

Ulster University

Council

10 November 2017

Minutes of a meeting of the Council of the Ulster University held at the Coleraine Campus on Friday 10 November 2017.

PRESENT

Mr J Hunter (Chair), Professor P Nixon (Vice-Chancellor), Mrs H Bingham, Dr C Burnett, Mr D Clements, Mr P Lobban, Ms M McKee, Mrs L McKeown, Mr K McStravock (Students' Union), Ms J Pyper, Mrs H Quigley, Professor M Stringer

APOLOGIES

Mr A Langan, Dr P McNaney, Sir Bob Salisbury, Dr J Stuart

IN ATTENDANCE

Professor A Adair (Deputy Vice-Chancellor), Mrs F Kane, Mrs N Lamond, Mr R Millar, Mr E Mullan

PRESENT BY INVITATION

Mr P Hope, Mr J Poole, Mr B O'Hara (KPMG) and Mr M Kidd (Ernst & Young)

17.33 MINUTES OF MEETING HELD ON 06 OCTOBER 2017

The minutes of the meeting held on 06 October 2017 were approved.

17.34 MATTERS ARISING

The Chairman reminded members that the May 2018 meeting of Council would now take place on 4 May 2018 in the afternoon at the Magee Campus. Professor Malachy O'Neill, Provost, would lead a tour of the new teaching facilities prior to the Council meeting.

17.35 CHAIRMAN'S COMMUNICATIONS

The Chairman mentioned the following matters:

1. The Chairman updated members on business covered at the Committee of University Chairs meeting held in October. A new Office for Students had been created. This was likely to have a more hands on approach than HEFCE. Universities would also have to declare the number of staff who earn above £150k and indicate their role and responsibilities. Members noted that the Committee of University Chairs (CUC) was also developing a new

remuneration code of practice. The Chairman informed members that the code would most likely be in place by 1 April 2018. The new code would also involve a strengthening of the remuneration part of the Governance, Nomination and Remuneration Committee at Ulster.

2. There had been an ad hoc meeting of the Honorary Degrees Committee on 2 November 2017. A number of individuals were assessed and one had been selected. Mr Foy Vance, singer and songwriter would receive the honorary degree of Doctor of Letters (DLitt) at one of the December ceremonies. The Committee also noted that a number of the other nominations could possibly be more suited for consideration for the award of Distinguished Graduate.

Mr Mullan informed Council that the honorary degree nomination process would be reviewed, with the possible introduction of a Community Award scheme.

3. A meeting of the Chairs of Council Committees had taken place prior to Council to consider progress on the GBDP. Reports had been received from Mrs Lamond, Mr Hope and Mr Donnelly. There had been several meetings between contractor and University legal representatives on the issue of liability in respect of the basement. Completion date remained a key focus point and was been kept under regular review,
4. The Chairman reminded members that they would receive invitations to the four Winter graduation ceremonies from the Events Office. The venues this year would be the Coleraine and Jordanstown campuses. A Christmas reception would be held on the Magee campus on 6 December and a formal Graduation Dinner held on 14 December in the Loughview Suite, following the last scheduled graduation ceremony on the Jordanstown campus.
5. There would be an Honorary Degree ceremony on 22 November 2017 on the Magee campus. Professor William Campbell, the world renowned Biologist and Parasitologist would receive the Doctor of Science degree.

17.36 VICE-CHANCELLOR'S REPORT (C/17/27)

The Vice-Chancellor presented his report to Council, drawing member's attention to the following:

Chief Operating Officer's Leadership Team

Council noted that shortlisting for the Director of Campus Life, Director of People and Culture and Chief Digital and Information Officer would take place in November with interviews scheduled for early December. Council noted that, owing to the post of Campus Life being a more specialist position, the suitable field of candidates would be more restricted.

Faculty Structures

The new faculty structure had gone live on 1 August with the Executive Deans reporting that few issues had been encountered.

Mrs Lamond responded to a comment on three of the faculties having undergone their staff matching process, with Life and Health Sciences Faculty matching process still to be undertaken, by stating that it was an intensive process and would be completed as soon as possible. The Life and Health Sciences Faculty had undergone the least amount of restructuring and therefore it had been decided to commence the process with the faculties that had been affected the most. Mrs Lamond also confirmed that the internal trawls taking place under the faculty restructuring exercise were open to everyone.

The Key Performance Indicators for each faculty would be reviewed regularly under the accountability meetings with each Executive Dean

Strategy for Strategic Investment in staff

Council noted that the Vice-Chancellor had approved the faculty proposals for investment in academic staff. The Acting Director of HR was currently drafting a recruitment schedule for these posts to ensure that they were advertised as soon as possible.

Strategic Partnerships

The University had entered into a joint initiative with DCU and University of Massachusetts to explore the renewal and enhancement of the Clinton Centre in Enniskillen. The three institutions wished to create a new sustainable operational model for the centre. It would deliver both academic and cultural activities and events over the next three years, with a focus on peace and reconciliation.

Ulster University, along with seven other UK universities had entered into a major five year research partnership with BBC Research and Development to unlock the potential of data analysis in the media.

The Chairman congratulated the Vice-Chancellor on the partnership with the BBC.

The University had also submitted a proposal to the Chinese Ministry of Education, to open a joint school with Shaanxi University and Technology in Xi'an China.

Budget for Northern Ireland

The Council noted, as there had been no agreement between political parties in the Assembly that the Secretary of State would be obliged to sign off the budget for Northern Ireland. There was likely to be a significant reduction in the block grant for higher education.

Council noted the Vice-Chancellor's report.

17.37 COMMITTEES OF THE COUNCIL

a) Audit Committee (10 November 2017)

Mrs Quigley presented a verbal update from the meeting and highlighted the following:

Academic Assurance Report

The Committee had received the Annual Academic Assurance Report in relation to the University's taught provision. The report had been endorsed by Senate at its meeting on 4 October 2017. The report indicated the four assurance statements which Council is required to provide to the Department for the Economy. The Committee were impressed with the fresh approach from Professor Bartholomew and noted that staff at Ulster were passionate about the students and still willing to make deliver high quality teaching despite the financial and workload pressures.

Council asked that a letter from the Vice-Chancellor and the Chairman of Council should be issued to the Department, highlighting the pressures brought on by budget uncertainty.

The Committee agreed that the report confirmed that Ulster continues to meet the required standards and the necessary assurances could be made to the Department for the Economy.

External Audit Report

The Committee had received the External Audit Report which indicated that on the basis of work carried, the external auditors would be issuing an unqualified auditor's report in respect of the group accounts. The Letter of Representation indicates that the University has an adequate system of internal controls. The Committee had noted that the University has a number of significant income streams, including a large number of research and contract grants which, if not managed properly, could expose the University to considerable risk.

Audit Committee Annual Report

The Committee had received and endorsed the Committee's Annual Report for the period 1 August 2016 to 31 July 2017. The annual statement of assurance indicates that KPMG are of the opinion that the University has adequate and effective arrangements for risk management, control, governance and value for money. Under the external audit section, the main areas of focus had been the accounting for the Greater Belfast Development and other capital projects and accounting for NIGLSOC/USS pension liabilities. The Audit Committee agreed with the University auditors that the University maintains adequate levels of control within its administrative processes.

Assessment of Strategic Risks

The Committee had also received the Assessment of Strategic Risks at year end 2016/17 and noted that robust risk management processes are established and actively managed. The Committee noted the strategic risks before and after controls. Each risk will have clearly defined tolerance levels, based in the appetite assigned to them. Risk managers will be aware of acceptable and unacceptable levels risks. All risks are mapped back to the areas of focus within 5&50. Four of the seventeen risks are currently assessed as very high, five as high. The four very high risks relate to cyber security, widening participation and retention, financial sustainability in delivery of 5&50 and a weakening reputation for academic excellence. The new Resilience Committee's role would be to escalate or delegation of risks from tactical and operational level that have exceeded controls.

The Council noted the verbal update from the Audit Committee meeting held on 10 November. The unconfirmed minutes would be formally presented to Council at its meeting on 16 February 2018.

b) Resources Committee (23 October 2017) (C/17/29)

Mr Clements presented the minutes and highlighted the following:

The Committee had approved the Students' Union budget for 2017/18 (minute 17.22) and noted that a surplus of £10,579 had been reported for the eleven month period, against a deficit of £11,247 for thirteen months ending 31 August 2017. Members noted the additional funding received from the University to achieve the Strategic Plan. A report had been issued to the Chief Operating Officer on expected spend objectives. Increased communication mechanisms would make it apparent if there are any slippages to the projections.

The Committee had received and approved the Financial Statements for year ended 31 July 2017 (minute 17.23). The only Institutional Sustainability Indicator where the target had not been met had been percentage income from non-government sources. A surplus of £14.4m had been reported and net assets of £277m. Income had been in line with the nine month forecast. Expenditure had been £2m below the nine month forecast, owing to delays in recruitment and lower than planned operational expenditure. Faculties also had a clearer focus on the significance of targets being income led.

Mr Kidd (Ernst & Young) informed the Council that the audit of the University's financial statements had gone well. A £39.8m liability in respect for NILGOSC pension and £22.5m liability for USS pension had been recorded. Mr Kidd responded to a comment on the pension liability, by informing Council that the amounts were comparable with institutions across the sector. The Honorary Treasurer informed Council members that Resources Committee had considered the accounts to be a good set of figures.

Mr Poole (KPMG) thanked senior management for their assistance during 2017-18 with internal audit arrangements. Mr Poole responded to a comment on the capacity for internal audit plan to handle evolving issues, by stating that the internal audit plan had been aligned with the Risk Register. However, if issues did arise the plan was indeed agile enough to cope with additional internal audit reports. Mr Poole also commented that senior management were pro-active in their approach to internal audit.

The Chairman thanked Mr Hope and his team for the invaluable work undertaken to ensure a good outcome with the statements.

The Council endorsed the signing of the Letter of Representation by the Chief Finance and Information Officer and the Chair of the Audit Committee. The Council further endorsed the signing of the Financial Statements for the year ended 31 July 2017 by the Vice-Chancellor, Honorary Treasurer and the Chief Finance and Information Officer.

The Committee endorsed the appointment of Ernst & Young as external Auditors for an additional year (minute 17.23).

The Committee had agreed the write off, of trade debt, totalling £71,411 and student debt, totalling £182,138 (minute 17.24). The Committee discussed the how student debt could be reduced in the future. Members were assured that the University was in line with other universities.

Council members raised concerns on the amount of student debt and the need to avoid it persisting throughout the academic year.

Council endorsed the minutes of the Resources Committee meeting held on 23 October 2017.

c) Governance, Nominations and Remuneration Committee (5 October 2017)
(C/17/30)

The Chairman presented the minutes and reminded members that he had presented a verbal report of the meeting at the Council meeting on 6 October 2017.

The Committee had noted the interest across the sector on senior staff salaries, including Vice-Chancellors salaries (minute 17.11). The Committee of University Chairs had been tasked with considering the issues. The 2014 guidance on Remuneration Committees would be revised as a result of the current interest in senior salaries.

The Committee had received the Terms of Reference (minute 17.12) and noted that they would be reviewed in light of the Committee of University Chairs review of the role of Remuneration Committees.

The Committee had largely endorsed the Vice-Chancellor's recommendation on the Senior Officer Salary Review (minute 17.13). The

recommendations included seven increases of 1.7% in line with the National Agreement, four increases of 1.7% in line with the National Agreement plus one increment on the pay scale. One promotional proposal to a higher salary scale for a senior officer had been proposed based on market benchmark data. Finally, two increments for eligible grade ten staff had been approved.

The Committee had received the Vice-Chancellor's annual review (minute 17.16). The Chairman, who had vacated the chair for this part of the meeting had informed the Committee that he had held discussions with the Vice-Chancellor, based around his performance against PKIs, over the year. The Committee had agreed that the Vice-Chancellor should be awarded a point on the agreed Vice-Chancellor scale.

Council endorsed the minutes of the Governance, Nominations and Remuneration Committee held on 5 October 2017.

17.38 AMENDMENTS TO ORDINANCES XIV AND XV(C/17/31)

Mr Mullan presented the paper on amendments to Ordinances XIV and XV and informed members that the changes were largely operational and also reflected the new faculty structure. The changes would enable Senate to perform its function fully. The new faculty membership of Senate would also ensure a gender balance.

The Senate Standing Committee had considered a number of changes, including the enhancement of the operation of the Senate to enable it to facilitate strategic discussions on academic matters.

Professor Adair commented that the intention was to make Senate a more visionary body and the amendments to the Ordinances would assist with this.

The Council approved the amendments to Ordinances XIV and XV to reflect proposed changes to the constitution of the Senate.