

Ulster University

Council

14 June 2019

Minutes of a meeting of the Council of Ulster University held at the Coleraine Campus on Friday 14 June 2019.

PRESENT

Mr J Hunter (Chair), Professor P Nixon (Vice-Chancellor and President), Mrs H Bingham, Mr D Clements, Mr A Langan, Mr P Lobban, Mrs J Pyper, Mrs H Quigley, Mr P Sheridan, Mr R Sloan, Dr E Way

APOLOGIES

Professor K Burnett, Ms G Horgan, Mrs M Lindsay, Dr P McNaney, Mr K McStravock, Dr J Stuart

IN ATTENDANCE

Professor A Adair, Mr Hope (for Greater Belfast Update), Mrs F Kane, Mrs N Lamond, Mr A McAnallen (Students' Union), Mr E Mullan, Mr R Millar

PRESENT BY INVITATION

Mr G Johnston (Corporate Finance Team, PricewaterhouseCoopers)

The Chairman welcomed Mr McAnallen, the incoming Student President who attended to present the Students' Union Impact Report.

The Chairman commented on the significant number of apologies and hoped to see an improvement in members attendance in the future.

The Council noted that the People and Culture strategy would be presented to Council at its October meeting.

19.22 GREATER BELFAST DEVELOPMENT PRESENTATION ON ECONOMIC BUSINESS CASE AND GREATER BELFAST DEVELOPMENT UPDATE (C/19/25)

Mrs Lamond presented a short update on the position with the development and informed Council that the key risk with the project remained funding. Council noted the Permanent Secretary at DfE considered that he had the authority to make the funding decision.

Mr Johnston, assisted by Mr Hope informed members that PWC had issued the final draft of the Business Case. The preferred financing strategy would include the University funding cashflow through reserves of £82m and repaying the existing

FTC facility. The new debt facility had been assumed as zero cost of finance. The existing debt facility would be refinanced by the new debt facility.

The cost to complete the project would be £230m and the repayment of existing FTC loan of £68m. The preferred funding strategy remains affordable but increases the University's gearing above the sector average. A commercial bank loan would result in the University breaching the ASC cap for an extended period of time and incur significant finance costs and loan arrangement costs.

The Council noted that the wider economic benefit of the development was likely to be in the region of £1.4bn in the medium term

The Council endorsed the Outline Business Case and 2C as the preferred option with an overall cost of £395m and a delivery date by 2021.

19.23 MINUTES OF THE MEETING HELD ON 3 MAY 2019

The minutes of the meeting held on 3 May 2019 were approved. Minute 19.14 relating to the Independent Report into the Industrial Tribunal decision would be treated as reserved business.

19.24 MATTERS ARISING

There were no items.

19.25 CHAIRMAN'S COMMUNICATIONS

The Chairman mentioned the following matters:

- 1 The Chairman informed members that there had been a whistle blowing allegation on procedures within procurement. The Audit Committee would consider the Deloitte report and Council would be provided with an update in the Autumn.

Mrs Lamond commented that 11 of the allegations had been determined to be unfounded. Members had been concerned that some of the issues had not been brought to light by the internal auditors.

- 2 There had been an ad hoc meeting of the Chairs of Council Committee. The meeting had received a Greater Belfast Development update. It had also received a paper on the investment by Innovation Ulster Ltd in Enbarr, an equity fund, to promote creativity.

- 3 The Chairman informed Council that he had visited Shaanxi University of Science and Technology with Professor Liam Maguire, Executive Dean for Computing, Engineering and the Built Environment. The Chairman had been extremely impressed with the relationship between the two institutions and the development of Ulster College at SUST.

- 4 The Students' Union Learning and Teaching Awards ceremony in May had been a success, as indeed had the Business Awards events.

19.26 VICE-CHANCELLOR'S REPORT (C/19/16)

The Vice-Chancellor presented his report and Council noted:

Guardian League Tables

The Vice-Chancellor informed Council that he was delighted with the performance of the University. Ulster had risen 34 places from 93rd last year to 59th this year.

Members commented that good news stories needed to receive full exposure.

Graduate Entry Medical School

The University continues to cooperate with QUB on progression of the proposal. Additional comments had been received from the Department of Health and responses are being prepared. The two Vice-Chancellors met with Health Permanent Secretary Richard Pengelly on 22 May to discuss medical education.

City Deals

First meeting of the Belfast Region City Deal Innovation Board had taken place. The UK Government on 7 May announced an economic package of £105m for Derry City and Strabane District region. The University will continue to work closely with all key partners on the next steps.

Senior Team Restructure

The Vice-Chancellor presented a tabled paper on the proposed structure of the senior management team. The Deputy Vice-Chancellor would retire from that post at the end of June and created an opportunity to look at the senior team and challenges ahead as the University approached the mid point of the 5&50 Plan. The new structure would see two Deputy Vice-Chancellors, one for Education with an internal focus and one for External Engagement with an external focus. The new structure would also see a strategic realignment of portfolios, the consolidation of Pro-Vice-Chancellor roles and would maintain civic engagement within the Vice-Chancellors portfolio.

The Vice-Chancellor praised the role of the three Provosts who had done a spectacular job with a strong community focus.

Council endorsed the proposed senior team structure as detailed in Option 5 of the paper.

19.27 COMMITTEES OF THE COUNCIL

a) Audit Committee (20 May 2019) (C/19/17)

Mr Langan presented the minutes highlighting the following:

The Committee had approved the Internal Audit Strategy (minute 19.16). There would be an additional review of Staff and Management Expenses and a review of Placement Services, to identify areas for improvement.

The Committee had received four internal audit reports and update against the plan (minute 19.17).

- Cash and Banking had received a Satisfactory Internal Audit Opinion with no issues
- Compliance with Competitions and Markets Authority requirements had received a Satisfactory Internal Audit Opinion with one priority two issue from this review and one priority one issue and two priority two issues from a previous review

The issues related to correct guidance and information that universities are required by CMA to provide to prospective students at the research and application stage. The other issue centred around inconsistencies within the online prospectus in respect of 2019/20 and 2020/21 entries. A report would be presented to a future meeting of the Committee.

- Data Integrity in Relation to TRAC system had received a Satisfactory Internal Audit Opinion with no issues.
- Governance over the Riverside Theatre had received a Satisfactory Internal Audit Opinion with five priority three issues.

Issues included the lack of agreement on tasks and training needs for volunteers. The lack of security of cash retained in the theatre safe, the no refunds policy not being adhered to in certain circumstances and sensitive material being stored on a stand alone theatre computer. The Committee noted that the major issues, previously reported had been addressed.

The one priority one recommendation not fully addressed from previous reports related to the monitoring of IT Assets. There needed to be a system to track all IT assets as used by the Information Services Directorate. It should also be compulsory for all faculties to keep records of IT Assets.

The Committee had endorsed the Internal Audit Charter (minute 19.19) and noted that the Sector Internal Audit Services required purpose, authority and responsibility of the internal audit activity to be defined in an Audit Charter. The Charter was in line with public sector norms and did not deviate from sector practice.

The Committee had noted the External Audit Plan (minute 19.23) where the key areas of focus would include accounting for the Greater Belfast Development and other capital projects, pension obligations, income, funding body grants and accounting for investments within Innovation Ulster.

The Committee, after a full discussion agreed that there had been no conflict of interest and endorsed the appointment of Ernst & Young as Commercial

Advisors (minute 19.27) to deliver the business cases associated with the Belfast City Deals projects.

Council endorsed the minutes of the Audit Committee held on 20 May 2019.

b) Governance, Nominations and Remuneration Committee (2 May 2019) C/19/18) and (6 June 2019 verbal report)

2 May 2019

The Chairman presented the minutes of the meeting held on 2 May 2019. Council had received a verbal report at its meeting on 3 May 2019.

The Committee had noted that Court had endorsed the appointment of Mrs Pyper and Mr Langan (minute 19.02) as Pro-Chancellors).

The Committee had noted that the recommendations associated with the implementation of the Remuneration Code (minute 19.04) had for the most part been implemented or were planned to be in the near future.

The Committee had received a paper on the Review of HE Code of Governance (minute 19.06). The University strived to comply with best practice in Corporate Governance. Discussions had also focused on issues of cultural accountability and the relationship with the Office for Students. The issue would be picked up through the development programme and possibly be an item for discussion at the Autumn planning day.

The Committee had agreed that Court should be dissolved (minute 19.07) as it did not have a role in the governance of the University. Members had expressed the view that it was outdated and unnecessary. A further paper would be brought to the next meeting of the Committee.

The Committee had noted that an internal Effectiveness Review of Council (minute 19.09) would be conducted by survey. An external consultant would be commissioned to conduct a more in depth review in the Autumn.

6 June 2019

The Chairman informed Council that the Committee had received and endorsed a paper detailing the proposal to dissolve Court. The Committee had noted the procedures for amending the Charter, Statutes and Ordinances.

The Committee had received a verbal report on an Advance HE Governance event, attended by Mrs Pyper, entitled Leading and Chairing the Governing Body. A few of the sessions had been useful. However overall she felt that the event had been disappointing, given that Advance HE was strongly associated with the sector.

The Committee had received a paper on the Review of the Academic Promotion Scheme. Members commented the importance of the interview part of the scheme as well as a link to personal development. Following

discussions members noted that the new scheme would open for applicants in August 2019.

The Committee had noted progress in relation to the CUC Senior Staff Remuneration Code. Work still needed to be done in respect of income and external appointments. The Committee had also asked for clarity on the roles that should be considered by the Committee.

The Vice-Chancellor had informed the Committee that, following the announcement of the Deputy Vice-Chancellor's retirement, he had been giving consideration to the optimal structure of the senior leadership team. The Committee noted the brief presentation on the proposals with a fuller report being presented to Council.

The Council formally endorsed the minutes of Governance, Nominations and Remuneration Committee held on 2 May 2019 and noted the verbal report of the meeting held on 6 June 2019.

19.28 SPECIAL RESOLUTION FOR DISSOLVING OF COURT (C/19/19)

Mr Mullan presented the paper and reminded Council of the rationale for the proposal to dissolve the Court. The recent survey of Court organizations had a low response rate. The organizations that did respond felt that if the role and function of Court had been superseded by other processes, they were content for Court to be stood down. The Chairman had confirmed to Court members at its meeting on 20 March 2019, that it was the University's intention to dissolve Court.

The proposal had been considered and endorsed by the Governance, Nomination and Remuneration Committee at its meetings on 2 May 2019 and 6 June 2019 and agreed that it be presented to Council.

The Council adopted the Special Resolution which would see the dissolution of the Court of the University. There would also be the need to amend the Charter, Statutes and Ordinances as a result of the dissolution of Court.

Council agreed that the confirmation of the Special Resolution would be undertaken by correspondence rather than a special meeting of Council.

The Chairman signed the Special Resolution.

19.29 RESEARCH ETHICS ANNUAL REPORT TO DECEMBER 2018 (C/19/20)

The Vice-Chancellor presented the annual report which had already been received by Senate. There had been no new allegations of research misconduct during the year. The Biomedical and Behavioural Unit Management Committee had met on two occasions to review operational matters and to ensure staffing needs had been addressed.

A total of 54 new applications and 6 resubmissions were considered by the Committee. Two amendments to existing studies had been approved by Chair's actions and 30 by the Research Governance sections and one by sub-committee.

The Council noted the annual report.

19.30 STUDENTS' UNION IMPACT REPORT 2018/19 (C/19/21)

Mr McAnallen presented the annual report and informed Council that the report highlighted the activities of the Students' Union over the last year in relation to societies, student engagement and awareness campaigns. The year witnessed major improvements to the Magee Students' Union space which had a significant impact on student lives.

A total of 25 new societies had been formed and a total of 350 events organised by all societies. A total of 66% of student agreed that UUSU had helped to create a campus community. The course rep programme continues to go from strength to strength with 800 in place, who resolve issues for students across the University.

A total of 3,768 volunteered hours had supported local communities and a total of £3,587 raised by staff and students for local charities.

The Council commended the Students' Union on the good report and passed on their thanks to the outgoing President, Kevin McStravock, for his engagement, leadership and his significant contribution to mental health issues over the last two years.

The Council noted the report.

19.31 MODERN SLAVERY STATEMENT (C/19/22)

Mr Mullan presented the paper and informed Council that the 2015 Modern Slavery Act had consolidated trafficking and slavery offences into one piece of legislation. The Transparency and Supply Chain Provision which had followed the act, required commercial entities to annually report on actions to prevent, identify and mitigate against modern slavery in their supply chains. Universities are obliged to submit a report under supply chain provision.

Council commented that the statement needed to be more encompassing and accompanied by a code of conduct for procurement. Staff and students needed to be fully aware of the issue.

Mr Mullan agreed to revisit and strengthen the statement with the assistance of procurement staff.

The Chairman would sign the Modern Slavery Statement when amended to reflect Council's suggestions.

19.32 CALENDAR OF MEETINGS 2019-20 (C/19/23)

Mr Mullan presented the Calendar of meetings for the coming year. The Calendar indicated when Council, Senate and their sub-committees and faculty boards will meet during 2019-20 academic year.

Council noted the Calendar of Meetings.

19.33 ANY OTHER BUSINESS

The Vice-Chancellor thanked the Chairman for his invaluable support, advice, calmness and leadership during his time as Chair of Council.

Mrs Pyper thanked the Chairman for remaining in post until the end of June. Council recognised the considerable contribution made by the Chairman, not only to Council but also to the University, over the last number of years.

The Council requested that a formal vote of thanks be recorded for the Chairman for leaving such a strong platform for Council governance moving forward.

The Chairman thanked the Vice-Chancellor and commented he would be leaving the University in a stronger position and looked forward to witnessing the its growth in the years ahead.

Mrs H Bingham, Mr A McAnallen (Student Representative), Professor Adair, Mrs Lamond, Mr Mullan, Mrs Kane and Mr Millar left the meeting.

UNIVERSITY OF ULSTER

COUNCIL

14 JUNE 2019

RESERVED MINUTES

19.34 REPORT OF THE INDEPENDENT REVIEW INTO THE INDUSTRIAL TRIBUNAL JUDGEMENT (C/19/24R)

Following a private meeting of Council the following staff member, student representative and staff in attendance returned to the meeting:

Mrs H Bingham, Mr A McAnallen (Student Representative), Professor Adair, Mrs Lamond, Mr Mullan, Mrs Kane and Mr Millar

The Chairman presented the paper on the independent review of the Industrial Tribunal judgement. The report had been commissioned to consider lessons learnt and had been undertaken by Ms Petra Shiels, who had specific expertise in employment related litigation. Following receipt of the draft report the University had made a number of comments, although not all had been reflected in the final report.

Following legal advice received by the Chairs of Council Committees, much consideration was given to whether or not the report should be published in full, although members were content that the recommendations should be.

Members raised concerns about transparency if the report was not published in full.

Council agreed that a statement should be prepared which would capture the key messages and that Council and the University accepted the recommendations and lessons learned in the report and agreed that these recommendations should be addressed as soon as possible. It would also indicate that the report would be published in full.

Moving to a letter from Ms Horgan that had been received by Council members, the Chairman informed members that he had had no prior knowledge of the letter. Members expressed their disappointment that the views had been communicated in this way. Members agreed that not to respond to the letter would imply Council accepted its content and it was agreed that the Chair should do so.

Following a full discussion, the Council agreed to:

- Withhold the report for now but with a view to publishing shortly
- Publish the recommendations with a commitment to addressing them as soon as possible
- Arrange a meeting with UCU to explain the position in regard to publication and to share the recommendations
- Develop a communication plan covering the recommendations.