

Minutes of the 308th COUNCIL meeting, Wednesday, 14th February 2018

PRESENT:	Dame Yve Buckland (Chair)	
	Amanda Allen	Professor Alec Cameron
	Lance Doughty	Stuart Doughty
	Dr Melanie Gibbs	Professor Helen Higson
	Professor Alison Hodge	Dr Fiona Lacey
	Kevin Morley	Reema Quessou
	Vij Randeniya	Dr Mike Wright
APOLOGIES:	Toby Lewis	Sue Noffke
	Rob Perrins	Neil Scott
	Surinder Sharma	Alison Trauttmansdorff-Weinsberg
IN ATTENDANCE:	David Farrow	Professor Sarah Hainsworth*
	John Walter (Secretary)	
	* For minutes 17/213-214	

GOVERNANCE MATTERS

Declarations of Interest

17/204 NOTED:

That Lance Doughty reported that his employer, Cap Gemini, was currently in the process of tendering for an Aston University procurement but he was not personally involved with this; and that there were no other new declarations of interest from members of the Committee with respect to any agenda items.

MINUTES AND UNIVERSITY NEWS

Minutes

17/205 RESOLVED:

To approve the Minutes of the 307th meeting of the Council, held on 28th November 2017.

Matters Arising

17/206 RECEIVED:

Paper CO/17/100 being a report on matters arising from the minutes of the 307th Council meeting.

HEFCE Annual Accountability Returns 2017 and Prevent Assurance Statement (Minutes 17/187, 17/192 and 17/198)

17/207 NOTED:

That the University's Annual Accountability Returns for 2017 and its Prevent Assurance Statement had been submitted on time to HEFCE.

Report on Capital Projects referred by the Finance and Major Projects Committee (Minute 17/189)

17/208 NOTED:

[FOI exempt/commercially confidential]

Risk Assessment of the Aston Campus in relation to potential Terrorist Attacks (Minute 17/198)

17/209 NOTED:

That West Midlands Police carried out a risk assessment around the threat of terrorist attack on an annual basis when they produced a Counter Terrorism Local Plan (CTLP) which outlined the areas of risk within the West Midlands Police area. The Aston Campus was not currently regarded as being near the top of potential city centre targets. A further and more detailed report would be made to a future Council meeting when the latest CTLP was available.

Vice-Chancellor and Chief Executive's Report

17/210 RECEIVED:

An oral report from the Vice-Chancellor and Chief Executive, noting the following points:

- i) Higher Education was once again in the political spotlight, with negative commentary over tuition fees/student debt, freedom of speech on campus, vice-chancellors' pay, and grade inflation dominating political and media commentary of the sector.
- ii) Following the ministerial reshuffle in January, Damian Hinds had been appointed as Secretary of State for Education and Sam Gyimah as Minister of State for Universities, Science, Research and Innovation. The Vice-Chancellor had invited the new Minister to visit Aston to meet staff and students.
- iii) It was expected that a major review of university funding and student finance would take place later this year, details of which were to be published shortly. Any new settlement resulting from the funding review was unlikely to provide a more generous outcome for universities and there was a risk of a reduction in tuition fee levels (perhaps differentiated by course and/or institution) with no compensating funding from government. Any reduction in funding per student would have a significant and direct impact on Aston's (and all other universities') income and financial position. In the interim, the government had frozen tuition fees at £9250, in anticipation of the review. The University was undertaking some scenario modelling to assess the possible financial consequences of a future reduction in tuition fees.
- iv) A major element of the new Higher Education and Research Act 2017, was the replacement of HEFCE and the Office for Fair Access with a new regulator, the Office for Students (OfS). The OfS would become operational from 1st April, with many of its staff transferring directly from HEFCE. It would have a fundamentally different charter as a regulator rather than a sector funding agency (also refer to Minutes 218-219).
- v) Notwithstanding the action taken to address a large pension deficit two years ago, the current valuation of the Universities Superannuation Scheme (USS) had worsened, and the regulator had required USS to address the growing deficit. The universities had indicated that they could not increase their current 18% contribution to the plan and had proposed that the Defined Benefit scheme be closed for future contributions, and funds be applied to a Defined Contribution plan, also to be offered by USS. The UCU union had proposed an increase of the employer contribution to 23.5%, along with increased staff contributions and a reduction in benefit. While the Joint Negotiating Committee of USS (via its independent chair) had recommended the Universities'

proposal to the USS trustees, the UCU had informed universities, including Aston, of its intention to take 14 days of strike action in response to the dispute over proposed changes to the USS pension scheme. This would start with two days of strikes on 22nd and 23rd February, followed by three, four and five days of strikes in subsequent weeks. The University had sent emails to all staff and students to inform them about the strike action and the University's response to it. A Group had been established to ensure that everything was done to minimise the impact on students and plans were being put in place to minimise this. The National Union of Students supported the strike, although a growing number of students nationally were asking questions about seeking compensation if the strikes affected them. The University would endeavour to provide alternative equivalent learning experiences to compensate for any planned elements that were not provided as a consequence of strike action, and would take into account any assessments that were affected.

- vi) Following the Council's endorsement of the Aston Strategy in November, the Executive had been progressing its implementation via the development of a range of plans and key processes. As an initial stage of implementation it had been decided to prepare a statement for each of the University's beneficiary groups addressing the following:
- What is Aston's value proposition for the beneficiary group?
 - What are the desired (and measurable) outcomes for the beneficiary group?
 - What changes does the plan imply for current activities to align with the value proposition and objectives for the beneficiary group? What do we need to stop or start, or do more or less of, to be true to our strategic plan from the perspective of this beneficiary?

The outcomes from these statements would be reflected in Aston's key performance indicators. The actions would feed into the functional plans, and other planning instruments, including the budget (currently under development). The beneficiary statements were to be finalised by the Executive in mid-February, and would underpin the next phase of strategy development and implementation, which would be the major agenda item for the forthcoming Council-Executive away day. Communication materials were under development for stakeholder groups, including, in the first instance, staff and business, and a range of staff interactions would be established to ensure that their voice continued to be heard during implementation. Paul John, Director of Process and Quality Improvement, would be overseeing the management of the various projects involved in the strategy implementation.

- vii) [FOI exempt/commercially confidential]
viii) [FOI exempt/commercially confidential]
ix) [FOI exempt/commercially confidential]
x) [FOI exempt/commercially confidential]

ACTION: *Provost to report on Aston Online to the next Council meeting*

Pro-Chancellor and Chair of Council's Report

17/211

RECEIVED:

An oral report from the Pro-Chancellor and Chair of Council, noting the following points:

- i) The Pro-Chancellor had recently visited the School of Languages and Social Sciences (SLSS) and the Aston Medical School (AMS) to meet the Executive Deans and their staff to discuss their academic activities, plans and concerns. AMS had asked for Council's support in nominating members to its advisory board which would provide guidance on the future development of the School.
- ii) The Pro-Chancellor was to attend the CUC New Chairs' Dinner at the Royal Society on 15th February and, with the Vice-Chancellor, the Leadership Foundation Joint Workshop for Chairs of Governing Bodies and Vice-Chancellors on 15th-16th March.

President of the Students' Union's Report

17/212 RECEIVED:

Paper CO/17/64, the Report of the President of the Students' Union. The Union was striving to address its current budget deficit (forecast to be £70,000) and was on track to achieve a surplus budget for 2018-2019. The Union had welcomed its inclusion in the development of various strands of the new University beneficiary-led strategy. The Union Building project was on track with initial building work to commence in March. The Union had been playing an increasing important role in University Open Days and applicant visits. The Students' Union Advice and Representation Centre had been rated the best service on campus, via the University's internal satisfaction survey. Following successfully lobbying by the Vice-President Education, the University had agreed to make all final year dissertation printing free which had proved very popular with the student membership.

STRATEGIC ISSUES

School of Engineering and Applied Science - Strategy

17/213 RECEIVED:

A presentation from Professor Sarah Hainsworth, Pro-Vice-Chancellor and Executive Dean, on the strategy of the School of Engineering and Applied Science (SEAS).

17/214 NOTED: the following points:

- SEAS had been making excellent progress in recent years in terms of research volume and quality, growth in undergraduate student numbers, financial contribution to the University, securing funding for Knowledge Transfer Partnerships (KTP), and engagement with industry.
- SEAS would be leading the digital workforce theme within the Government's £20 million Institute of Coding, to develop specialist skills training in areas of strategic importance. It had also secured £195k from HEFCE to develop Birmingham's first undergraduate degree solely dedicated to cybersecurity.
- SEAS currently had five research institutes and the new Aston Institute for Urban Technology and Environment (ASTUTE) which would leverage current research in data analytics and machine intelligence, communications and sensing, energy, logistics, health (SLHS), social sciences (SLSS) and Business (ABS).
- SEAS was on track in preparing for the REF 2021 in terms of high quality publications and impact case studies.
- SEAS would not be seeking to increase undergraduate students, but would seeking growth in postgraduate and international student numbers and in Degree Apprenticeships.
- [FOI exempt/commercially confidential]
- Many of the University actions identified as being required for the success of SEAS (eg improvement to IT infrastructure, additional space, enhance marketing and more efficient and effective process to respond to business needs) were central to the success of the other Schools. The preparation of beneficiary statements as part of the implementation of the University strategy was identifying similar cross-University issues. The University was identifying common solutions to these issues and developing an evidence-based and prioritised plan for their implementation.
- Council members were invited to nominate appropriate members for the SEAS Advisory Board which provided guidance on the development of the School.

ACTION: *Secretary to invite Council members to nominate members to the SEAS Advisory Board*

Student Target Planning for 2018/19 Entry

17/215 RECEIVED:

Paper CO/17/104 and an oral report from the Provost and the Executive Director for Marketing Strategy and Communications on the context for and progress with student recruitment for 2018/19, and on the setting of intake targets in the light of the new University Strategy which refocused growth away from Home-EU undergraduate provision on to postgraduate and international students and Degree Apprenticeships. Schools were proposing a reduction of more than 200 Home-EU undergraduates from the previous year, an increase of nearly 150 Overseas undergraduates and 100 postgraduate taught students, together with a major increase in the number of Degree Apprenticeships (currently 360 and moving towards 740 by this time next year).

17/216 [FOI exempt/commercially confidential]

17/217 RESOLVED: that the University's market position and student number planning should be a theme at the Council/Executive Away Day in the context of the University Strategy development.

ACTION: Vice-Chancellor and Provost

New Higher Education Regulatory Framework

17/218 RECEIVED:

Paper CO/17/105 presented by the Provost which indicated that the University was required to register as an HE Provider with the Office for Students (OfS) by 16th April 2018 to enable Aston's new medical students to apply via the UCAS early applications system for 2019/20 entry. The paper highlighted some of the likely ongoing onerous compliance requirements to retain full HE provider status, including participation in TEF. The final version of the requirements for registration with the OfS was due to be published on 28th February 2018.

17/219 NOTED:

- That the Provost and the Chief Financial Officer had established a Group drawn from relevant areas across the University to ensure that Aston was in a position to submit a strong application to the OfS and to meet the ongoing conditions for registration as an HE provider. The Group would also prepare a communications plan and arrange town hall meetings to ensure staff across the University were aware of the new requirements. The Group had agreed a draft schedule of work to be undertaken in preparation for registration with the OfS, identifying an Executive Sponsor and a Lead for each area of activity and a roadmap for the transition from the old system overseen by HEFCE to the full operation of the new HE regulatory framework overseen by OfS.
- That Council would need to demonstrate that adequate and effective management and governance arrangements were in place to provide and fully deliver the HE courses advertised, and to continue to comply with all the conditions of its registration as an HE provider. In anticipation of this, the CFO, Provost and Director of Governance had completed an initial compliance review of the University's governance arrangements benchmarked against the CUC's HE Code of Governance, which would be shared with the Audit Committee and Council. It was proposed that an external effectiveness review of Aston's governance arrangements be conducted in 2018/19, which would allow time for the recent changes to the operation of Council and its committees to be fully implemented and operational. The report from this review would provide assurance to Nominations Committee and Council on the effectiveness of governance arrangements, and identify any areas which could be strengthened going forward.

STRATEGY REPORTS

Report from the Nominations Committee

17/220 RECEIVED:

A report from the Pro-Chancellor that she had met with the majority of Council members to discuss their interest and capacity to continue in membership of Council and its committees, in the context of the need to reduce the size of Council, to enhance governance arrangements and the Council's effectiveness, and to implement the new committee structure.

17/221 RESOLVED:

To approve the following recommendations from the Nominations Committee (14.2.18):

- i) The following appointments and reappointments:
 - Appointment of Dr Mike Wright as Deputy Chair of Council.
 - Reappointment of Dr Toby Lewis for a second term ending 31st July 2021 and appointment as Chair of the Audit Committee, with immediate effect.
 - Reappointment of Sue Noffke, for a second term ending 31st July 2021 and appointment to the Nominations and Remuneration Committee
 - Reappointment of Dr Vijith Randeniya, for a second term ending 31st July 2021 and appointment as Chair of the Nominations and Remuneration Committee.
 - Appointment of Lance Doughty (who would step down from the Nominations Committee) and Melanie Gibbs as members of the Audit Committee.
 - Appointment of Rob Perrins (who would step down as Chair of Audit Committee) as a member of the Finance and Infrastructure Committee.
 - Appointment of Alison Trauttmansdorff-Weinsberg as an Independent Advisor on Strategic HR and Remuneration matters and an External Member of Nominations & Remuneration Committee, on completion of her term of office as a Council member.
 - Appointment of Professor Surinder Sharma as an Independent Advisor on Equality and Diversity matters, on completion of his term of office as a Council member.
- ii) That the new committees should comprise entirely independent members, with any current members of staff or student attending by invitation only.
- iii) That the renewal of Council membership at the end of a member's first term of office should not be regarded as automatic, and that the Pro-Chancellor should conduct an end of term review with each member to assess their overall effectiveness in the role and their continuing interest and capacity to serve.
- iv) That the new committee structure should be implemented as soon as possible.

ACTION: *Secretary to circulate details of new committee memberships*

17/222 NOTED:

That the Council gender balance would improve to 50% women when the changes were implemented, although the ethnicity balance would deteriorate to 12%. The Nominations Committee would attempt to address this in making future appointments.

Report from the Remuneration Committee

Annual Report of the Remuneration Committee 2016/17

17/223 RESOLVED:

To endorse the approach of the Remuneration Committee to the remuneration of the Vice-Chancellor and senior staff which strived to achieve a balance between rewarding success

and demonstrating good governance, as set out in the Summary of the Annual Report of the Remuneration Committee 2016/17 (paper CO/17/107).

Review of Senior Remuneration Governance

17/224 RECEIVED:

An oral report from Dr Vij Randeniya, new Chair of the Nominations and Remuneration Committee, that the Committee would be commissioning an external review of the University's governance arrangements around senior staff remuneration taking account of current best practice, sector benchmarking information, relativities in relation to the remuneration levels of other Aston staff, and emerging CUC and HEFCE/OfS guidance for adoption in 2018/19 and beyond. The aim would be to ensure that Aston operated a robust, fair and transparent remuneration scheme that incentivised and rewarded excellent performance and appropriate behaviours.

Update on the University's finances and Aston University Pension Scheme (AUPS)

17/225 RECEIVED:

Paper CO/17/108 which provided an update on the University's 2017/18 financial position, progress on the 2018/19 Budget and 2018/19 Five Year Financial Forecasts, and early stages in the investigation of alternatives to the EIB Loan Facilities. It also updated Council on the outcomes of the consultation to close the AUPS to future accrual.

17/226 NOTED:

- That the University had identified a £2.5 million intake deficit on tuition fees in the current year. Other sources of income would mitigate this shortfall by approximately £2.1 million, and a full-year income shortfall to budget of £(0.4) million was forecast. Year-to-date expenditure was £4.1 million better than budget which was explained by lower pay (£2.2 million), non-pay (£0.8 million), depreciation (£0.6 million) and student support (£0.4 million). The full-year forecast for expenditure assumed some of this underspend would be 'caught-up' and the under-spend would reduce to £0.4 million. It assumed that all staff vacancies would be filled. As at 31st December, Aston had 117 vacancies against a budget of 1,647 staff FTEs. Of these 36 were in Schools.

ACTION: Provost to circulate details of progress with recruitment of academic staff

- That the University had entered into consultation with support staff about a proposal to close the AUPS to future accrual; replacing the defined benefit scheme with a defined contribution (DC) scheme. The consultation ended in October and subsequently, the Unite union balloted its members on whether to accept the university's proposed new DC arrangement. Staff had voted in favour of accepting the proposal and in January the unions signed a collective agreement to enact the required contractual change. The University had issued the formal notice of contract variation to staff affected by the change and would commence further communications on the new DC scheme. Confirmation was awaited from the AUPS trustees that they would alter the scheme rules to enable the changes necessary to cease future accrual. The University had appointed Scottish Widows to provide the new DC scheme. It was planned to implement the new scheme with effect from 1st April and to close AUPS to future accrual at this date.

DATE OF NEXT MEETING

17/227 NOTED:

That the Date of Council/Executive Away Day was scheduled for 19th-20th March 2017.

OTHER BUSINESS

Establishment of a Tribunal

17/228 RESOLVED:

To approve the establishment of a Tribunal to consider the dismissal of a member of the Academic Staff comprising Dr Vij Randeniya (independent Council member), Professor Helen Higson (Chair) and Professor Simon Green to be held at 9:00 am on 17th April 2018.

RESOURCES AND BACKGROUND MATERIAL FOR THE MEETING

17/229 RECEIVED:

The following resources and background material for information:

- Digest of University News and Events (paper CO/17/109).
- Annual Report of the Remuneration Committee 2016/17 (paper CO/17/110).
- Management Accounts 2017/18 at 31st January 2018 (paper CO/17/111).

JGW/16.2.18