

NEWMAN UNIVERSITY

COUNCIL

**Minutes of the Meeting held Thursday 22nd November 2018 at 2.30 pm in
ST102/103**

Present:

Mr Jonathan Day	Chair of the Council
Mr Glen Alexander	
Mr Tom Ashford	President, Newman Students' Union (NSU)
Dr John Carlisle	
Professor Scott Davidson	Vice-Chancellor
Ms Gayle Ditchburn	
Rev Canon David Evans	
Ms Deirdre Finucane	
Ms Karan Gilmore	
Mr Colin Harris	
Mr Stephen Kenny	
Ms Julie Jones	
Mr Phillip Lennon	
Professor Femi Oyebode	
Mr Richard Wallace	

In Attendance:

Ms Andrea Bolshaw	Registrar and University Secretary and Clerk to the Council
Professor Peter Childs	Deputy Vice-Chancellor
Mr Tony Sharma	Chief Financial Officer
Ms Jackie Flowers	Minute Secretary
<i>For item 5.4</i>	
Ms Lysandre de-la-Haye	Deputy Registrar

1. Apologies

Apologies were received from Archbishop Bernard Longley and Ms Elizabeth McGrath QC.

2. Minutes of Previous Meetings

2.1 Minutes of the Meeting held on 4th October 2018 (UC 5M18)

The minutes were agreed to be a correct record of the meeting.

2.2 Minutes of the Meeting held on 6th September 2018 (UC 4M18)

The minutes were agreed to be a correct record of the meeting.

3. Matters Arising from the Minutes of the Previous Meetings

3.1 OfS Registration Outcome (UC 43/18)

The Clerk to the Council outlined the provisions of the OfS Registration letter: the requirements for enhanced monitoring; issues the OfS wished to draw to the University's attention; and, the Reportable Events procedure.

The requirements for enhanced monitoring were not a condition of registration but the University had to submit to the OfS details of the actions being taken to improve student outcomes in the following areas: continuation of full-time PGCE students, continuation of part-time other undergraduate and postgraduate taught students, completion of part-time undergraduate students. The Retention and Success Task Group would propose an action plan for consideration by ULT on 7th January 2019 prior to submission by the OfS by 31st January 2019. There was a concern that OfS and Ofsted were using different algorithms in computing PGCE completion outcomes.

It was noted that the action plan did not have to be signed off by Council but would be provided to Council members for information.

Action: Clerk to the Council

Council asked why these particular items had been selected for enhanced monitoring and which benchmarks they were being compared with. A datasheet had been sent by OfS, but no template had been provided for addressing the concern. It was assumed that the OfS wanted an action plan in response. The University could benchmark against the national picture or use other methods of situating itself against similar Universities.

It was agreed that for the next meeting, the data sheet would be circulated to Council members, with current data and the University management's view of the comparison with other institutions in the sector.

Action: Clerk to the Council

The issues the OfS wished to draw to the University's attention were: reducing gaps in continuation of students with disabilities; reducing gaps in attainment and progression for students from some ethnic minority groups; ensuring robust evaluation of the University's activities. The Clerk to the Council said that this was thought to be a standard sentence appearing in several HEI registration outcome letters. The UOT, through the Retention and Success Task Group, would pick up these issues as part of the systems in place to monitor all of the registration conditions.

The OfS further wished to draw attention to condition E1 (Public Interest Governance) noting that it was not evident how processes allowed the Council to make a judgement on fit and proper persons. Further guidance on this was expected from the OfS. The Chair said that the Council had robust principles in place for the appointment of Council members. There was perhaps some more to be done on verification of qualifications and employment history of applicants, for example. However, this could be discussed further at Nominations and Governance Committee once the additional guidance was received from the OfS.

The statement on reportable events was also thought to be a standard paragraph. Members of UOT had been briefed on reportable events and the University Secretary and Registrar had established a system with a shared, secure folder to be used if an event occurred.

The report was noted.

4. Report from the Vice-Chancellor (UC 44/18)

The Council considered a written report from the Vice-Chancellor which covered OfS registration, tuition and fees, VAT, pay and industrial action, pensions, failing institutions, aspects of the TEF, grade inflation, teaching intensity, non-reportable metrics, and research.

Matters arising from the report were as follows.

The Augar review of the funding of post-18 education would be reporting early in 2019. There had been some speculation that fees could be lowered to £6500; such a reduction would mean that many HEIs would require a top-up from the government to remain sustainable.

The proposed increase in employer contributions for the Teachers' Pension Scheme (TPS) would result in additional costs of £450-500,000 each year.

UCU had balloted individual institutions about industrial action in response to the UCEA 2% pay offer. The 50% turnout had been achieved in seven from 146 institutions, and had not been achieved at Newman. It was possible that UCU would now hold a national ballot. Unison had not reached the necessary threshold for industrial action in the ballots recently conducted. The Vice-Chancellor had implemented the UCEA offer and he noted that this had been budgeted for and that income was higher than expected.

With regard to the TEF, the points below were noted.

Following consultation with the sector, the Subject TEF methodology had been changed and a further pilot would be running during 2018/19.

In future, 75% of the metrics for the TEF would concern employability, with 25% based on NSS metrics. The Vice-Chancellor noted the importance of University

colleagues being aware of the need to support students' preparation for employment.

Although there had been a proposal to introduce a new measure of teaching intensity, at present there was no method for its calculation and the proposal had been dropped. Grade inflation, however, remained on the Government's agenda.

An independent review of the TEF was scheduled to take place during the current academic year and the Vice-Chancellor reported that Dame Shirley Pearce had recently been named as the independent reviewer.

The report was noted.

5. Office for Students Accountability Returns

5.1 Scene Setting Paper (UC 45/18)

The Council considered and reviewed the papers in sections 5.2- 5.5 below and the following resolution was agreed.

Resolved UC 15/2018

To authorise the Vice-Chancellor, on behalf of Council, to sign-off against the statements set out in the Annual Accountability and Assurance Return Template.

5.1.1 2017/18 Access Agreement Monitoring (UC 46/18)

The University was required to submit a monitoring return in respect of its Access Agreement to the OfS by 26th January 2019. The CFO introduced a report which outlined the key aspects of the 2017/18 Access Agreement and the University's anticipated performance against the targets and milestones in the Access Agreement. It was intended that the report would form the basis for the University to provide assurance that the Council had monitored compliance with the Access Agreement in force in 2017/18. He outlined the targets and milestones included in the Access Agreement; the activities taken to improve student access; success and progression; and, monitoring.

Council members discussed matters arising from the report, as follows.

The CFO explained the origin of the targets given in tables in paragraph 5 (access) and paragraph 6 (non-continuation) of the report, advising that they were based on performance in previous years

Council members observed that performance against the targets was falling and the implications of this were considered. It was thought that the OfS would expect action plans to be put in place.

The reasons for being under the recruitment target in low participation neighbourhoods were not fully understood but were possibly due to the University's drive to recruit students from a wider area. The immediate environs of the University had the lowest participation rate in the country.

It was noted that the OfS's concern now seemed more with success and completion than with recruitment.

The CFO explained that there was no correlation at the University between socio-economic background and continuation. He said that most non-continuation was due to academic failure.

Council received the report and noted the activity and performance relating to the provisions of the Access Agreement in force in 2017/18.

5.2 Accounts and Audit 2017/18

5.2.1 Audit Findings Report from Grant Thornton (UC 47/18)

The Council considered the Audit Findings Report which covered both the University and Newman Firmtrust Ltd. The CFO explained that the report had been reviewed by the Audit Committee and received by F&GP. No significant issues were raised in the document and an unqualified opinion was anticipated. The two items outstanding were as expected: the signing of the letter of representation and post balance sheet events; both would be completed over the next few days.

The Auditors had identified a small control deficiency in the journal entry process and the CFO reported that action had been taken in response to restrict the access levels of senior personnel to that of purchase invoice approval only.

The draft Audit Findings Report was received.

5.2.2 Letter of Representation to Grant Thornton (UC 48/18)

The Council received a copy of the Letter of Representation to be provided to Grant Thornton. It had been recommended for approval by the Audit Committee at its meeting on 12th November 2018. The Letter provided assurance to the auditors that the University had given them relevant and complete information. Attention was drawn to the need for the Council having made such enquiries as considered necessary for the purposes of informing itself. It was considered that the

accounts had been considered and reviewed by the Audit Committee and by the Finance and General Purposes Committee and that consequently the necessary enquiries had been made.

Resolved UC 16/2018

To authorise the Chair to sign the Letter of Representation on behalf of the Council.

It was noted that the Letter of Representation would also be signed by the Vice-Chancellor and the CFO.

5.2.3 Newman University Accounts for Year Ended 31st July 2018 (UC 49/18)

The Council received a copy of the draft set of Financial Statements for the year ended 31st July 2018 and a table giving amendments agreed by the Audit Committee at its last meeting.

Resolved UC 17/2018

To approve the Financial Statements and to authorise the Chair to sign them on behalf of the Council.

The Council commended the ULT on the achievement of the surplus at a difficult time.

5.2.4 Financial Forecast Commentary (UC 50/18)

The CFO advised that the OfS required HEIs to provide a Financial Commentary, approved by the Governing Body. The commentary had to include an explanation of material variances between the audited accounts and the forecasts submitted in September and information about emerging risks. He said that the only material change in the forecast for 2017/18 was the provision for the restructuring of a research project and academic areas. An emerging risk was the increase in employers' contributions to the Teachers' Pension Scheme, which together with the pay award and incremental wage inflation was likely to cause a significant increase in pay costs of around 6% in 2019/20.

Resolved UC 18/2018

To approve the Financial Commentary for submission to the OfS by the Vice-Chancellor.

5.3 **Annual Report of the Audit Committee to the Council (UC 51/18)**

The Chair of the Audit Committee presented the Committee's annual report to the Council. He noted one slight change in format from last year in respect of moving Committee agendas to an appendix. He drew attention to the Committee's opinions on the University's control systems in paragraph 32. Council suggested that the audit opinions could be mapped against the Letter of Representation to confirm that it was receiving assurance on all the items in the letter and to identify which points were covered by the Audit Committee and where else assurance could be found.

Action Chair of the Audit Committee/Clerk to the Council

The Chair of the Audit Committee gave an update on the tendering process for the University's External Auditors. The last tender had been in 2010 and since then there had been a value review in 2015/16 rather than a formal tender. On the basis of the value review, and because of the consolidation of the accounts of the University and Newman Firmtrust, Grant Thornton had remained as External Auditors. When only the University accounts were to be audited, there would be a tender. This was not a reflection on the service provided by Grant Thornton but good practice due to the time that had lapsed since the previous formal tender process.

Council members discussed whether it was important that external auditors appointed had experience of the HE sector; it was felt that while it was not essential for it to be a large national or international firm, a smaller local firm would need to have some exposure to the sector. It was noted that this could be facilitated by use of expression of interest stage which asked both national and local firms to express interest in going on tender list.

Council members were requested to contact the Chair of the Audit Committee should they have any comments or suggestions on the process.

Resolution UC 19/2018

To approve the Annual Report of the Audit Committee to the Council.

5.4 **Senate Annual Report and Action Plan (UC 52/18)**

The Chair reminded Council members that since 2016, governing bodies were required to receive and consider an annual report on the quality assurance of the student experience and outcomes. The OfS had given guidance on the submission of the Annual Assurance Return and the format was little different from the previous years. The annual report was introduced by the Deputy Vice-Chancellor who

noted that it had been reviewed and approved by Senate and the Learning, Teaching and Academic Quality Committee (LTAQC). The report gave an overview of processes, changes during the year, and actions taken. It was supplemented with attachments which covered the newly approved committee structure, the outcomes of validations and revalidations, and changes to the General Academic Regulations.

The Deputy Registrar highlighted the main aspects of the report, drawing attention to those which indicated the dialogue between Council and Senate: the annual joint meeting of Council and Senate, the inclusion of the summaries of minutes of Senate Committees in the Senate minutes which were included in Council agenda papers. In future, the summaries of the meetings of the newly established Task Groups would also be included. She noted the importance of the work of the Task Group on Retention and Success, particularly in the light of the OfS enhanced monitoring requirements; and also the new Student Experience Committee which would promote enhancement and student engagement.

In response to a question about changes to the committee structure, the Deputy Vice-Chancellor said that the new structure would enable a focus on topics which the OfS would be monitoring and, in the creation of the LTAQC, also ended the rather artificial divide between quality assurance and quality enhancement.

Council noted the increasing number of bodies who set standards and regulations for the University: QAA; OfS; Ofsted; professional, statutory and regulatory bodies (PSRB); and the CMA. The Vice-Chancellor advised how the engagement of academic staff was being facilitated through the work of the task groups and by training; for example, there was currently a programme of training being undertaken with staff on CMA requirements.

Referring to agenda item 3.1 above, the Clerk to the Council drew attention to the discussion which had taken place in the Retention and Success Task Group in response to the OfS outcome letter. The Task Group had found that the completion rate for the full time PGCE programme had been negatively affected by the design of the programme which allowed students to opt for, and exit with, a Professional Graduate Certificate in Education and recommendation for QTS although this was not the award for which they had originally registered.

Resolved UC 20/2018

To approve the Annual Quality Review Report.

5.5 Annual Report of the Remuneration Committee to the Council

(UC 53/18)

The Council considered the Annual Report of the Remuneration Committee and an annual statement for publication which was based on the structure required by the OfS and outlined by CUC. The Clerk to the Council said that the Committee had been guided by the CUC Code for remuneration to be at an appropriate and justifiable level and to be conducted fairly and transparently. The report covered the terms of reference and membership of the Committee and the process for setting remuneration of senior postholders. Minutes of meetings of the Committee had not been included as they contained personal data of individuals.

There was a discussion about the potential award of bonuses, with a concern expressed about the possible negative impact of undermining teamwork and collaboration, for example. It was noted that bonuses had not been given, but that it was not uncommon in the sector and that there may be external pressure for target-based compensation. It was felt that the Committee had to have a regard to the market and so the ability to award bonuses should be retained.

In the draft annual statement for publication, it was not considered necessary to include the actual rent paid by the Vice-Chancellor as it was stated that the rent was at full market value.

Action: Clerk to the Council

Resolved UC 21/2018

To approve the Annual Statement for publication

6. Prevent Annual Return (UC 54/18)

The University's Governing Body Annual Accountability and Data Returns Submission to the OfS on Prevent, the Prevent Risk Register and the Accountability Statement were considered by the Council.

The Clerk to the Council advised that an Annual Report was no longer required, nor did the Prevent Risk Register have to be submitted. However, there was increased emphasis on the accountability of the governing body to provide assurance that the University continued to give due regard to the Prevent duty. The Audit Committee had responsibility for the review of the University's overall Risk Register and had considered and approved the Return at its meeting on 12th November 2018.

She observed that there had been some concern in the sector about the obligation to return the number of welfare cases referred for specialist advice and support as a 'score-card' value. This had previously been requested in narrative format but now appeared to be seen as a metric. She had completed the text for the Welfare section in line with advice that had subsequently been received from the OfS. She clarified that in the table for the Return, the figure of 19 in the

number of welfare cases referred for specialist support and advice related to individuals and not occurrences.

In respect of training for Council members, the Clerk to the Council noted that there was a general Prevent briefing in 2016, and two recently appointed Council members had completed the University's on-line training. The University was arranging on-line training on safeguarding for staff, and members of Council might wish to undertake this training when it was available.

During discussion, there was concern that two entirely different safeguarding issues were being conflated. A welfare case might, for example, be about poorly controlled diabetes, which was not a Prevent matter. The Clerk to the Council reported, however, that the welfare data would not be published.

It was observed that on the Prevent Risk Register, there was a Red rating for the radicalisation of students by factors external to the University and that the University had very little control over external influences, especially as Newman was in a major conurbation and that many of its students lived at home.

Resolved UC 22/2018

To approve the Annual Accountability and Data Returns submission to the OfS on Prevent for signing by the Chair of the Council.

7. Institutional Sustainability and Risk Management

7.1 Risk Register and List of Principal Risks (UC 55/18)

The Clerk to the Council introduced a report on risk management. She outlined the University's process for risk management: risk owners reviewed their risks and suggested changes as necessary, these were considered by UOT who oversaw the Register as a whole. The Risk Register was reviewed regularly (usually three times a year) by the Audit Committee.

The Audit Committee had considered the Register at its last meeting on 10th November 2018. The material change made by the Committee had been to re-categorise the data protection risk (risk 23) from green to amber because of the quantity of work still to be completed. The Committee had commended the great amount of work already undertaken.

In respect of risk 3 (failure to achieve plan student numbers), the Clerk to the Council reminded members that at an earlier meeting Council had suggested that where risks had crystallised, there should be a maximum rating of 18. The change to the risk score had not been made because as student recruitment had nearly been to target, the risk had not crystallised.

It was observed that the Assurance column of the Register was important and more information could be given on the nature of the assurance, for example, was it internal or external, monthly or yearly? In respect of risk 15, it was noted that audit was the assurance that control was operating and not the control.

Council members emphasised the importance of identifying emerging risks.

Action: Clerk to the Council

Resolved UC23/2018

To approve the Risk Register accordingly as per the University's management processes detailed above.

8. Financial Matters

8.1 Recruitment and Enrolment Update (UC 56/18)

The CFO presented a report which gave an update on recruitment and enrolment for the academic year 2018/19. Recruitment was higher than expected. Conversion rates were lower, which was felt to be because of the volatility of the market. There had been a decrease in recruitment to single and joint honours degrees, although overall student numbers were broadly the same.

The CFO advised that a report on student retention was being prepared for the January meeting of the FGPC.

The Council commended the ULT on a good outcome, given earlier projections.

The report was noted.

8.2 Financial Position – Update for 2018/19 (UC 57/18)

A financial update for 2018/9 was given by the CFO. The University expected to achieve the budgeted surplus of £565,000. The student headcount was about 10% higher than projected and income was likely to be greater than budget by £1.5m due to increased income from tuition fees. Whilst some marginal costs would rise as a result of the higher recruitment and the potential rise in pension costs had to be taken into account, the University would be considering how best to use the increased funding for the benefit of students. He gave some possible examples for investment: areas which had their budgets reduced this year to balance the budget; and implementation plans arising from the work of the Task Group on Retention and Success and the Task Group on Employability.

The Council received the update.

8.3 Loan facilities (UC 58/18)

A report giving the options being considered after the two-year revolving credit facility (RCF) ended in August 2019 was introduced by the CFO. He noted that the external loan had been required to support the funding of the Estates Strategy. He explained that the two options being considered were a replacement RCF or a fixed rate term loan and the report gave

a comparison and discussed the relative merits of both options. At its last meeting on 7th November 2018 the FGPC had agreed that firm proposals would be considered at its meeting on 29th January 2019. The FGPC would then make recommendations for approval by Council at its meeting in February or April 2019.

The Council noted the report.

9. Council and Governance Matters

9.1 Membership and Committee Update (UC 59/18)

Mr Alexander left the meeting for this item.

The Clerk to the Council presented a report from the Nominations and Governance Committee (NGC) giving an update on recent changes to Council membership and seeking ratification of changes in membership of Council and its committees.

The Committee had recommended that Mr Glen Alexander be appointed for a third term of three years.

Resolved UC 24/2018

To ratify the appointment of Mr Alexander for a third term of three years.

The NGC, having considered the skills and experience of Council members and the needs of the committees, had made recommendations to the Council on membership changes.

Resolved UC 25/2018

To ratify the recommendations of the NGC as follows:

1. Ms Karan Gilmore be appointed to the NGC.
2. Ms Gayle Ditchburn be appointed to the NGC.
3. Ms Julie Jones be appointed to the Audit Committee.
4. Mr Richard Wallace be appointed to the FGPC.

The Council noted that Mr John Westwood had resigned for personal reasons. Council members expressed appreciation for his work during his three years of service and wished him well for the future.

The Chair thanked all committee members and committee chairs for their service.

9.2 Staff Governor Appointment Process (UC 60/18)

It was noted that a Council vacancy had arisen following the resignation of staff Council member, Dr Karen Graham, who left the University in October 2018. The Nominations and Governance Committee on 4th October 2018 had considered that this gave an opportunity to review the appointment procedure for staff governors. The historical approach of an election did not offer the chance for the NGC to analyse the skill set of the candidates against the overall skill set of council members. It had further been felt that an electoral process could lead to the staff governors being seen as staff representatives rather than as an equal trustee with all of the relevant responsibilities.

The Clerk to the Council advised that the Instrument and Articles did not restrict the method of appointing staff.

The Council reviewed the proposed changes and agreed as follows.

Resolved: UC 26/2018

1. that two separate categories of staff membership (for academic staff and for professional services staff) be replaced with two staff member governorships for which all staff were eligible were to apply;
2. the process of appointing staff governors be the same as that of external Council members through the NGC and not through an election;
3. that NGC review staff applicants against the skill set required and recommend to Council a preferred candidate;
4. the terms of office of the two staff governors be staggered to ensure continuity.

Action: The Clerk to the Council to notify all staff to advise them of the new process and to invite applications.

It was noted that this did not affect the position of the remaining staff governor, Mr Colin Harris, but would apply to the current and future vacancies for staff governors.

Items 10 – Reports from the Council Committees, 11 – Reports from Senate and 12 – Internal Reports were carried over to the next meeting.

13. Any Other Business

- 13.1 The organisers of the Graduation Day were commended for a successful and enjoyable day.

13.2 Thanks were given to the Project, Policy and Governance Support Officer for her help with Moodle.

14. Date of the Next Meeting

Wednesday 27th February 2019 at 2.30pm.

The Council
Action Plan from the meeting held on 22nd November 2018

Minute	Agenda Item	Action to be Taken	Person Responsible
3.1	OfS Registration Outcome	Report to OfS to be copied to Council members	The Clerk to the Council
		OfS Data Sheet, current figures and management view of the comparison with other institutions to be considered at the next meeting.	The Clerk to the Council
5.3	Annual Report of the Audit Committee to the Council	Audit opinions could be mapped against the Letter of Representation to confirm that it was receiving assurance on all the items in the letter and to identify which points were covered by the Audit Committee and where else assurance could be found.	Chair of Audit Committee/Clerk to the Council
5.5	Annual Report of the Remuneration Committee	To amend the draft annual statement for publication in respect of rent paid by the Vice-Chancellor.	Clerk to the Council
7.1	Risk Register and List of Principal Risks	To note the suggestions made for future presentation of the Register.	Clerk to the Council
9.2	Staff Governor Appointment Process	To notify staff of the changes to the process and to invite applications.	The Clerk to the Council

