

Ulster University

Council

17 February 2017

Minutes of a meeting of the Council of Ulster University held at the Belfast Campus on Friday 17 February 2017.

PRESENT

Mr J Hunter (Chair), Professor P Nixon (Vice-Chancellor and President), Mrs H Bingham, Dr K Burnett, Mr D Clements, Mr A Langan, Mr P Lobban, Mr C Mackey (Students' Union), Mrs M McKee, Mrs L McKeown, Dr P McNaney, Mrs J Pyper, Mrs H Quigley, Professor M Stringer, Dr J Stuart

APOLOGIES

Sir Robert Salisbury

IN ATTENDANCE

Professor A Adair, Mrs N Lamond, Mr E Mullan and Mr R Millar

17.01 MINUTES OF THE MEETING HELD ON 02 DECEMBER 2016

The minutes of the meeting held on 02 December 2016 were approved subject to minute 16.45ii) Tuition Fee Revisions for 2017-18 being amended to correctly reflect the Resources Committee's decision to only increase home tuition fees in line with inflation.

17.02 MATTERS ARISING

Draft Financial Statements (minute16.45b)iv)

The Chairman noted that the Annual Review had been circulated to Council members. The Vice-Chancellor reminded members that the 2015/16 Annual Review had aligned the University's activities with the financial statements

Professional Services within the Chief Operating Officer's Portfolio (minute 16.45c)

Mrs Lamond confirmed Council members had been circulated with a paper giving details of the new senior structure within her portfolio. Mrs Lamond asked Council members to make any potential candidates aware of the four senior positions currently being advertised. The closing date for all four positions is 10 March 2017. Mrs Lamond informed Council that it would be her intention to have one Council member on each of the four appointment panels

17.03 CHAIRMAN'S COMMUNICATIONS

The Chairman mentioned the following matters:

- 1 He informed members that the annual Joint Meeting of Council and Senate would take place on 8 March 2017, commencing with a buffet lunch being served from 12.00noon and the meeting commencing at 1.15pm. The meeting would be an opportunity to develop close links with staff responsible for academic governance. This would be particularly important given Council's responsibility in signing off academic governance issues in the future.
- 2 He informed members that a meeting of the Chairs of Council Committees would also take place on 8 March prior to the Joint Council and Senate meeting.
- 3 Mr Mullan informed Council that a list of potential individuals is being compiled to deliver the Chancellor's lecture, later in the year.
- 4 The Chair informed Council that a number of members had been invited to attend the Leadership Foundation's Review of Approaches to Academic Governance on 28 February 2017.
- 5 He informed members that he had received a letter from DfE regarding the annual providers review. The University had met its obligations and there were no areas of concern.
- 6 The Chair informed members that the Coleraine Sports Complex would be officially opened on 23 February 2017. He had also received an invitation to attend the launch of the Legal Innovation Centre on 20 February 2017.

17.04 VICE-CHANCELLOR'S REPORT (C/17/01)

The Vice-Chancellor presented his report and highlighted the following:

Teaching Excellence Framework (TEF)

The University would not be participating in TEF Year 2, given the NI context and the absence of linkage to fees or any financial benefit, there would be little to be gained in participating TEF Year 2. There had been no submission from any NI institution this year.

The May Council meeting would receive a presentation of TEF main issues from Professor Paul Bartholomew.

Graduate Medical School

The project continues to gather pace and two professorships would be advertised in the near future. The Permanent Secretary had written to the University on the Strategic Outline Case. There had been no firm financial support on the table. The University would see no benefit in a private medical school, as although it would allow a greater percentage of international students, the benefit to NI would be

less than with a public medical school. The University would need clarity on funding by September.

Staff Survey

Capita had been employed to conduct the staff survey which would go live in the next few weeks. The Vice-Chancellor responded to a comment on making staff aware of the survey prior to it going live, by stating that there was a timeline and an article to go in Insight. Mrs Lamond informed Council that she had worked with Capita before and found them really helpful in getting response rates up. Mr Mullan commented that response rates to previous staff surveys had been disappointingly low.

UCAS

Total UK applications were down across the sector by over 4%. Ulster applications are more competitive than they had been last year. The ratio of applications per place had risen from 6.7 for 2016/17 to 7.2 for 2017/18. Professor Adair responded to a comment on only top grade students being accepted to courses by stating that it was indeed important to keep tariff points as high as possible in terms of league tables.

University Successes

The University had signed a partnership with Randox to support 10 PhD places. The partnership would have positive benefits for both Randox and Ulster's research impact and biomedical research skills.

Baker and McKenzie had committed £250k to support a Legal Innovation Centre. The centre, which is a collaboration between the School of Law and the School of Computing and Intelligent Systems will advance the use of technology in legal services and legal education.

Professional Services

The Vice-Chancellor informed Council that a new change policy for professional services had been developed in conjunction with the new organisational change policy.

Key Risks

Brexit and concerns over sustainable funding remain high on the risk agenda. Brexit could have a significant impact on the Magee campus with a significant number of staff and students coming from ROI. Professor Gormley-Heenan is a member of a high level forum on EU exit for universities. Ulster University is holding talks with QUB to consider a joint approach to both Brexit and funding.

The Chairman asked for Brexit to be a standing item on the Vice-Chancellor's report to Council.

The Chairman thanked the Vice-Chancellor for his report.

17.05 BALANCED SCORE CARD (C/17/02)

The Vice-Chancellor presented the paper which highlights the development of the Planning Cycle linked to the Balanced Scorecard. Proposed changes are indicated, on how progress against the strategic priorities is monitored and assessed during the planning period. The performance of faculties and departments will be monitored to ensure that focus is on delivering the Strategic Plan Five and Fifty.

The Planning Statement will assist faculties in outlining objectives for the five years ahead and will allow the sharing of best practices. The delivery of the strategic objectives is a collective responsibility and all senior officers have been engaged in developing the planning statement and will work together to shape the University's future.

The scorecard will assist the University in being transparent and indicate where improvements were needed. Accountability meetings will be held during September and October every year with Pro-Vice-Chancellors and Deans to assess performance. The Pro-Vice-Chancellors and Deans will be the University's champions and individual staff members would also need their own Key Performance Indicators. The Chief Operating Officer informed Council that the scorecard would be critical in looking at staff performance and how each member of staff contributed to the Key Performance Indicators.

Each objective will have a number of associated Key Performance Indicators which outline the underlying initiatives which must be carried out in order to achieve the targets set. It will provide a hands on tool for managing and monitoring performance.

The Red, Amber and Green indicators will show the status of each target. It will allow Council to have an overview of actual performance and will be updated throughout the planning period to indicate target against actual.

The Chairman commented that it was important for staff to be made aware of progress as it will in due course, involve every member of staff.

The Chairman thanked the Vice-Chancellor and all involved for the quality and quantity of work which had taken place in the development of the Balanced Scorecard and Council looked forward to having a significant role in the future.

Council endorsed the approach and the content and format of the Scorecard and noted the Planning Cycle and frequency of reports to Council.

17.06 REPORT ON STUDENT ENROLMENTS (C/17/03)

The Deputy Vice-Chancellor presented the report which provided the University's position as at 1 December 2016. The full time population stood at 17,257 compared to a 2016/17 plan of 17,262 and 2015/16 actual of 17,435. A decrease of 178 full time students. A part time population of 7,001 compared with a 2016/17

plan of 7,667 and a 2015/16 actual of 7,624. A decrease of 623 part time students since 2015/16.

Professor Adair commented that it was about setting realistic targets and the key component would be to grow the non MaSN numbers. Professor Adair continued by stating that it would be important to give priority to premium pricing programmes such as the Business School's MBA. Professor Adair responded to a comment on the difficulty in attracting GB students by stating that it would be imperative to grow both international and GB students and also increase the part time provision in a meaningful way. The Council noted that although the University had a vast number of cooperation agreements with local FE colleges, they did not generate a significant financial return.

Members commented on the challenging targets set and how important it would be for the Ulster Brand to play a significant role in attracting students.

The Chairman commented that it was important for Council to see and be aware of the targets and challenges going forward.

Council noted the student enrolment paper.

17.07 COMMITTEES OF THE COUNCIL

a) Audit Committee (12 December 2016 and 06 February 2017) (C/17/04a & C/17/04b)

Mr Langan presented the minutes and reported that:

12 December 2016

i) Internal Audit Reports (minute 16.38)

The Committee had received six internal audit reports with the following outcomes:

- The PAYE had received a Satisfactory internal audit opinion with two priority 2 issues and two priority 3 issues
- Cash and Banking had received a Satisfactory internal audit opinion with no issues
- Fixed Assets had received a Satisfactory internal audit opinion with one priority 3 issue.
- Financial Ledger and month end close processes, had received a Satisfactory internal audit opinion with no issues
- Management of Third Party contracts focusing on outsourcing arrangements had received a Satisfactory internal audit opinion with no issues
- Data Integrity relating to Unistats return had received a Satisfactory internal audit opinion with no issues.

ii) Audit Plan for 2016/17 (minute 16.39)

The Committee had received the updated plan which aimed at focusing on the current key risks facing the University. Internal audit services had been reprioritised to meet a number of emerging areas.

- Review of Corporate Marketing, Branding and Communications be postponed. Work is underway to ensure a more coherent approach to marketing in the University and ensuring the most effective use of resources in the area
- Days originally planned for review of staff wellbeing be allocated on the basis that management is planning to undertake an assessment of the adequacy of current arrangements in this area
- A review be undertaken of the progress made in implementing changes within both Academic Services and Professional Services, in order to support delivery of Five & Fifty strategy
- Two additional days be allocated to the review of Data Protection
- Review of Unistats be reduced from 10 to 7.5 days
- Ten days be allocated to the Academic Assurance review model, in light of the recent changes and a defined role for the Audit Committee
- Review of Resilience Framework and Governance over GBD be scheduled later in the year owing to the implementation of revised governance structures in these areas.

The Committee recorded the need for robust reporting on GBD issues and the need for Council to receive regular reports on GBD.

iii) Internal Audit Service – Key Performance Indicators (minute 16.42)

The Committee had received details of the Internal Audit Service and noted that all 17 KPIs had been met with the exception of KPI 3i, 3ii and KPI 7. The Committee recommended that the internal auditors be advised that their performance for 2015/16 had been deemed to be satisfactory. The areas when KPIs had not been met would be highlighted and discussed with the lead partner. The design of the questionnaire for assessing the internal auditors performance would be reviewed.

06 February 2017

iv) Internal Audit Reports (minute 17.04))

The Committee had received seven internal audit reports with the following outcomes:

- Estates and Management and Utilisation: General Estate and received a Satisfactory internal audit opinion with one priority 2 issue and one priority 3 issue
- Health and Safety had received a Satisfactory internal audit opinion with two priority 3 issues
- General IT Controls on key systems within ISD had received a Satisfactory internal audit opinion with one priority 3 issue

- Students' Union: Compliance with Financial Memorandum had received a Satisfactory internal audit opinion with one priority 2 issue and two priority 3 issues
- Counter Fraud arrangements and anti-bribery and corruption had received a Satisfactory internal audit opinion with no issues
- Strategic and Corporate Planning had received a Satisfactory internal audit opinion with no issues
- Compliance with changing legal/regulatory requirements: had been a non-assurance rated report

The Committee noted that the highest rating, now possible under the new assurance ratings would be Satisfactory. Five priority one issues had been reviewed since the Committee's December meeting. Four issues were recorded as remaining outstanding but it was agreed that several would be more appropriately categorised as in progress.

v) Supplier Performance Analysis (minute 17.07)

The Committee had agreed details by which the external auditors EY would be assessed when performing the audit of the financial statements. The four Key Performance Indicators to be used to assess EYs function are, robustness of the audit, quality of delivery, quality of people and services and value added. The Committee also recorded that EY had not used sector specialists as frequently as desired.

Council endorsed the minutes of the Audit Committee meeting held on 12 December 2016 and 06 February 2017.

b) Governance, Nominations and Remuneration Committee (01 December 2016) (C/17/05)

The Chairman presented the minutes of 01 December 2016 which had verbally been reported to the Council meeting on 2 December 2016 and highlighted the following:

i) Higher Education Code of Governance (minute 16.29)

The Committee had agreed that the Council had complied with the Higher Education Code of Governance. The Committee also received an overview of the code and the seven primary elements of effective governance:

- Autonomy as the best guarantee of quality and international reputation
- Academic freedom and high quality research, scholarship and teaching
- Protecting the collective student interest through good governance
- The publication of accurate and transparent information that is publicly accessible
- Recognition that accountability for funding derived directly from stakeholders requires HEIs to be clear that they are in a contract

with stakeholders who pay for their services and expect clarity about what is received

- The achievement of equality of opportunity and diversity throughout the institution
- The principle that HE should be available to all those who are able to benefit from it
- Full and transparent accountability for public funding

ii) Remuneration Committees (minute 16.30)

The Committee had received details of the work of Remuneration Committees within the sector and practice on senior staff remuneration. The University Secretary and Chief Operating Officer would review the guidance on Remuneration Committees to ensure best practice is being and will bring proposals back to a future meeting.

iii) Performance Related Pay (minute 16.31)

The Committee had recorded their support for the development of a performance related pay procedure for members of the senior leadership team by the end of the 2016/17 academic year. There was also the need for further discussion on discretionary elements of pay for outstanding performance and the need to consider the impact on basic pay underachievement. There would also be the need to measure all KPIs not just financial. Detailed proposals would be brought to a future meeting.

Council endorsed the minutes of the Governance, Nominations and Remuneration Committee held on 1 December 2016.

c) Resources Committee (12 December 2016) (C/16/06)

Mr D Clements presented the minutes highlighting the following:

i) University Capital Development Programme (minute 16.49)

The Committee had received details of the capital development programme and noted that both the Coleraine Sports Centre and Magee Teaching Block remained on schedule.

In relation to the Belfast campus, independently facilitated meetings between the University and Contractors would continue during the first quarter of 2017. The level of risk, associated with the contractor's project recovery plan which indicates access in first quarter of 2019, is being assessed. The Committee noted that the interim assessment of financial implications associated with a number of significant issues on respective works and services contracts has identified that the project budget is likely to be exceeded in terms of its outturn costs. The Committee discussed the impact of the overspend on the University's overall funding position and how the overspend would be funded. The possibility of securing further Financial Transitions Capital had also

been discussed. The Committee noted that the situation was not ideal but welcomed the progress that had been made on recovering the situation.

The Committee noted the unsuccessful planning appeal in respect of the Jordanstown campus. The impact of the adoption of the Belfast Metropolitan Area Plan and the land and property market conditions on the proceeds of sale from the surplus land at Jordanstown campus. In the Jordanstown case, it was hoped that the land values would be closer to the original estimate by 2021.

ii) Annual TRAC Return (minute 16.50)

The Committee had received and endorsed the annual TRAC return which would be submitted to HEFCE by 31 January 2017. The return presents the Financial Statements on a full economic cost basis and the cost apportionments that make up the adjustments are in line with the TRAC guidance manual. With the introduction of FRS 102, HEFCE had accepted that 2015-16 would be a pilot year.

Council endorsed the minutes of the Resources Committee held on 12 December 2016.