outcome of the Working Group on Governance, the Chairman intended to set up a task and finish group to consider the induction process for Council members. The Working Group on Governance had noted that there was scope for improvement in the induction of Senate members and the ongoing development of Council members.

94. **VICE-CHANCELLOR’S BUSINESS**

Received the Vice-Chancellor's report.

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

(i) **Regional Development Agency**

The new government had stated its intention to remove regional development agencies except where there was evidence that they were popular with local authorities and the business community in their region. Where this was the case, the agencies were expected to evolve into local enterprise partnerships. Representatives from ONE North East had attended a recent meeting of Universities for the North East (Unis4NE) where they had lobbied for its continued support. On 17 May, the Association of North East Councils (ANEC) and the Northern Business Forum (NBF) had written to the Secretary of State for Business, Innovation and Skills and the Secretary of State for Communities and Local Government expressing their support for ONE. The Vice-Chancellor, on behalf of Unis4NE, had sent a further letter of support which included a request for a '3-way partnership between, Business, Local Government and Universities' if a local enterprise partnership was to be established (copies of these letters are attached as Appendix I). The Chairman of Council, the Deputy Chairmen and the Honorary Treasurer had been consulted on this and their support had been obtained.

(ii) **NewcastleGateshead’s Economic Masterplan**

The city development corporation, 1NG, was due to launch its economic masterplan (1Plan) on 16 June. The key aim of the masterplan was to set out a blueprint for the economic and physical regeneration of Newcastle and Gateshead. The theme of sustainability which ran throughout the document linked closely with the University’s second Societal Challenge Theme. The University had expressed its support for the 1Plan.

95. **UNIVERSITY BUDGET 2010-11**

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

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

After noting that:

1. The preparation of the budget was linked closely to the strategic planning process. It was thought that the funding from HEFCE for 2010/11 was secure despite any possible changes which could be announced in the Government’s emergency Budget on 22 June.

2. The University was awaiting the outcome of its submission to the HEFCE University modernisation fund but a specific contingency had been included in the budget to mitigate the impact of this not being approved. The University Modernisation fund was intended to fund efficiency projects such as the Procure to Pay project which had already commenced and was on course to deliver significant cost savings.
3. The budget made provision for an additional 50 members of staff across the faculties, which demonstrated the University's intention to continue to invest in its infrastructure.

4. The University was mindful of the potential impact of the Browne review and funds were to be set aside for future projects that would support the student experience, including the University’s contribution to the refurbishment of the Union Society.

5. The University had begun the current academic year on a sound basis and was expected to end it with healthy cash balances. The buoyant international student recruitment market had contributed to this. It would be important to maintain a quality student experience whilst also meeting the budget expectations on international student numbers which could be affected by the introduction of new border controls. A strengthening of the pound could also impact on future recruitment levels.

6. The budget allowed for pay rises of 1.7% and this was expected to be more than was required given that the current final offer from the Universities and Colleges Employers Association was only 0.4%. This had been rejected by the unions however.

7. The risk of further cuts in public spending remained but it was considered that sufficient contingency had been built into the University’s budget to cover any cuts which might affect the Higher Education sector.

8. The Vice-Chancellor had attended a recent meeting of Universities UK at which members had received a presentation from the Institute for Fiscal Studies. It was explained that the Government's main priority was to reduce the country's deficit and that it was expected to do this predominantly by cutting public spending rather than raising taxes. It was thought that public spending would be reduced by between 6% and 6.5% for four years.

9. The Browne review of Higher Education Funding and Student Finance was expected to report in the autumn of 2010. If the review was to conclude that tuition fees should be increased, 2013/14 would be the first year in which any increase could be introduced.

10. The budget included a deliberately pragmatic approach to process efficiency savings. It was possible that more areas of potential savings could be identified but there were risks associated with a more ambitious plan. It was less easy for universities to outsource their activities than other organisations and a change in VAT legislation was required in order to facilitate this.

11. Concern was expressed about the lack of identifiable cost savings arising from process reviews. When asked to review their processes, colleagues were often tempted to improve them which did not necessarily result in them being cheaper. An example of this was the CRM project, which had resulted in a better but more expensive postgraduate application process. This system was expected to lead to improved conversion rates and consequently to an increase in the University’s fee income. As the student population was continuing to grow, it could take some time before efficiency savings became evident.

12. The budget incorporated £9m of explicit contingency and there was also a strategic investment fund which had yet to be committed to specific projects. It was considered that circumstances would have to be exceptional for there to be a need to revisit the faculty base budgets.

13. The Executive Director of Finance and the other members of Executive Board were commended for having produced a helpful document which provided a clear explanation
of the budget. It was agreed that the concepts included in the budget including the contingency arrangements, should be supported.

14. It was important to be mindful of the staff experience as good morale amongst the University’s employees was needed in order to deliver a good student experience.

Resolved that:

(i) The budget for 2010-11, as detailed in Document E, be approved.

(ii) The Faculty of SAgE, in particular, be congratulated for recording a surplus given some of the financial challenges that it had faced.

96. SCIENCE CENTRAL MASTERPLAN

Received a presentation on the Science Central Masterplan from Professor Nick Wright, Pro-Vice-Chancellor Research and Innovation.

Considered a report from Professor Nick Wright on behalf of Executive Board. [Circulated with the Agenda as Document F. Copy filed in the Minute Book.]

A copy of the slides used by Professor Wright in his presentation is filed in the Minute Book.

After noting that:

1. Good progress had been made on the development of the plans for the Science Central site. Council expressed its gratitude to members of the project team for their hard work on this challenging project.

2. The overall Masterplan was considered to be broadly beneficial for the University and appropriate for the site overall. The general intent of the first construction phase was felt to be broadly appropriate but with some concerns.

3. Members of Council were particularly concerned over the unresolved situation with some adjacent sites that were felt to be unsuitable from the University's point of view. This situation was of particular importance for the decision over the location of the Gateway Building.

4. Members of Council were concerned that no contact had been made with the owners of these adjacent sites to see if there was any prospect of the partnership or one of the partners acquiring those sites. Council did note the intention from 1NG to engage with nearby owners on the possibility of purchase, and that Council would like to hear an update on this matter at its next meeting on 12 July

Resolved that:

(i) Permission be granted, on the University’s behalf, for the proposed Masterplan to go out to public consultation, but that Council reserve its position on the location of the Gateway Building.

(ii) Council should receive an update at the meeting of July 12th on progress in acquiring the necessary adjacent sites in an appropriate manner.
97. **STRATEGIC RISK REGISTER**

Considered the updated Strategic Risk Register, as considered and endorsed by Executive Board, together with a paper from Dr John Hogan, Registrar.

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

Audit Committee had also considered and endorsed the Strategic Risk Register. [See Minute 100]

After noting that:

1. Two risks had been identified as requiring more effective controls – SR5C, relating to the control of data, and SR5A, relating to pensions.

2. Actions were being taken to ensure that the University would be fully in control of its data arrangements before the end of the current calendar year. Due to the nature of the pensions arrangements it would not be possible for the University to bring this under full control.

3. It was noted that the number of requests the University was receiving under the Freedom of Information Act had increased significantly in recent months.

*Resolved that the Strategic Risk Register be endorsed.*

98. **EQUAL OPPORTUNITIES ANNUAL REPORT**

Received the Equal Opportunities Annual Report which had been endorsed by Executive Board.

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

Noted that:

1. The report made reference to a wide range of the University's core activities and included a number of significant achievements such as the appointment of the Vice-Chancellor as the Higher Education mentoring champion and the launch of the Changing Age Charter. In September 2009 the University had received the Athena Swan Bronze Award in recognition of its commitment to the advancement and promotion of the careers of women in Sciences, Engineering and Technology.

2. There had been a notable increase in the number of female applicants for academic promotions and a similar increase in the number of promotions approved from female members of staff.

3. Ageing was not included as an item on the Diversity Committee agenda. It was important for the University to be seen to be acting on its own Changing Age Charter.

4. There was an equality aspect to the work undertaken by Redundancy Committee and it was suggested that it should receive information on the gender of the individuals under consideration for redundancy. An impact assessment was underway in this area.

5. The University had received funding to provide careers advice to those at risk of redundancy. The need to offer early-career researchers the opportunity to acquire teaching skills at an early stage was recognised, although this was sometimes difficult to achieve. It was agreed that Council would return to this issue following its consideration by Diversity Committee and Executive Board.
6. Work was underway to determine how the University’s own research could be used to
develop the diversity agenda for students and staff.

7. Council would benefit from receiving the results of longitudinal research which determined
the progress towards professorships for both male and female academics and the
average time taken in each case.

8. The full version of the Equal Opportunities Annual Report (available at:
http://www.ncl.ac.uk/diversity/annualreport/) provided comparative data which suggested
that Newcastle was performing well in relation to the other institutions in its comparator
group.

9. There was a notable difference in performance between male and female undergraduate
students, with a greater proportion of male students receiving lower second class and
third degrees (30.8% against 21% for females).

10. During the next academic year, Diversity Committee would focus on the impact of new
disability and age legislation and the consequences this would have for the
University’s core business.

Resolved that Professor Bruce and Diversity Committee be thanked for their work.

99. STRATEGIC OBJECTIVES – KPIs : A SIGNIFICANT INTERNATIONAL PROFILE

Considered a paper from Professor Ella Ritchie, Pro-Vice-Chancellor Teaching and Learning
on behalf of Executive Board, on the KPI ‘A Significant International Profile’.
[Circulated with the Agenda as Document J. Copy filed in the Minute Book.]

Noted that:

1. The KPI included only three measures at present but the associated text provided further
information about progress made in relation to the University’s international activities. A
KPI on the University’s internationalisation activities at home was in the process of being
prepared and others would be added in the near future.

2. Institutional level strategic partners were identified as being those which could
complement the University’s strategic goals on a number of levels. Following a recent
visit by their representatives, it was hoped that a strategic partnership would soon be
established with the University of Groningen.

3. It was possible to include league tables which could provide detail of the University’s
performance in terms of its international reputation.

4. Other means of assessing international performance included an analysis of international
student numbers and the strategy for future growth but comparative data on these areas
was not readily available.

Resolved that further detail of the University’s developing relationships overseas
should be presented to Council to inform the strategic discussions that would take
place in the autumn.
100. REPORT FROM AUDIT COMMITTEE

Received a report from the meeting of Audit Committee held on 23 April 2010.
[Circulated with the Agenda as Document K. Copy filed in the Minute Book.]

101. REPORT FROM FINANCE COMMITTEE

Received a report from the meeting of Finance Committee held on 2 June 2010.  
[Circulated with the Agenda as Document L. Copy filed in the Minute Book.]

Noted that:

1. A forthcoming valuation of the Science Central land could result in a reduction in the value as stated in the accounts. Finance Committee would continue to keep Council informed of any changes in this area.

2. As requested by Executive Board, Finance Committee had considered a request made by students that the University should adopt an ethical investment policy. For a number of reasons, Finance Committee had recommended that such a policy should not be introduced. It was often difficult to identify companies which had no links at all to the arms trade and the University's investment managers had advised that it would not be possible to manage actively the University's account if all companies with links to the arms trade were removed. The University had a duty to maximise the return on the endowments it received to maintain its sustainability and to do this it had to be possible to manage actively the account.

3. Taking into account financial considerations alone, the decision reached by Finance Committee was considered reasonable. However, it was also necessary to review the ethical dimension and it was suggested that further consideration of this issue should take place.

4. It was noted that there were mechanisms in place to enable ethical investments to be made, such as the FTSE4Good Index Series. However, anything which restricted the companies in which an organisation could invest would ultimately limit the long-term performance of its investments and this clashed with the obligation the University had as a charity to generate the maximum return on the investments it made.

Resolved that a task and finish group be established to further consider the possibility of introducing an ethical investment policy. The group should include academic, lay and student members together with representatives from Ethics Committee, Finance Committee and Executive Board.

102. NAMING OF ROUTES, SPACES AND BUILDINGS

Considered a report from Dr John Hogan, Registrar on behalf of Executive Board.
[Circulated with the Agenda as Document M. Copy filed in the Minute Book.]

Resolved that:

(i) Council approve the guidelines for the naming of new buildings as set out in Document M.

(ii) Council approve the names identified in the naming schedule attached as Appendix A to Document M.
103. **MEDICAL SCIENCES : NAMING OF NEW BUILDING**

Considered a report from Executive Board.
[Circulated with the Agenda as Document N. Copy filed in the Minute Book.]

Resolved that the Medical Sciences new building be named the Baddiley-Clark Building.

104. **UPDATE ON PERFORMANCE OF THE INTO JOINT VENTURE**

Received an oral progress report from Professor Tony Stevenson, Pro-Vice-Chancellor Planning and Resources on behalf of Executive Board.

Noted that contractors were expected to occupy the Herschel and Porter-Cowen sites within 2-3 weeks and construction work was to commence in August. The teaching building was expected to be completed by December 2011 and ready for occupation by February 2012. The residential building was expected to be completed by summer 2012.

105. **RESEARCH STRUCTURES IN THE FACULTY OF SAgE**

Considered a report from Executive Board.
[Circulated with the Agenda as Document O. Copy filed in the Minute Book.]

After noting that all existing academic work of IRES would be fully subsumed within NIReS, and that all external members of IRES would automatically become members of NIReS.

Resolved that the following recommendations be approved, subject to the agreement of Senate:

(i) That, with effect from 31 May 2010, the Institute for Research on the Environment and Sustainability (IRES) cease to continue as an Institute and Professor David Manning cease to be Acting Director.

(ii) That, with effect from 31 May 2010, the Sir Joseph Swan Institute for Energy Research change from an Institute to a University Research Centre, to be called the Sir Joseph Swan Centre for Energy Research.

(iii) That the Sir Joseph Swan Centre for Energy Research be established for a period of three years from 1 June 2010, and that Professor Dermot Roddy be appointed Director for the same period.

(iv) That, with effect from 1 June 2010, the Newcastle Institute for Research on Sustainability (NIReS) be established for a period of five years, with Professor Paul Younger and Professor Tony Roskilly as NIReS Director and Director of Research respectively.

106. **FEES SCHEDULE 2010-11**

Considered the Fees Schedule for 2010-11 which had been endorsed by Executive Board and approved by Senate, subject to the agreement of Council.
[Circulated with the Agenda as Document Q. Copy filed in the Minute Book.]

Resolved that the Fees Schedule 2010-11 be approved.
107. **HEFCE’s ASSESSMENT OF INSTITUTIONAL RISK**

Received a paper from the Executive Director of Finance.

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

108. **REPORT FROM FACULTY APPOINTMENT BOARDS**

Reported that the Chairman of Council, acting on behalf of Council, had approved the recommendation in a report from Faculty Appointment Boards.

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

109. **MEMBERSHIP**

Reported that Ms Lucy Winskell had resigned from her membership of Council, Audit Committee and the Working Group on Governance with immediate effect, following her appointment as Pro-Vice-Chancellor for Regions, Engagement and Partnership at Northumbria University.

110. **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 T. Copy filed in the Minute Book.]

**RESERVED BUSINESS**

111. **REPORT FROM REMUNERATION COMMITTEE**

Considered a report from Remuneration Committee.

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

Noted that:

1. There had been an occasion where two members of Executive Board had been hospitalised at the same time and this had prompted the decision to introduce health screening for all members.

2. From an ethical perspective it was necessary to be mindful of the harm which could be caused by such screening programmes. Those who had received it had considered it to be a positive process.

Resolved that the recommendations in the report be approved.