Bangor University

**COUNCIL MINUTES**

At a meeting of the Council held in the University on Friday, 30th November 2018.

**Present**:

Mrs Marian Wyn Jones (Chair), Dr Tomos Dafydd, Professor Gillian Davies, Professor Andrew Edwards, Professor John Hughes, Professor Jerry Hunter, Dr Griff Jones, Mr Marc Jones, Sir Paul Lambert, Mrs Alison Lea-Wilson, Mr Gethin Morgan, Dr Lorrie Murphy, Ms. Ellen Parry Williams, Miss Julie Perkins, Miss Ruth Plant, Professor Gareth Roberts, Professor Jo Rycroft-Malone, Professor Carol Tully, Professor Oliver Turnbull, Professor Graham Upton, Mr David Williams, Mr Tudur Williams, the University Secretary, the Executive Director of Marketing, the Director of Human Resources and the Director of Finance.

The Deans of the College of Environmental Sciences and Electronic Engineering and the College of Human Sciences attended part of the meeting.

**Apologies**:

Dr Tzo Zen Ang, Dr Peter Higson, Dr Karen Jones, Dr Olwen Williams.

**18.24 WELCOME**

The Chair welcomed Dr Chris Turner, who is observing the Council meeting as part of the ongoing Governance Effectiveness Review.

**18.25 DEATHS**

The Chair referred to the recent deaths of:

 **Nikkita White,** a student in the School of History, Philosophy and Social Sciences

 **Dr. Julie Davies,** a member of staff in the School of Psychology

 **Rev. Dr. Owen E Evans,** former member of staff in the School of Theology & Religious Studies

 **Prof. William Tydeman,** former member of staff in the School of English

Members stood in tribute to their memory.

**18.26 CONGRATULATIONS**

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

Dr. Sandy Toogood, College of Human Sciences

Dr. John Lillington, Computer Science & Electronic Engineering

**On the award of a Readership**:

Dr. Anita Malhotra, Natural Sciences

**The Chair also congratulated:**

M-SParc, who have won the Digital Construction Project of the Year 2018 at the Constructing Excellence National Awards. This follows on from being named Construction Project of the Year at the Constructing Excellence Wales awards in July. These prestigious awards celebrate industry success within the construction industry.

Bangor University and University of Wales Trinity Saint David’s (Yr Athrofa), who won the tender to accredit the National Consortia’s Leadership programmes, with teachers having the opportunity to gain accreditation from a PGCert through to a doctoral qualification.

ARFer, an innovative project established by Canolfan Bedwyr and Behaviour Change researchers at the University in order to increase the use of Welsh in the workplace, which received praise from the Welsh Language Commissioner recently.

Bangor University, whose recent Athena SWAN application for an institution-level Bronze Award has been successful. Furthermore, the School of Ocean Sciences’ application for a department-level Bronze award was also successful. These awards recognise the University’s commitment to tackling gender inequality in higher education.

Dr Teresa Crew, a lecturer in Social Policy, who has been awarded an Outstanding Teaching in Social Policy Award by the Social Policy Association.

**18.27 MINUTES**

1. The Minutes of the meeting held on 28th September 2018 were confirmed and signed.
2. With reference to:

[1] **Recruitment Update** (Minute 18.9); The Council received a report on the benefits realised from the 2018 Conversion and Clearing campaign and noted the need to build on the lessons learned and to share best practice across the University. The need to unlock resources across the University, including staff and students, was noted. Ownership of the recruitment challenges at school level was necessary and all academic staff should be engaged in student recruitment activities.

 It was further noted that UK recruitment remains challenging and the number of home applications are 9% lower than at the same point last year; this is the third consecutive year that application levels have declined. Council noted the impact of the demographic dip and the extremely competitive market and asked for an update on the marketing plan to be considered at the next meeting.

The Council also requested that an update on Bangor College China, including costs and benefits, be considered at its next meeting.

 [2] **USS Pensions** (Minute 18.20B); The Executive endorsed the position taken by the Council and submitted this as the response to the UUK consultation. The Chair of Council has received a letter on the matter from the ‘Citizens of Bangor University’ and a copy of the letter together with the Chair’s response were tabled.

1. An action log was provided noting progress on all outstanding Council actions. Council noted progress and completed actions. Circulating this to Council members with the papers was felt to be a great help.

**18.28 VICE-CHANCELLOR’S BUSINESS**

The Vice-Chancellor informed the Council that he intended to retire in the Summer of 2019, after nine years in post. He noted that this was a personal decision made some time ago. He noted that, in making this announcement now, it will allow the University time to appoint a successor to be in post by the beginning of the 2019/20 academic year.

On behalf of the Council, the Chair expressed thanks and appreciation to the Vice-Chancellor for his valued contribution to the University and all he has achieved at Bangor, including major new estates developments, significant success in the NSS, and the first University in Wales to be rate ‘Gold’ in the Teaching Excellence Framework.

It was noted that the process of appointing a successor will begin immediately, and will be led by a Committee of the Council, in accordance with Ordinance VI.

**18.29 REPORT FROM THE EXECUTIVE**

The Report of the meetings of the Executive held between October and November 2018 (attached as Appendix I to the official copy of the Minutes) was approved. The following was noted:

[1] **Science & Technology Quarter**; It was noted that a simplified project involving a refurbishment and extension of the Memorial Building had been agreed, subject to agreeing the final budget envelope and following clarity on the University’s funding bid to the North Wales Growth Deal. Following recent announcements by UK Government, it was hoped that at least £10m would be available for the University, giving a £30m budget envelope for the project.

[2] **School of Welsh & Celtic Studies**; at the recommendation of the Executive, following consultation, the Council agreed that a School of Welsh and Celtic Studies be established from 1 January 2019. The School will broaden its focus to Celtic Studies, as well as delivering programmes through the medium of English. It was noted that there were no additional costs associated with the establishment of the School.

[3] **MRI System Update**; the Executive have agreed with a proposal to replace the MRI system within the School of Psychology.

[4] **Welsh for Adults;** It was noted that the University currently operates in a consortium with Grŵp Llandrillo Menai to deliver Welsh for Adults programmes access North West Wales. It is proposed that the activity transfers in full to Bangor University to deliver further efficiency gains across the activity. The Executive noted that the external funding for the project is secure for a further 6 years and there would be no adverse financial implications for the University.

**18.30 ACHIEVING FINANCIAL SUSTAINAIBLITY**

1. At the last meeting of the Council, the Executive were asked to produce a plan which meets the short-term financial challenges and the longer-term strategic direction and financial sustainability of the University, to ensure its success going forward.
2. The Vice-Chancellor presented the plan noting that the proposals were in line with a vision for a sustainable university, and had been reviewed by both the Finance & Resources Committee and the Strategy & Performance Committee and their comments had been taken on board. Each of the Deans also presented plans for their Colleges and further plans for savings in Professional Services were also outlined. The following points were noted:

[1] Cost pressures of up to £18m per annum have been identified over the next 3 years based on projected income resulting from student recruitment being modelled flat at 2018 levels. This opens a gap of over £15m in tuition fee income against the financial forecasts submitted in July 2018. This is further compounded by approximately £3m of annual income and savings included in the financial forecasts that were not specifically identified and a projected loss of halls income in the current year. The proposed plan addresses the financial shortfall and returns the Financial Forecasts to a similar level to July 2018.

[2] Staffing reductions in the Colleges are in line with latest projected student numbers for each subject area, whilst recognising research priorities, Welsh medium/bilingual commitments, market conditions and other strategic priorities. In all Colleges, staffing reductions are predicated on the non-replacement of vacant posts and through assumptions about normal staff leaving patterns over the next 2-3 years. In some Schools further savings have been identified through targeted reductions in staff numbers where student recruitment has reduced significantly and there is a reduction of teaching and/or research activity.

[3] Proposals for the College of Arts, Humanities & Business are largely based on capitalising on the opportunities presented following the recent restructure of the College, rationalising teaching provision, and safeguarding opportunities for growth. The biggest change involves refocusing and reconfiguring the School of Music and Media to focus on creative activity. Short term plans for the College include reducing the number of modules whilst medium and longer term plans include new programmes and new subject areas.

[4] Proposals for the College of Environmental Sciences & Engineering ensure that areas with opportunities for growth are not damaged and identifies a number of priority areas for new provision. Chemistry is operating in a very competitive market and future provision is not considered to be sustainable at current levels of recruitment, the research activity is heavily dependent on European funding streams that will no longer be available in the future, and the estates needs, to continue teaching and research, are high and need significant investment.

[5] Proposals for the College of Human Sciences were developed by the College Executive with a number of options considered within the context of statutory and accreditation requirements. Chosen proposals include post reductions, reconfiguring the School of Education, reconfiguring contracts to support teaching and research, and focusing new programmes on student-driven growth.

[6] Proposals have also been developed to make savings in a number of Professional Services. During the FSB process a smaller number of larger services with cognate functions were created. Some of these services have now reviewed the efficiency and effectiveness of their functions and have identified further savings.

[7] An assumption of savings from space occupancy has been modelled. This equates to 5% of occupancy costs in 2019/20 rising to 10% in 2020/21 and 20% in 2021/22. A detailed plan is being developed to ensure these savings are delivered.

[8] Limited income assumptions relating to greater clarity about the ‘Diamond Dividend’, the development of a comprehensive International Recruitment Growth Plan, and efforts to stabilise home/EU recruitment have been assumed.

[9] It is estimated that 50-60 posts may be lost through redundancy over the next 2-3 years. It is hoped that these can be delivered through voluntary means but compulsory redundancies cannot be ruled out at this stage.

1. The Director of Human Resources outlined the consultation arrangements and HR processes that would be followed. A meeting with the Trade Unions would be arranged for the following week to share business cases. Formal meaningful consultation upon these proposals would then be undertaken until mid-January in compliance with S188 TULCRA 1992. During this period the Executive will seek views on the proposed changes from staff and regular meetings would be arranged with Trades Unions. Following that consultation, and dependent on the outcome of the exercise, a detailed Implementation Plan and timescale will be developed after the proposed new structures, including any subsequent amendments, are approved by the Executive.
2. The Council thanked the Executive for all the work undertaken in a short period of time. In the subsequent discussion, the following points were noted:

[1] Concern was expressed about moving to bilingual modules and whether this contravenes the University’s Language Policy. It was noted that the Deans are also exploring alternative ways to protect Welsh medium by creating further opportunities for delivery at College level.

[2] Concern was expressed that the loss of expertise and resource in Chemistry could impact the local business community and other cognate academic areas, and the University may be unable to respond to new challenges; once gone, the costs of re-starting the subject would be prohibitive. The Dean responded that current service modules would be continued and other subjects can remain supported without single honours provision in Chemistry.

[3] The assumptions that recruitment would remain at current levels may be too optimistic. Concern about a potential breach of covenant in 2019/20 was also noted and the Council asked the Executive to identify further savings to address these shortfalls.

[4] Although some of the proposals may not be palatable to all members, the requirement to be financially sustainable may necessarily result in the loss of the some provision.

[5] A letter had been received jointly from the campus trade Unions. The Council noted the need for fresh perspective and leadership and the development of a longer-term vison, however short-term issues need to be addressed immediately. The Council also noted concerns about borrowing and provided assurance that the University is not heavily levered towards borrowing and will not be borrowing more in the next few years.

[6] Staff representatives noted that staff are stretched and stressed and greater staff engagement and transparency is required to bring the whole university together to deliver a new vision and a sustainable plan. The Council agreed that it is important to ensure that consultation and dialogue genuinely take on board the expertise of staff to refine, improve and shape the business cases.

1. After a full discussion, the following matters were put to a vote of the members. Four members, including staff and student representatives voted against the proposals and one member abstained. The remaining members of the Council:

[1] ***Approved*** the plans submitted for restructuring the academic domain and professional services, recognising that such plans are subject to ongoing consultation with the University’s recognised trades unions (under s188 TULRCA 1992) and staff and students, which must be completed before any final decisions on those proposals are made or any implementation carried out, and furthermore that as a result of such consultation, those plans could change.

[2] ***Noted*** that they have confidence that the plans are necessary as a first step to deliver the necessary savings and place the University’s finances on a firm and stable path for the future.

[3] ***Noted*** the requirement to provide a summary of the plans to HEFCW in line with the recent Institutional Risk Letter.

[4] ***Resolved***, in accordance with Statute XX paragraph 10(2), that it is “desirable” that there should be a reduction in the Academic Staff (a) of Bangor University as a whole; or (b) of any Faculty, Department, School or other similar area of Bangor University, by way of redundancy.

[5] ***Resolved***, in accordance with Statute XX paragraph 11(1), to appoint a Redundancy Committee to be constituted in accordance with sub paragraph (3) of this paragraph to give effect to its decision by such date as it may specify and for that purpose: (a) to select and recommend the requisite members of the Academic Staff for dismissal by reason of redundancy; and (b) to report their recommendations to the appropriate body (the Council).

1. In making these decisions, the Council regretfully noted the implications for individual staff. They noted that although it is never ‘desirable’ that staff should be dismissed or made redundant, this wording is required to align with statute XX to ensure compliance and to prevent a legal challenge at a later stage.

G. It was agreed to establish a Task Force, including Council members, to take forward the transformational change agenda, engaging with all staff and students to develop a clear vision for the future of the University.

**18.31 INSTITUTIONAL RISK REVIEW LETTER**

The Council noted the HEFCW Institutional Risk Review Letter. The University has been assessed as moderate risk in 2017/18, which is an increased overall risk over the prior year assessment. This indicates that there are some risk and/or accountability issues identified by HEFCW which may raise concerns about long-term sustainability and which HEFCW need to understand better through further engagement with the institution. The Council sought assurance from the Executive that the action plan for further engagement with HEFCW was deliverable.

**18.32 KEY PERFORMANCE INDICATORS**

The Vice-Chancellor presented the Key Performance Indicators to the Council. The following points were noted:

[1] Despite it being very early in the cycle, Council were concerned with the number of applications received for 2019 entry. The Executive Director of Marketing reported that an action plan has been developed and resources are being marshalled across the University to support new activities. Professor Turnbull briefed the Council on new course developments and a proposal to guarantee placements for all students from 2019 entry. Concern was expressed that the Marketing team are not capitalising on ideas from staff and students across the University. The Council agreed that this should be addressed through greater engagement with staff and students and requested an update on the action plan at its next meeting.

[2] Variability from year-to-year in Research Grants and Contract income was noted. Professor Rycroft-Malone noted that the only area of significant concern at this stage in the year was reduced Research Council income.

**18.33 ANNUAL PERFORMANCE REPORT**

1. An analysis of performance against the Key Performance Indicators for 2017/18 was considered by the Council together with a copy of the Strategic Planning and Engagement Document (SPED) which has been updated for submission to HEFCW. The Council noted the University’s performance against its strategic plan, particularly noting areas where risks were identified. The following points were noted:

[1] The Executive summary was useful and it was agreed to thank the Head of Planning for pulling together a comprehensive report.

[2] The Strategy and Performance Committee would be considering mechanisms for holding leads to account for performance across key business areas.

B. The Council were pleased with overall progress against the strategic plan and the Key Performance Indicators and approved the document for submission to HEFCW.

**18.34 FINANCIAL ACCOUNTS 2017/18**

1. The Council received and considered the Audited Statement of Accounts for 2017/18. These have been approved by the Finance & Resources Committee and have been considered by the Audit and Risk Committee. It was noted that:

[1] The financial results for the year are flattered through the recognition of two major ‘windfalls’ within Income, that are not sustainable in cash items – a large one-off recognition of a capital grant and an actuarial gain on the pension scheme.

[2] Operating results were better than forecast at quarter 3, and the £6m pay savings were exceeded in year.

[3] There was an underlying improvement in EBITDA from 11.5m to £15.0m.

[4] Covenant tests have been met for EIB and Santander when tested on a Frozen GAAP basis.

[5] The External Auditors had expressed concerns over ‘going concern’. Forecast cash balances of £20-30m were noted in future years, indicating that the University does not have a liquidity problem. However the need to meet covenant tests was crucial to its future financial performance.

[6] The Letter of Representation is an annual requirement by the auditors and includes additional statements that the Council are confident that future income and saving targets will be met and that provisions for settlements with Galliford Try are appropriate.

1. After full consideration, it was **resolved**:

[1] To add a further statement to note 1 of the Statement of Accounting Policies to address the issue of ‘going concern’.

[2] That the Accounts for 2017/18 be approved and signed by the Vice-Chancellor, Treasurer and Director of Finance and lodged with HEFCW by the end of the day.

[3] That the Letter of Representation to the Auditors be signed by the Chair of Council.

C. The Chair noted concerns about the systems for monitoring spend in year and asked for a plan for monthly financial monitoring to be considered by the Finance & Resources Committee.

**18.35 PREVENT ANNUAL REPORT**

1. The University Secretary provided the Council with an update on the progress with implementing and embedding the requirements of the Counter-Terrorism and Security Act 2015 and the *Prevent* duty. The Council noted that this remains high on the agenda for relevant Task Groups and committees, and individual Officers and noted the policies and procedures in place and actions taken to raise awareness over the past year. The University has made no formal referrals to the multi-agency Channel process during the academic year 2017/18, or the start of the 2018/19 year, although informal advice was sought from partner organisations on issues raised by staff during the year.
2. The Council approved the Annual Report for submission to HEFCW.

**18.36 ACADEMIC GOVERNANCE**

1. At its last meeting the Council received the Quality Enhancement Review report. The University has met the baseline requirements which means the University has robust arrangements for securing academic standards, managing academic quality and for enhancing the quality of the student experience. The Council also considered the QA Annual report, which sets out the key developments that took place in the 2017/18 academic year. Considering both reports, the Council agreed that they have the highest level of confidence in signing the annual quality assurance statements in November.
2. The Council noted the information received over the past year to provide further assurance including minutes of the Senate, Key Performance Indicators relating to education, student experience and research, and the full NSS results.
3. The Council considered the Student Charter and Relationship Agreement, which have both been reviewed in the past few months.
4. In the light of the information provided, the Council agreed the five annual assurance statements for submission to HEFCW.

**18.37 FINANCE & RESOURCES COMMITTEE**

1. The Report of the meeting of the Finance & Resources Committee held on the 9th November 2018 (attached as Appendix II to the official copy of the Minutes) was approved.
2. In line with the authority previously delegated by the Council to the Finance and Resources Committee, the Committee had agreed that a formal offer of settlement would be made to the contractor for both Pontio and SEACAMS. The Council noted that this was the best outcome that could be achieved to finalise the matter and agreed that a formal legal agreement be drawn up.

**18.38 AUDIT & RISK COMMITTEE**

1. The Report of the meeting of the Audit & Risk Committee held on the 12th November 2018 (attached as Appendix III to the official copy of the Minutes) was approved.
2. The Council noted the External Audit Management letter and the management response. It agreed that the Audit and Risk Committee’s Annual Report should be submitted to HEFCW.

**18.39 HEALTH & SAFETY COMMITTEE**

1. The Report of the meeting of the Health & Safety Committee held on the 24th October 2018 (attached as Appendix IV to the official copy of the Minutes) was approved.
2. The Council received and considered the Annual Health and Safety Report 2017/18. The Chair of the Health and Safety Committee highlighted the salient points taken from the Annual Report, together with key performance indicators.

**18.40 ETHICS COMMITTEE**

1. The Report of the meeting of the Ethics Committee held on the 8th November 2018 (attached as Appendix V to the official copy of the Minutes) was approved.
2. The Council noted the Animal Welfare and Ethical Review Body Annual Report.

**18.41 NOMINATIONS & GOVERNANCE COMMITTEE**

1. The Report of the discussions held over the summer by the Nominations & Governance Committee (attached as Appendix VI to the official copy of the Minutes) was approved.
2. With particular reference to:

[i] Minute 162[a] (**Membership of Council**); the Council ***agreed*** that the two vacancies for independent members and one vacancy for a Pro Chancellor be advertised locally and nationally.

[ii] Minute 162[b] (**Pro-Chancellor**); it was ***resolved*** that the Pro-Chancellor act as Deputy Chair of Council and that Statute be changed to reflect this.

[iii] Minute 162[c] (**Council Committees**); it was ***resolved*** that the following Council members be appointed to serve on the Committees shown:

* + Health & Safety Committee: Mr Tudur Williams
	+ Ethics Committee: Dr Karen Jones

[iv] Minute 163 (**Remuneration Committee**); the proposed terms of reference were agreed and it was ***resolved*** that Miss Julie Perkins, Dr Tzo Zen Ang and Professor Graham Upton be appointed to serve as the lay members on the Remuneration Committee.

1. The Council approved the amendments to Ordinance I and Ordinance XVI:

[i] **Ordinance I: Student Discipline**: that the Director of Student Services be added as a Disciplinary Officer.

[ii] **Ordinance XVI: Committees of the Council**: that the terms of reference for the Health and Safety Committee be amended to add “To approve and oversee the implementation of sub-policies of the Health & Safety Policy” to bring these in line with current practice.

**18.42 STRATEGY & PERFORMANCE COMMITTEE**

The Report of the meeting of the Strategy & Performance Committee held on the 14th November 2018 (attached as Appendix VII to the official copy of the Minutes) was approved.

**18.43 HUMAN RESOURCES MATTERS**

1. The Council received a report on Human Resources matters including discussions on the Athena SWAN Awards, the Pensions Schemes and National Pay Awards.
2. A list of recent senior appointments was received for information.

**18.44 SUSTAINABILITY ANNUAL REPORT**

The Council received an update on sustainability and noted that the Sustainability Annual Report will be presented at the next meeting of the Council.

**18.45 STUDENTS’ UNION UPDATE**

The Council received a report from the Students’ Union on their recent activities, campaigns and events.

**18.46 SEALING**

The Council ratified the sealing of documents listed in Agendum 16.

**18.47 APPOINTMENT OF A VICE-CHANCELLOR**

*[The Vice-Chancellor left the meeting at this point. The Chair indicated that she wished to hold a ‘reserved’ discussion and all individuals left the meeting with the exception of members of the Council and the University Secretary.]*

1. The Chair noted that the process of appointing a successor for the Vice-Chancellor will begin immediately, and will be led by a Committee of the Council, in accordance with Ordinance VI. The University Secretary outlined the process and the likely timescales for the appointment.
2. The Council noted that this was very important appointment for the University and should be given appropriate time and consideration.
3. The Council ***resolved***:

[i] That, in accordance with Ordinance VI, a Committee of the Council be established to agree the requirements for the post and to appoint a new Vice-Chancellor and that Ordinance VI be amended to add a student representative to the membership of the Appointment Committee.

[ii] That the Chair be authorised to appoint two lay members, in addition to the Chair, as the Council’s representative on the Committee.

[iii] That nominations be sought for three Senate members of the Committee. The Council wish to see suitably qualified individuals who represent the broad range of Senate membership.

[iv] That Recruitment Consultants be engaged to support the process.