Bangor University

**COUNCIL MINUTES**

At a meeting of the Council held on the 8th July, 2016.

**Present :**

Dr Alwyn Roberts (Chair), Mrs Steph Barbaresi, Professor Gillian Davies, Professor Andrew Edwards, Dr. Peter Higson, Professor John Hughes, Professor Jerry Hunter, Mr. Ifan James, Dr. Griff Jones, Mrs Alison Lea-Wilson, Professor Richard Parry-Jones, Ms. Ellen Parry Williams, Professor Jo Rycroft Malone, Mr Conor Savage, Professor David Shepherd, Professor Paul Spencer, Professor Carol Tully, Mr. David Williams, Dr. Olwen Williams, University Secretary, Director of Estates, Director of Finance and Director of Human Resources.

**Apologies :**

The Rt. Hon Lord Dafydd Elis-Thomas AM, Dr. Karen Jones, Dr. Lorrie Murphy and Professor Oliver Turnbull.

**WELCOME**

The Chair welcomed the new President of the Students’ Union, Conor Savage, to his first meeting.

**DEATHS**

The Chair referred to the recent deaths of:

Dr Jessica Maynard, former Member of staff in the School of English

Professor David Loades, former Member of staff in the School of History

Dr Tony Jones, former Member of staff in the School of Ocean Sciences

Ms Hannah Prangnell, former Member of staff in ELCOS

Dr Sandra Betts, former Member of staff in the School of Social Sciences

Professor Robert McNeill Alexander, former Member of staff

and members stood in tribute to their memory.

**CONGRATULATIONS**

The Chair expressed the Council’s congratulations to the following who had been awarded a **Personal Chair** :

Dr Aziz Jaafar, Business School

Dr Emily Cross, Psychology

**On the award of a Readership :**

Dr Jaco Baas, Ocean Sciences

Dr Mattias Green, Ocean Sciences

Dr Peter Shapely, History, Archaeology and Welsh History

Dr Alexander Sedlmaier, History, Archaeology and Welsh History

Dr Helen Henningham, Psychology

**On the award of an Honorary Chair :**

Professor Thomas Watkin (extension)

**Other successes were also highlighted:**

The [Bachelor of Midwifery](https://www.bangor.ac.uk/courses/undergraduate/B720-Midwifery/) programme at Bangor University has reached “Stage 1” of their journey towards achievement of UK UNICEF Baby Friendly Initiative (BFI) University accreditation. Currently, there are no other midwifery programmes in Wales that have reached full BFI accreditation with only 36% of midwifery programmes in the UK having reached full accreditation.

The fifth annual Student Led Teaching Awards ceremony was held recently, celebrating the high standard of teaching and pastoral support at the University. Nominations have more than doubled since last year. 700 staff were nominated for 15 categories, and this year there were two special recognition awards for Sophie Williams and Stephen Colclough (deceased).

**FRS 102 – THE NEW FINANCIAL REPORTING STANDARD**

1. A presentation was provided by the University’s external auditors, KPMG, on the new Financial Reporting Standard - FRS 102.
2. The Council’s attention was drawn particularly to the underpinning principles of the new standard and likely increased volatility in reported accounts, the two key accounting choices that the University has to make about capital grants and revaluing land and buildings, and some benchmark information about how other HEIs have decided to proceed.
3. The Council noted the presentation and the need to manage the presentation of the accounts to stakeholders, especially in the light of increased volatility. It was noted that the changes would have no impact on cash flow or the cash impact of decisions.

**MINUTES**

The Minutes of the meeting held on the 15th April 2016 were confirmed and signed.

**VICE-CHANCELLOR’S BUSINESS**

The Vice-Chancellor raised a number of issues with the Council.

1. **The EU Referendum**: It was noted that, following the vote to leave the EU, uncertainties remain about the impact on the University. The University is taking a pro-active approach to reassure staff and students. During a recent meeting with the Secretary of State for Wales, the importance of European funding and free movement were discussed. Universities UK is continuing to advise HEIs and engaging with Ministers on replacement funding.
2. **Pro Vice-Chancellors**: On the recommendation of the Vice-Chancellor, the Council ***resolved*** that the appointments of Professors David Shepherd and Carol Tully be renewed for a further term of 5 years from the 1st August 2016.
3. **National Research Centre**: It was noted that discussions are ongoing with Government and the Menai Science Park regarding a transformational collaborative project to establish a National Research Centre for renewable energy.

**REPORT FROM THE EXECUTIVE**

1. The Report of the meetings of the Executive held between April 2016 and June 2016 (attached as Appendix I to the official copy of the Minutes) was considered.
2. Following a recommendation from the Executive, it was ***agreed*** to change Ordinance XXI to bring it in line with Ordinance XXII and allow decisions about Established Chairs to be made by Professors and Readers Committee, and reported to the Council.

**FINANCIAL FORECASTS**

1. The Director of Finance presented the draft 5-year financial forecasts. He noted that the expected outturn for 2015/16 is a deficit of £1m, a deterioration of £3.1m against last year’s forecasts.
2. The Council’s attention was drawn to the fact that the plan had been developed, and covenant tests measured, on UK GAAP in line with previous years. The plan would then be restated under FRS102 in line with HEFCW requirements, following clearance by external audit.
3. The Council noted:

[1] The need to produce forecasts that ensure that all active covenant tests on loans and HEFCW requirements are met in future years. The EBITDA/Service costs ratio requirement to be greater than 1.5 would be challenging, particularly in 2016/17.

[2] Core income assumptions in the plan going forward included 2-3% growth in home and 5-8% growth in international student numbers, 2.5% increase per annum on international and part-time fees, funding grant as per HEFCW guidance but subject to potential clawback, and no endowments and minimal interest received.

[3] Expenditure assumptions included modest increases in pay costs in the academic domain to improve student-staff ratios and maintain the student experience, cash-flat budgets for central service departments, and increased depreciation costs associated with Pontio and Marine Centre Wales.

[4] The Forecasts included an assumption of a £5m savings programme, focussed on non-pay and other support costs.

[5] Two capital expenditure scenarios were modelled – option 1 with continued immediate major capital investment supported by EIB loan drawdown, and option 2 with a hiatus in the capital investment programme whilst options are explored. The second option could jeopardise access to EIB funds which were required to be drawn down by March 2017.

[6] The resulting forecasts for scenario 1 resulted in a break-even position in 2016/17, followed by a surplus of £1.3m in 2017/18, rising to £3.3m by 2019/20. In this scenario the covenant tests were at risk if the savings could not be delivered in year. In scenario 2 the surplus position was slightly higher in future years and the headroom on covenant tests was greater.

[7] Concern was expressed about the variability in the forecasts over recent months and the timeliness and accuracy of financial information.

1. After a full discussion, it was **resolved** that:

[1] A radical review is required of the University’s cost base and revenue streams, including a sensitivity analysis. A sustainable financial plan should be developed with a clear plan for delivery and a more robust approach to cost control, for consideration at the September meeting of the Council. This plan should underpin the high level 5-year financial forecasts, and provide confidence that the ambitious capital developments can proceed.

[2] This should be accompanied by a capital expenditure plan which aligns more closely with the emerging estates strategy, incorporating potential grant funding, disposals and other financial restructuring of assets. This plan should include an analysis of the impact on backlog maintenance.

 [3] In the meantime, the high level 5-year Financial Forecasts be approved for submission to HEFCW in line with scenario 1, and that the Treasurer be authorised to sign the forecasts and supporting commentary.

**STUDENTS’ UNION STRATEGIC PLAN**

1. The Director and President of the Students’ Union presented the new Students’ Union Strategic Plan. The strategy had been developed following stakeholder engagement and consultation, and outlines a new purpose, vision, values and strategic priorities.
2. The Council noted that the ambitious strategy would be delivered over a three year period and would be prioritised and accompanied by annual operational plans. The plan is not an isolated document and maps across to Bangor University’s Student Experience Strategy and the activities of the Student Services Department. It also resonates with the Welsh Government’s Future Generations Act.
3. The Council welcomed the plan and the University’s healthy partnership with the Students’ Union.

**ESTATE STRATEGY**

1. The Council noted a brief progress report from Cushman and Wakefield on the developing Estate Strategy. Meetings had recently been held with a number of Council members and the offer was made available to all members to meet with Cushman and Wakefield to discuss the emerging options in more detail.
2. The Council noted the importance of improving the efficiency of the estate, both in terms of occupancy and energy use.

**FINANCE AND RESOURCES COMMITTEE**

1. The reports of the meetings of the Finance and Resources Committee held on the 9th May and 20th June 2016 (attached as Appendix II to the official copy of the Minutes) were approved.
2. With particular reference to :

[1] Minute 592 (**HEFCW Fee & Access Plan**): The Committee had endorsed the direction of the draft plan and authorised the Chair to sign-off the initial submission to HEFCW and the subsequent re-submissions. It was noted by the Council that HEFCW had requested a number of minor changes and the plan was likely to be approved by the end of the month.

[2] Minute 610 (**Estates Matters**): It was noted that the University is awaiting practical completion on Pontio before pursuing the contractor for losses.

**AUDIT AND RISK COMMITTEE**

The Report of the meeting of the Audit and Risk Committee held on the 4th May 2016 (attached as Appendix III to the official copy of the Minutes) was approved.

**BILINGUALISM COMMITTEE**

1. The Report of the meeting of the Bilingualism Committee held on the 2nd June 2016 (attached as Appendix IV to the official copy of the Minutes) was approved.
2. With particular reference to Minute 347 (**Comparative Data**): the Council noted concerns about the future of teaching training courses and the impact on Welsh medium provision at Bangor University.

**ETHICS COMMITTEE**

1. The Report of the meeting of the Ethics Committee held on the 11th March 2016 (attached as Appendix V to the official copy of the Minutes) was approved.
2. With particular reference to :

[1] Minute 221 (**Procedure for Approval and Registration of Sensitive Research Projects**): Following a robust discussion, the Committee approved the new procedure, which would be kept under review.

[2] Minute 213[b] (**College/School Academic Ethics Committees**): The Committee agreed that a standing sub-group be established to oversee clinical trials governance processes within the School of Healthcare Sciences.

**NOMINATIONS AND GOVERNANCE COMMITTEE**

1. The Reports of the meetings of the Nominations and Governance Committee held on the 15th April 2016 and 27th May 2016 (attached as Appendix VI to the official copy of the Minutes) were approved.
2. With particular reference to :

[1] Minute 120 (**Appointments to Committees and Other Representatives**), appointments to the St. Mary’s Trust and the Menai Science Park Ltd were noted.

[2] Minute 122 (**Review of Governance**), changes to the schedule of Council meetings and Court for 2016/17 were noted.

[3] Minute 124 (**Council Membership**), following advertisement, 13 applications had been received and were considered against current gaps in the Council Skills Matrix and 7 were invited to interview. The Council ***resolved*** that an open advertisement be used when recruiting members to the Council in future.

 The Council ***agreed*** that the following are appointed as co-opted members of the Council from 1st September 2016 for an initial term of 4 years:

* Marc Proudlove Jones
* Professor Graham Upton
* Vice-Admiral Sir Paul Lambert

**REDUNDANCY COMMITTEE**

1. The Report of the meeting of the Redundancy Committee held on the 9th May 2016 (attached as Appendix VII to the official copy of the Minutes) was approved.
2. With particular reference to Minute 3 (***Bangor University Welsh for Adults Provision***), the Council noted that, after a detailed discussion and consideration of a number of options, the Committee had agreed to recommend that the 4 staff should be dismissed by reason of redundancy should no suitable alternative employment opportunities be identified.

**HUMAN RESOURCES MATTERS**

1. The Council received a report on Human Resources matters. The continuance of action by UCU was noted.
2. The Council noted the new Strategic Equality Plan and the associated action plan and the latest annual progress report.
3. It was resolved that Professor Deri Tomos be granted the title ‘Emeritus Professor’.
4. A list of recent appointments was received.

**SENATE**

The minutes of the Senate meetings held on the 1st March 2016 and 3rd May 2016 were received for information.

**KEY PERFORMANCE INDICATORS**

1. The Council received data concerning research grants and contracts awarded, student numbers, applications and quarterly financial performance indicators.
2. It was noted that the numbers of firm accepts for both Home/EU and Overseas undergraduate programmes were higher than at the same point last year. Applications and acceptances for postgraduate programmes were also strong.

**UPDATE FROM THE STUDENTS’ UNION**

The Council received an update report from the Students’ Union for information.

**SEALING**

The Council ratified the sealing of documents listed in Agendum 13.

**VALEDICTION**

The Chair expressed thanks to Miss Fflur Elin who has completed her term as President of the Students’ Union and wished her well in her future with NUS Wales. Thanks were also expressed to Mrs Lyn Meadows, Director of Human Resources, who is retiring from the University.