**NEWCASTLE UNIVERSITY**

**COUNCIL**

**2 October 2023**

**Present:** Paul Walker (Chair of Council), Professor Chris Day (Vice-Chancellor and President), Shah Yaseen Ali (President, Students’ Union), Dr Shoba Amarnath, Tom Caulker, Lulu Chen (Education Officer, Students’ Union), Linda Conlon, Jo Geary, Alex Lamb, Bill MacLeod, Professor Rhiannon Mason, Claire Morgan, Dianne Nelmes, Marta Phillips, Pat Ritchie (Vice-Chair of Council), Nitin Shukla, Professor Brian Walker (Deputy Vice-Chancellor), Angela Woodburn.

 Angela Russell and Mags Scott attended via Zoom.

**In attendance:** Professor Ruth Valentine (Pro-Vice-Chancellor Education) for Item 7 and 8, Iain Garfield (Director of Estates and Facilities) for Item 9, Dr Colin Campbell (Registrar), Justin Cole (Executive Director of External Relations), Nick Collins (Executive Director of Finance) and Dr Simon Meacher (Head of Executive and Governance Office).

**Apologies:** David Bird, Jan Deckers and Jackie Scott

**M I N U T E S**

1. **DECLARATIONS OF INTEREST**

 No declarations of interest were received in advance of the meeting.

2. **MINUTES AND MATTERS ARISING**

 Received the draft minutes of the meeting of Council held on 10 July 2023.

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

 ***Resolved that the minutes of the meeting of Council held on 10 July 2023 be approved as a correct record and signed.***

3. **HEALTH AND SAFETY**

Received an update from the Registrar on behalf of the Executive Director of People Services.

Noted that:

1. The University Health and Safety Committee would be meeting on the 26 October 2023 and the following reviewed management standards would be subject to approval: Fieldwork Management Standard; Diving Management Standard; and Third Party Management Standard.
2. The annual Health and Safety reporting cycle was partly complete with the draft University Annual Report due to be provided to the Health and Safety Committee for consideration. Following agreement by the Committee, the report would be submitted to Executive Board in November and Council in December.

4. **CHAIR’S BUSINESS**

Noted that:

1. The Chair welcomed new members to their first meeting.
2. Following the retirement from Council of Heidi Mottram it was necessary to identify a new Chair of the University-Students’ Union Partnership Committee. On behalf of Nominations Committee the Chair recommended to Council that Pat Ritchie fill the position for the coming year.
3. Council’s next away day would be held in March 2024. It would once again be a joint session with Executive Board. The Chair invited members of Council to suggest themes and topics to assist with agenda planning.

***Resolved that Council approve the appointment of Pat Ritchie as Chair of University-Students’ Union Partnership Committee.***

5. **VICE-CHANCELLOR AND PRESIDENT’S BUSINESS**

 Received the Vice-Chancellor and President’s report. Highlights of this report are provided below.

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

Reported that:

1. Industrial Action

The five days of industrial action previously announced by the University and College Union had not gone ahead following a retraction of the notice to strike. A new national ballot in respect of the 2023-24 pay round was currently running until the 3 November.

The marking and assessment boycott had been withdrawn by the University and College Union as of 6 September 2023. Accordingly, any outstanding marking and assessment would now be returned as soon as possible and Heads of School had been advised that colleagues should prioritise this work.

UNITE had opened a ballot for industrial action on 26 September, closing on 23 October. The ballot related to the 2023 pay dispute.

1. Universities Superannuation Scheme

On 19 July 2023 the USS Trustee had published its Technical Provisions consultation on the assumptions to be adopted for the 2023 valuation. The valuation outcome signaled an expected improvement in benefits to the level of those which had existed before April 2022, and total contributions to fall to a total of 20.6% of salary (from the current 31.4%), with rates of 6.1% for members and 14.5% for employers for at least the next three years.

1. Rankings

The University had been named as one of the top universities in Europe, according to the first ever edition of the QS World University Rankings: Europe 2024 published on 20 September. These were the only significant regional ranking of European universities and saw Newcastle University placed 34th in Europe and 17th in the United Kingdom. The University's work on sustainability was recognized, coming 5th in Europe and 3rd in the UK. For Employer Reputation, Newcastle was ranked 27th and for International Research Network 29th.

Council reflected on the role of NSS results in domestic league tables and the growing number of university league tables and rankings.. Members considered the importance of graduate outcomes and employability and noted the importance of monitoring non-continuations.

1. Student Numbers

The University was on target to achieve its highest ever intake of international students. The impact of this on University finances was not clear at this stage of the admissions cycle. Council noted that the University was working hard to diversify its international recruitment. A detailed report on 2023 admissions would be submitted to the December meeting of Council.

1. London Economics

In a report by London Economics commissioned for Universities UK published in August 2023, it was revealed that the higher education sector had an economic output of £115.7bn in 2021–22 and contributed £71.3bn to the UK’s GDP. In the North East region, the sector’s activities support an estimated 33,500 FTE jobs and the sector had an economic output of £3.8bn and gross value added of £2.7bn.

1. Research Performance

The University had experienced recent success in the number and value of research funding awards, with major awards received for research into energy, electric vehicles and health.

The University was confident that it had sufficient research power to deliver on its research commitments, thanks in part to recruitment via the NUAcT scheme. Recruitment continued to be challenge in keeping with sector-wide developments, although many awards won had been for team-based activities and the University had a low dependency on individual post-doctoral staff to deliver on funding commitments.

It had been announced on 7 September 2023 that the UK would rejoin the EU science research scheme Horizon, and UK based scientists and institutions were now able to apply for money from the £81bn fund. Newcastle had been a major beneficiary of European research funds, and many colleagues would welcome the opportunity to work collaboratively across European borders and to apply, with greater confidence, to the world’s largest research funding programme.

1. Colleague and Student Success

Dr Joanna Matthan, Dean of Academic Affairs at NUMed, had received a National Teaching Fellowship for excellence in teaching within her subject area, anatomy, and her innovative teaching approaches, and Professor Ruth Valentine (Pro-Vice-Chancellor Education) had been awarded a National Teaching Fellowship for her work on improving opportunities to widen student participation.

Professor Jenny Read (Centre for Behaviour and Evolution) had been announced as one of the founding Programme Directors of the Advanced Research and Invention Agency, ARIA.

1. Stephenson Building

The first phase of the redevelopment of the Stephenson Building – the construction of an entirely new part of the building – was complete and ready for teaching after significant efforts from a variety of teams across the University particularly over the summer. Phase 2 (the refurbishment of the existing building) had started and aimed for completion in summer 2024. Council would hold its next meeting in the building in December.

6. **RISK MANAGEMENT**

 Received the full strategic risk register.

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

 Noted:

1. Executive Board recommended improved risk scores for Strategic Risk (SR) 1 Education experience, and SR2 Student wellbeing, following the implementation of mitigating actions as well as improved performance in the National Student Survey and a positive outcome in the Teaching Excellence Framework. This moves both risks from overall red to amber reducing the total number of red risks to three.
2. Council expressed a desire to see more progress in reducing the risk score for SR1 and considered what additional mitigating actions would be needed, including measures for addressing underperformance. It was agreed that Council should hold a strategic discussion on the student experience later in the year.
3. The risk score for SR4 research growth, power and intensivity had been reduced to reflect an increase in new research awards.
4. The risk score for SR7 global vision had been reduced, given the positive nature of the University’s global rank and the launch of new online masters degrees extending the University’s global reach.
5. The risk of potential fraud from direct international applications had increased and, as there had been some evidence of this during the summer intake, the risk score for SR8 had increased.
6. The full risk register would be reviewed by Audit, Risk and Assurance Committee at its next meeting on 7 October, therefore some of the risks may be subject to further change.

***Council confirmed that it had received sufficient assurance that the risks facing the University were being managed appropriately noting that further discission would take place at the upcoming meeting of Audit, Risk and Assurance Committee.***

7. **STUDENT SURVEYS**

The Pro-Vice-Chancellor Education introduced an analysis of the University’s performance in this year’s National Student Survey and Postgraduate Taught Experience Survey.

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

Noted that:

1. Based on average positivity across all questions as calculated by the Times Higher Education, the University was placed 91st out of 114 institutions in the National Student Survey. This compared to 109th in 2022, 97th in 2021, 67th in 2020 and 34th in 2019. Within the Russell Group, the University was ranked 14th on the same measure, out of 23 participating institutions.
2. The Office for Students had published a calculated weighted benchmark for results for each provider. Results at Newcastle level fell below the University’s benchmark for six out of the seven survey themes, however the distance to benchmark had improved compared to last year, closer to pre pandemic scores.
3. Learning resources was the only theme that had reported results slightly above the University benchmark. Themes below the benchmark were: ‘teaching on my course’, ‘learning opportunities’, ‘assessment and feedback’, ‘academic support’, ‘organisation and management’, ‘student voice’.
4. Members noted the headline National Student Survey results by faculty, school and subject area. There was substantial variation in the results showing that students perceive their experience quite differently depending on what subject they are studying.
5. The Russell Group of universities had either below average or average performance in comparison with the whole UK sector (with variation between institutions within the group) so it was a not a high performing group with which to compare the University’s performance. Council agreed that the University should aim to outperform its own institutional benchmark and aspire ultimately to be placed in the top 10% for the whole sector.
6. The University’s performance in the Postgraduate Taught Experience Survey (PTES) indicated a higher level of satisfaction among taught postgraduate students than was the case for undergraduates. In terms of students’ overall satisfaction, 85.3% of students agreed with the statement ‘Overall, I am satisfied with the quality of the course’. This was slightly higher than the score of 83% in 2022.
7. Institutional-level performance in the majority of PTES question groups was strong, with the exception of ‘Community’.
8. In response to the survey results, schools were being asked to reflect on their scores. Last year’s high-level action plans would be rolled forward, taking into account issues highlighted by this year’s data. Action plans would be incorporated into the Annual Monitoring and Review process and considered at faculty level.
9. Members of Council discussed what actions would need to be taken with colleagues to address strategic priorities. Council noted that underperformance was most stark in relation to assessment and feedback as had been the case for a number of years. Cross-university initiatives aimed at enhancing the student experience would be identified in the revised Education Strategy which would be launched in early 2024. A new assessment framework, academic mentoring, closing the feedback loop, and student co-creation would feature among the priorities. In addition, the Students’ Union had this year identified assessment and feedback as one of its campaigns.
10. Council recorded its appreciation for the performance of the University’s student wellbeing provision, noting that access to support and meeting demand were ongoing challenges.

8. **TEACHING EXCELLENCE FRAMEWORK**

The Pro-Vice-Chancellor Education introduced a summary of the outcome of the University’s participation in the 2023 Teaching Excellence Framework (TEF) exercise.

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

Noted that:

1. The University had received an overall Silver rating, which the evidence submitted as part of the provider written submission, supported by details in the student submission had to determine. As expected, the TEF panel had identified pockets of good practice, but commented on no overall embedded consistency in the University’s approach – for all students in all subject areas. This highlighted the need for a new joined up and focussed Education Strategy.
2. The student submission had highlighted issues with respect to assessment and feedback, and this, together with the use of learning technologies, and a revised approach to personal tutoring, were areas that would need to be enhanced. The revised Education Strategy would provide the opportunity to pull together the University’s commitments in these areas.

9. **CASTLE LEAZES**

The Executive Director of Finance introduced a discussion.

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

Noted that:

1. Council received an update on the Castle Leazes redevelopment project. There had been good progress since the update provided to Council in July. The design process had progressed and provided a more accurate view on the design, construction costs and potential room numbers. In parallel, constructive dialogue with the local planning authority had resulted in the selection of a preferred design option to move forward into the next design stage.
2. Extensive work had progressed on a financial appraisal, including independent review. This had concluded that the option of a University-financed self-build was not viable in light of the significant increase in construction costs and interest rates. In light of this outcome, the University had considered alternative financing options including the necessity of working in partnership with a third-party to deliver the redevelopment.
3. The University had taken external financial advice and gathered information on comparable developments in the sector. Alternative financing options included partnerships with specialist third-party providers through structures like a DBFO (Design Build Finance Operate) or an income strip (lease back).
4. The possibility of delaying the project and retaining accommodation at Castle Leazes for the short-term had been explored, but following a detailed assessment of the risks and costs this had been ruled out.
5. An assessment of the student accommodation sector had been conducted, taking into account the major providers who had the scale, capabilities and track-record to partner with on a project of this size. This had included potential partners with current operations in Newcastle, their typical product offering, preferred partnership models and reputational factors (including existing working relationships and student feedback).
6. Initial engagement with major providers had resulted in a formal proposal from Unite Students regarding a joint venture with shared risk and reward. The University’s view was that this represented a viable alternative option with an existing partner with whom it had a strong working relationship. The proposal had subsequently been explored in detail and the University had undertaken its own financial modelling.
7. Finance Committee had considered the progress that had been made in detail at its meeting on 22 September. Four additional lay members of Council had also participated in the meeting where a detailed discussion of a number of questions and challenges had taken place. At the conclusion of the meeting the Committee had agreed to recommend that Council approve the University scoping further the option of a joint venture, and therefore also to enter into a non-binding memorandum of understanding, with a view to developing a detailed business case and joint venture structure.
8. In parallel the University would continue to explore the merits of alternative financing approaches. This approach would allow the project to progress and continue preparation for planning submission. Any final decision to progress will require Finance Committee and Council approval.
9. Members of Council reflected on the project’s progress and the recommendation from Finance Committee. Council noted that the University was taking appropriate steps to secure independent monitoring and assurance throughout the continuing work on this project.
10. Council agreed that it was imperative the University maintain its new student accommodation guarantee. A multi-year accommodation rent strategy would be brought forward for consideration at the next meeting.

***Resolved that Council endorse the University signing a non-binding memorandum of understanding with Unite.***

10. **REPORT FROM FINANCE COMMITTEE**

Received a report from the meeting of Finance Committee held on 22 September.

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

Noted that:

1. The Committee had held a meeting on 22 September 2023 where a detailed discussion took place on the progress of the Castle Leazes redevelopment (see Minute 9 above). Four additional lay members of Council (Claire Morgan, Bill MacLeod, Dianne Nelmes and Marta Phillips) had also attended the meeting.
2. The Committee had considered an update on progress regarding the creation of the Revolving Credit Facility, and a supplier had been identified. ESG and sustainability credentials, as well as alignment of the supplier with the University’s core values, had been considered as part of this process. The University was satisfied that entering into the facility agreement would have no impact on the employer covenants with Universities Superannuation Scheme or the Retirement Benefits Plan pension schemes.

***Resolved that Council approve the final terms of the Revolving Credit Facility arrangement.***

11. **REPORT FROM AUDIT, RISK AND ASSURANCE COMMITTEE**

Received a report from the Audit, Risk and Assurance Committee.

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

Noted that:

1. At its most recent meeting in July 2023 the Committee had conducted ‘deep dives’ into the University’s strategic risks relating to education and the wider student experience, student health and wellbeing, and environmental sustainability commitments.

12. **REPORT FROM UNIVERSITY AND STUDENT’S UNION PARTNERSHIP COMMITTEE**

Received a report from the University and Students’ Union Partnership Committee.

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

Noted that:

1. The report summarised discussions that had taken place between the Students’ Union and the University at meetings of the Committee held on 15 June and 4 September 2023. The meeting on 4 September had been an extraordinary meeting to discuss the NUSU franchise arrangement with Wetherspoons.

**ROUTINE BUSINESS**

13. **SUMMARY FROM THE MEETING OF SENATE: 20 SEPTEMBER 2023**

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

14. **CHAIR’S CIRCULAR**