Bangor University

**COUNCIL MINUTES**

At a meeting of the Council held in the University on Friday, 13th July2018.

**Present**:

Mrs Marian Wyn Jones (Chair), Dr Tzo Zen Ang, Mrs Stephanie Barbaresi, Dr Tomos Dafydd, Professor Gillian Davies, Professor Andrew Edwards, Dr Peter Higson, Professor John Hughes, Professor Jerry Hunter, Dr Griff Jones, Dr Karen Jones, Mr Marc Jones, Dr Lorrie Murphy, Mrs Alison Lea-Wilson, Sir Paul Lambert, Ms. Ellen Parry Williams, Miss Julie Perkins, Miss Ruth Plant, Professor Gareth Roberts, Miss Mirain Llwyd Roberts, Professor Jo Rycroft-Malone, Professor Paul Spencer, Professor Carol Tully, Professor Oliver Turnbull, Professor Graham Upton, Mr David Williams, Dr Olwen Williams, the University Secretary, the Director of Human Resources and the Director of Finance.

The Director of Alumni & Development and the Executive Director of Marketing & Recruitment were also in attendance.

**WELCOME**

The Chair welcomed Gethin Morgan, the new UMCB President, to his first meeting of the Council.

**DEATHS**

The Chair referred to the recent deaths of:

Mrs Glenys Mair Lloyd, former member of staff in the Normal College

Dr Cledwyn Hughes, a former member of staff in SENRGy

Mr Scheroun ‘Ron’ Kaleem, a student in the School of Electronic Engineering

Reverend Professor Gwilym H Jones, former member of staff in the School of Theology and Religious Studies

Professor Robert Pascall, former member of staff in the School of Music

Mrs Margaret Macdonald, former Assistant Registrar

The Chair, on behalf of Council, offered condolences to the Vice-Chancellor on the death of his father.

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 Helen Henningham, Psychology

Dr Fay Short, Psychology

Dr Gill Windle, Healthcare Sciences

**On the award of a Readership:**

Dr Frances Garrad-Cole, Psychology

Dr John Cunningham, Music & Media Studies

Dr Marco Tamburelli, Languages, Literatures and Linguistics

Dr Sion Williams, Healthcare Sciences

Dr Gareth Williams, Ocean Sciences

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

Mike Kaiser

**The Chair also congratulated:**

Bangor University students Erin Hughes and Osian Owen, who won the Crown and the Chair respectively at the Urdd Eisteddfod 2018 at Brecon and Radnor.

Professor Rycroft-Malone and Professor Hunter, who have been appointed to panels for REF2021.

Professor Peredur Lynch, whose volume of poetry, Caeth a Rhydd, has won the Golwg 360 Barn y Bobl Prize at the 2018 Wales Book of the Year Awards.

Professor Chris Freeman, who received an International Fellowship from the Society for Wetland Scientists for his work on understanding some of the world’s most important habitats.

The Head of Bangor University’s Language Technologies Unit, Delyth Prys, who has been given the Building Wales Award in recognition for her pioneering work in the field of minority language technologies.

The Chair also congratulated the University on the excellent outcome of the Quality Enhancement Review by the QAA, and expressed special thanks to Professor Oliver Turnbull and the team for leading the review.

**PRESENTATION ON FUNDRAISING BY THE DIRECTOR OF ALUMNI & DEVELOPMENT**

1. At its meeting in November 2017, the Council received and noted the first annual report on fundraising. It was agreed that the Director of Alumni and Development would attend the Council to provide a full report on fundraising activities. The following points were noted:

[1] The total gift revenue over the past four years was £2,051,606. This is split into three categories: Major Gifts (£1,485,461 from 31 gifts); Legacy Gifts and Endowments (£203,398 from 11 gifts) and the Annual Fund (£643,380 from over 500 gifts).

[2] Work has been undertaken to release endowments for spend on academic activity. Two areas were noted: the Great Heritage Scholarship and the Sir William Roberts Centre for Land Use.

[3] A new Legacy campaign ‘Remember your Uni’ has been launched alongside a free will writing service to alumni over 55.

[4] Income from the Bangor Fund has grown in recent years. This important annual fundraising campaign is often where the giving pipeline begins for many alumni.

[5] There are very little opportunities in the region for corporate sponsorship or major gifts from individuals.

[6] A number of opportunities for greater engagement with students were noted, including student representation on the Bangor Fund allocation committee and working with existing students to cultivate future giving.

1. The Council noted that, as trustees, they have responsibility for fundraising and ensuring due diligence regarding large gifts. Large gifts are currently discussed with the Vice-Chancellor and then submitted to Council if appropriate, but it was noted that this was not codified. It was ***agreed*** to develop a Gift Acceptance Policy for consideration by the Council.
2. Consideration was given to the effectiveness of the existing Development Board and what other ways the Council could support fundraising activities. It was suggested that a feasibility study be undertaken to look at the opportunities available and that a business plan be developed, with income targets, to help understand the potential return on investment.

**MINUTES**

1. The Minutes of the meeting held on 13th April 2018 were confirmed and signed.
2. With reference to:

 [1] **UKVI** (page 2); the official report from the HEAT audit in March is still awaited.

 [2] **Pontio** (page 3); the Vice-Chancellor updated Council on the current situation in relation to Pontio.

[i] Following the last Council meeting the University received a counter offer of £34.75m from Galliford Try, without prejudice. The University has made an offer to meet at CEO level, but this was rejected by Galliford Try. Following further engagement between the legal teams, this offer has been repeated.

[ii] A recently produced fire safety report indicates that the building is safe but there are significant defects.

[iii] Every effort is being made to limit legal costs, but this is challenging given the current situation.

 [3] **Employability** (page 4); Professor Carol Tully updated the Council on the use of business mentors and on the variety of schemes in place. These include an entrepreneurship scheme; a specialist scheme for students from disadvantaged backgrounds; and a one-to-one careers service.

 [4] **Fee and Access Plan 2019/20** (page 7); it was noted that approval for the plan is expected imminently.

 [5] **Health & Safety Performance Statistics** (page 8); Professor Spencer and Dr Griff Jones had met with Health & Safety Services to discuss the preparation of performance statistics.

 [6] **Governance Effectiveness Review** (page 8); an external advisor has been identified and the review will commence in the autumn. A report will be submitted to the Council meeting in February.

**VICE-CHANCELLOR’S BUSINESS**

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

1. **Medical Education**; it was noted that there had been an announcement earlier in the week regarding Medical Education in North Wales and the University will be able to register 20 students into Year 1 from 2019, based on collaboration with Cardiff University. It was noted that £14m is available for revenue and capital to develop the infrastructure required. Discussions are continuing regarding a detailed delivery and a financial plan.

The Council welcomed this development which is great news for the region and will have a positive impact on Welsh medium recruitment.

1. **Teacher Training**; the new courses for Initial Teacher Education, which will be delivered from 2019 onwards jointly with the University of Chester, have been accredited by Welsh Government. The Council noted that the level of quota awarded was less than current student numbers. There were also a number of challenges over the requirements of the contract that needed resolution.

**REPORT FROM THE EXECUTIVE**

The Report of the meetings of the Executive held between April 2018 and July 2018 (attached as Appendix I to the official copy of the Minutes) was approved.

**UPDATE FROM THE STUDENTS’ UNION**

The Council received a report from the Students’ Union. It noted that the new Sabbatical Team are now in place and their recent activities included Destresstival; mental health awareness week, the development of a video to promote provision for disabled students; course representatives development; train the trainer suicide prevention; and Summer Sessions. The UMCB have concentrated on mental health awareness through the medium of Welsh; the very successful Urdd Eisteddfod, and ensuring that the Welsh language is integrated in all SU activities.

**STUDENT RECRUITMENT STRATEGY**

1. At its last meeting the Council noted the level of imminent risk and potential long-term risks associated with tuition fee income, due to the downturn in student recruitment. The Executive have developed strategies for growth and a short-term non-pay investment of £445k has been released by the Executive, which was met from surplus funds in the current year, to address immediate recruitment issues in order to maximise student recruitment in September 2018.
2. The Executive Director of Marketing & Recruitment presented the student recruitment strategy that has been developed and the short-term actions that are being implemented in order to maximise recruitment income for 2018/19. The following points were noted:

[1] The current context is challenging, including the demographic dip; intensifying competition and spend from other universities; changes in applicant behaviour; and the general economic uncertainty. However, the University is well placed to respond with strong ratings, high conversion rates and strong subject reputations.

[2] Resources have been deployed for a short-term Conversion & Clearing action plan to maximise the September 2018 intake from both the UK and overseas.

[3] The longer term recruitment strategy includes better penetration of the market in the UK based on segmentation analysis, and driven by increased digital marketing activity. The plan for international recruitment includes increased recruitment from partnerships and a focus on six priority market areas.

[4] An academic strategy is under development, including refreshing the curriculum and extending market reach in some areas, expanding the existing offer in other areas and developing new courses in some cognate areas.

[5] Lack of resources remains a constraint on marketing and recruitment spend and additional investment is required to match competitors in order to recover recruitment levels over the next three years in line with the University’s financial forecasts.

1. In the discussion that followed, Council members noted the following points:

[1] Cost income ratios need to be better understood so that profitable areas can be targeted alongside other strategic priorities.

[2] The Council reiterated the view of the Strategy Committee for the need for targeted investment and monitoring of the impact of that investment. Where additional funding was not possible, existing resources need to be prioritised, including maximising the impact of academic colleagues.

[3] The need to raise awareness of Bangor University is important early in the recruitment funnel; conversion is good, but the number of applications needs to increase. The impact of school teachers was discussed alongside leveraging student and alumni networks on social media.

[4] The attractiveness of vocational qualifications is growing and the curriculum needs to keep pace. It was noted that a plan is in place to offer placements on all courses by 2019. The University is also responding to the Welsh Higher Apprenticeships plan, but these are limited.

[5] The uses of existing students to shape recruitment activities was considered; the Students Union would welcome this. The student body are passionate about Bangor University and this should be harnessed where possible.

1. The Chair of Council noted that this would be a discussion that the Council needed to return to and particularly noted the developing academic strategy, the need to prioritise resources to maximise the impact on the recruitment, and the need to monitor the return on investment.

**SCIENCE AND TECHNOLOGY QUARTER**

1. An update was provided to the Council on the current position relating to the Science and Technology Quarter. It was noted that:

[1] In 2016 an outline business case was presented to the University Council, which included and estates study and a university-wide estate strategy framework. During 2016 stakeholders such as planning, local authorities and the health board were also consulted.

[2] Between the end of 2016 and November 2017 Council recommended that the planning for the science site development was put on hold until the University had implemented its plans for financial sustainability.

[3] During 2018 the Full Business Case has been in development. This has included engagement of academic, technical and ancillary staff through user groups, and a range of task and finish groups.

1. The Council noted the Full Business Case (FBC) for the development of the Science and Technology Quarter (STQ). This has been completed by its advisers Cushman and Wakefield with the work overseen by the STQ Oversight Group, the University’s Strategy Committee, the Capital Programme Board, the STQ Board and the Executive. The Council noted that this was a good set of proposals but that there are serious concerns about affordability.
2. Following a detailed discussion, the Council ***agreed***:

[1] To support further work, within the existing budget envelope, on a risk assessed and costed suite of options within the Phase 1 and Phase 2 plans, which are embedded on a robust financial plan and recruitment strategy for the University.

[2] To continue to oversee the detailed progress (including spend) of the project through its STQ Oversight Board and the Strategy Committee and through standing item progress reports to Council meetings.

[3] That an update on a range of options and financial implications will be provided to the September meeting of the Council and a fully worked-up suite of options will be considered in November.

[4] To provide a briefing paper on risks and mitigation actions pertaining to the Alun Roberts Tower for the next meeting of the Council.

1. It is envisaged that a final investment decision will be made by the University Council in 2019.

**5-YEAR FINANCIAL FORECASTS**

1. The Director of Finance noted that the expected adjusted EBITDA for 2017/18 is £14.4m, an improvement of £1.7m against last year’s forecasts, mainly due to improvement in operating performance. New EIB covenant tests are yet to be defined but the projected outcome would pass old EIB and Santander metrics.
2. The Director of Finance presented the draft 5-year financial forecasts The Council noted:

[1] Financial sustainability requires healthy annual cash generation and there is common agreement across the sector that Adjusted EBITDA for HE is the best indicator. The target for Bangor University should be £20m+ per annum, given our £10m per annum debt service cost.

[2] Core income assumptions in the base case plan included student numbers and fee income falling in line with 2017 intake; the fee cap remaining and HEFCW funding grant returning to 2015 base from 2019/20; research contributions in line with the 2017 plan;.

[3] Expenditure assumptions in the base case included pay savings £1m short of the £8.5m target set by the FSB; future pay and pension pressures; some increase to non-pay budgets; capital expenditure for full STQ, with EIB draw down in 2019.

[4] This base case was considered by the Finance & Resources Committee and the Executive, but would fail to meet the covenant test requirements.

[5] The Executive agreed that a new scenario should be modelled including amending the HEFCW income to reflect fee mitigation funding in 2018/19; assuming increased fee income of £1.5m per annum with additional recruitment costs of £375k per annum in all years; maintenance of a £2m pay buffer through the deferral of vacant posts; and constraining increased non-pay and income shortfalls back to 2017 plan levels.

[6] The revised scenario would restore EBITDA to £14.6m in 2018/19, followed by adjusted EBITDA of £14.7m in the following years. Cash balances would fall from £27.2m to £5.8m over the period of the plan. It was expected that the covenant test would be met, provided all assumptions are met, but cash levels were marginal and not sustainable. Further recurrent savings or income post 2018/19 would be required to give confidence of meeting covenant tests and achieving financial sustainability.

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

 [1] The 5-year Financial Forecasts be approved for submission to HEFCW, subject to further discussion by the Executive on the proposed capital expenditure on the STQ, and that the Treasurer be authorised to sign the forecasts and supporting commentary.

[2] The Executive be asked to develop a long term sustainable financial plan underpinned by a clear strategy to support delivery.

1. The Vice-Chancellor reported that the two sub-groups of the Financial Sustainability Board still meet regularly and will continue to ensure that plans are delivered with rigour and pace for the next meeting of the Council.

**GDPR**

The University Secretary presented a paper on the University’s actions that have been undertaken to ensure compliance with the new Act. The Council welcomed the actions taken to date.

**PROPERTY UPDATE**

1. The Pro Vice-Chancellor (Students) updated the Council on the current situation relating to vacant properties on the estate and the disposal of these properties.
2. The Council approved the disposal of three assets :

[1] Part of the Studio at Y Felin Tysilio, without going to the open market and to enter into negotiations directly with Dr J Latchford and Dr A M Brooksbank.

[2] Neuadd Ogwen, and to engage with Estate Agents to market the property.

[3] Bryn Llinos, and to engage Estate Agents to market the property at a future date.

1. Guidance will be sought from Valuation Office Agency on each of the properties and a formal recommendation on each case will be submitted to Council for approval.

**SENATE MEMBERSHIP**

1. The University Secretary informed the Council that the reduction in academic schools will result in a smaller Senate membership. Following a recent staff meeting, some concern had been expressed about how the diversity of academic staff members is represented at the Senate. It was therefore proposed that 10 independent academic members are added to the Senate and all academic staff would be eligible to be nominated for these positions. If more than 10 staff are nominated, a ballot of the academic staff would be held.
2. The Council ***resolved*** to approve the proposed change to Ordinance XII, subject to further consultation with Senate.

**FINANCE AND RESOURCES COMMITTEE**

The Report of the meeting of the Finance and Resources Committee held on the 29th June 2018 (attached as Appendix II to the official copy of the Minutes) was approved.

**AUDIT & RISK COMMITTEE**

The Report of the meeting of the Audit & Risk Committee held on the 18th June 2018 (attached as Appendix III to the official copy of the Minutes) was approved.

**BILINGUALISM COMMITTEE**

The Report of the meeting of the Bilingualism Committee held on the 1st March 2018 (attached as Appendix IV to the official copy of the Minutes) was approved.

**HEALTH & SAFETY COMMITTEE**

The Report of the meeting of the Health & Safety Committee held on the 23rd May 2018 (attached as Appendix V to the official copy of the Minutes) was approved.

**STRATEGY COMMITTEE**

The Report of the meeting of the Strategy Committee held on the 11th June 2018 (attached as Appendix VI to the official copy of the Minutes) was approved.

**HUMAN RESOURCES MATTERS**

1. The Council received a report on Human Resources matters including discussions on the USS Pensions Scheme and dispute, the BUPAS Pension Scheme, the negotiations in relation to pay, restructuring within the University and Athena Swan.

B. **National Pay Award**; UCU and Unite have rejected the current offer and Unison are consulting with members. There is strong possibility of industrial action in the autumn.

1. The Council agreed to award Emeritus Status to Professor Hilary Kennedy.

**SENATE**

The Vice-Chancellor presented the report from the Senate meetings held on the 1st May and 5th June 2018. The Council welcomed the change in style of the report.

**KEY PERFORMANCE INDICATORS**

The Council received and noted data concerning student recruitment, research grants and contracts awarded, and quarterly financial performance indicators.

**DRAFT QAA QUALITY ENHANCEMENT REVIEW TECHNICAL REPORT**

1. As part of the new Quality Assurance Framework for Wales, the QAA undertook an external quality assurance review of the University and the draft report is included within the papers. The report noted that the University has met the baseline requirement, which means that the University has robust arrangements for securing academic standards, managing academic quality and for enhancing the quality of the student experience.

The report identifies three commendations: the collection and use of date to inform and enhance student support and academic progress; the deeply embedded, extensive, and culturally valued partnership with students, which permeates all facets of university life; and the embedding of bilingualism in all aspects of university life which positively impacts on student experience.

The report also identifies three affirmations: the implementation of the Assessment Framework; the steps being taken to address the deficiencies in the provision in MDIS Tashkent; and the development of the Doctoral School.

The University received no recommendations which the Council acknowledged is an incredible result for the University. The assessors also noted that the quality of the documentation submitted set the standard for future reviews in Wales.

1. The Council noted the contents of the draft report in advance of publication. The formal report will be published on the 2nd August and will be considered formally at the Council meeting in September.

**BRIEFING ON CURRENT DEVELOPMENTS IN HIGHER EDUCATION**

The Council received and noted an update on current developments in Higher Education, for information.

**SEALING**

The Council ratified the sealing of documents listed in Agendum 14.

**VALEDICTION**

The Council thanked Professor Paul Spencer, whose term on Council as the Senate Representative will end shortly and Mrs Stephanie Barbaresi who term on Council as the support-staff representative will end shortly. An election for a new representative will be held over the summer.