

Minutes of the 310th COUNCIL meeting, Wednesday, 17th October 2018

PRESENT:	Dame Yve Buckland (Chair)	
	Amanda Allen (by teleconference)	Amna Atteeq
	Professor Alec Cameron	Lance Doughty
	Dr Stuart Doughty	Dr Melanie Gibbs
	Professor Helen Higson	Dr Fiona Lacey
	Dr Sue Noffke	Dr Rob Perrins
	Dr Vij Randeniya	Neil Scott
	Dr Mike Wright	
APOLOGIES:	Toby Lewis	Professor Kevin Morley
IN ATTENDANCE:	David Farrow	Professor George Fieger*
	John Walter (Secretary)	
	*For minutes 18/8-9	

GOVERNANCE MATTERS

Declarations of Interest

18/1 NOTED:

That Lance Doughty had recently declared that he was undertaking remunerated consultancy for the University of Bristol and that there were no other new declarations of interest from members of Council or from those in attendance with respect to any agenda items.

MINUTES AND UNIVERSITY NEWS

Minutes

18/2 RESOLVED:

To approve the Minutes of the 309th meeting of the Council, held on 21st June 2018.

Matters Arising

18/3 RECEIVED:

Paper CO/18/1, a report on matters arising from the minutes of the 309th Council meeting.

2018/19 Budget and Strategic Financial Plan (Minute 17/250-252)

18/4 NOTED:

That following Council's approval, the 2018/19 Budget and Strategic Financial Plan were submitted to the Office for Students (OfS).

Proposed Redundancy Committee (Minute 17/262)

18/5 NOTED:

That it had not been necessary to hold a meeting of a Redundancy Committee as the staffing issues arising from the restructuring proposals were resolved without the need for any compulsory redundancies.

Vice-Chancellor and Chief Executive's Report

18/6 RECEIVED:

Paper CO/18/2 and an oral report from the Vice-Chancellor and Chief Executive, noting the following points:

i) University Strategy

- An appendix to the report was included detailing progress with the portfolio of strategy implementation projects, which included reviews of taught programmes, research strategy, and business engagement, and a new international strategy.
- In addition to a high level of activity, some of the earliest projects had completed significant first phases. The first phase of the programme portfolio review led by the Provost in liaison with the Schools, would remove 42 programmes from Aston's current portfolio, which would not be offered for enrolment in 2019. The decision criteria included quality and quantity of student demand, graduate employability, and student satisfaction. Their removal would result in both financial and quality benefits to the University.
- Major related projects addressed by the Finance and Infrastructure Committee (8.10.18) included the Estates Strategic Plan and the Digital Strategy.

ii) Aston Medical School (AMS)

- AMS was now operational. The target of 20 (government-funded) home students had been met, with all these students coming from Aston's pathway feeder schools in the West Midlands, and all meeting its Widening Participation criteria. 49 international students had enrolled (against a target of 40), with the population spread across 21 countries. AMS was operating well and no significant operational issues had been experienced to-date. Positive feedback had been received from students concerning their experience and the tuition that they had been receiving.

iii) Campus Security

- Aston and other universities and organisation across the city of Birmingham had experienced a recent increase in reported levels of antisocial behaviour and crime. There had been several reports of robberies (with no serious injuries) and unwelcome confrontations adjacent to the campus (most notably in Aston Street). The University was liaising with the West Midlands Police, Birmingham City Council and other local organisations, with a view to taking measures to reduce the level of anti-social behaviour and crime in proximity to the campus. A review of teaching after 6:00 pm had been undertaken and arrangements were being made for Security to be available at the end of the small number of late classes to escort such students back to their accommodation or bus stops. The University and the Students' Union would work together to ensure that students were kept informed about measures being taken to keep them safe and given appropriate advice about how they can minimise their personal risk from crime.
- Members of Council recommended that the University engage the support of BCC councillors in addressing the anti-social behaviour and crime. They also suggested that the most frequently used routes across campus should be identified and provided with additional lighting, CCTV cameras and security personnel patrols.

ACTION: *COO and SU President*

iv) External Engagement

- Council congratulated the Vice-Chancellor on the positive feedback received as a consequence of his engagement with stakeholders with a strong interest in the sector, particularly politicians and media representatives.

v) Universities Superannuation Scheme (USS)

- Universities UK had recently launched a consultation with USS employers on the recommendations of the Joint Expert Panel (JEP) which had been set up by the University and College Union (UCU) and UUK to review the USS 2017 valuation, processes and assumptions following the industrial dispute earlier this year. The JEP Report included an assessment of the methodology, assumptions and processes underpinning the valuation. The JEP recommended possible ways of reducing the pension deficit and the cost of future defined benefit provision. These included employers taking on greater levels of risk, stakeholders paying higher contributions (employers' contributions would rise to 20.1% of salary and employees' to 9.1%), the trustee updating the valuation assumptions and stakeholders agreeing some moderate adjustment to benefits. UUK was seeking to ascertain the employers' willingness to accept greater levels of risk and to pay more into the scheme than their current contribution level of 18% of salary. The Executive had agreed that the University's ability to invest in the student experience, maintain its infrastructure, support research, and attract, reward and retain talented staff would all be significantly challenged by having further to increase the employer contributions. The University was in the process of seeking expert opinion from Mercer on the status of the JEP recommendations and the response to the current consultation (as JEP was sited outside of the formal USS governance arrangements) having regard to requirements of the USS Trustees and the Pensions Regulator.
- In the absence of any agreement, the USS trustee was proposing to act in line with Scheme Rules 76.4-8, whereby members' normal contributions would increase from 8% to 8.8% from 1 April 2019, and the employer contribution would increase from 18% to 19.5%. Two further phased increases would result in member contributions of 11.7% and employer 24.9% contributions by April 2020.

18/7 RESOLVED:

- To accept the Vice-Chancellor's analysis of the USS pension situation and of the likely financial implications of the JEP recommendations for the University going forward.
- That on the basis of this analysis the Vice-Chancellor be authorised to respond on behalf of the University to the Universities UK consultation on the JEP recommendations by the deadline of 30th October 2018.
- That the Vice-Chancellor should continue to keep FIC and Council informed about ongoing developments.

ACTION: *Vice-Chancellor*

STRATEGIC ISSUES

Aston Business School (ABS) Strategy

18/8 RECEIVED:

Paper CO/18/3 and a presentation from Professor George Feiger, PVC and Executive Dean of the ABS, of the ABS Strategy to achieve its mission to be a global leader in bridging the world of intellectual discovery and the practical needs of enterprises and the professions. The Strategy focused on how the School would deliver for its three main beneficiaries: those who learn with the School, enterprises/professions (of primary focus), and policy makers.

18/9 NOTED the following points:

- ABS benefited from an integral Law School which enhanced the legal and governance aspects of business programmes, whilst offering Law students the opportunity to gain legal knowledge in a business context.
- ABS had strong links with the other Schools, which enabled the University to offer distinctive and attractive taught programmes and research activities across disciplines.
- ABS had made excellent progress in recent years in terms of growth in undergraduate student numbers and its financial contribution to the University. ABS student feedback and graduate outcomes were generally very positive.
- ABS had recently actively engaged with over 700 leading SMEs through programmes (eg Goldman Sachs 10,000 Small Businesses Midlands programme) and growth support initiatives.
- Members noted that most of the University's international and home postgraduate student recruitment took place in ABS. The School relied on centrally provided marketing and admissions services to deliver its recruitment targets in an increasingly competitive global market. Unfortunately, these services had not always worked effectively this year, resulting in a significant shortfall in student enrolments and associated tuition fee income. The School was working closely with the University to ensure that operational issues and culture were resolved as soon as possible, given that the recruitment cycle for 2019/20 had already started.
- Members queried whether ABS might operate more effectively as a standalone specialised and brand-leading institution with more responsibility for its own resources, marketing and recruitment with the agility to respond rapidly to the needs of business. The Executive Dean emphasised the positive benefits for the School of operating within a larger institution which enabled students and staff to take advantage of the multidisciplinary expertise, higher funding, infrastructure and facilities available, notwithstanding the need to enhance and ensure the ongoing effectiveness of centrally provided services via robust service level agreements. Aston's overall brand image and marketing effectiveness were also of strategic importance to the School, and the School engaged positively with the University in efforts to raise Aston's profile and rankings.
- Members asked for a progress update on the Aston Online initiative, delivered in partnership with Keypath Education Ltd. The online MBA programme had proved to be very successful as it was triple accredited (AACSB, EQUIS and AMBA) and 120 students had enrolled to-date (the majority of MBA students). An on-line accounting programme had been less successful and had not recruited sufficient numbers principally because it was not accredited by a professional body. The University had benefited considerably from the improvement of systems to support the administration and delivery of online programmes, which had been extended to traditional taught programmes and in particular degree apprenticeships. New online programmes and specialist pathways for the MBA were currently in train with the aim of further increasing postgraduate numbers. ABS recognised that whilst it was able to recruit high calibre and ambitious staff who engaged in excellent and impactful research, they often chose to move on to pursue their ultimate career goals elsewhere.
- The presentation and its content received favourable comment from Council members who found the insights into the Business School strategy most helpful

2018 Student Recruitment and Financial Implications

18/10

RECEIVED:

Paper CO/18/4, presented by the Vice-Chancellor, which indicated that there had been a shortfall in student recruitment and associated tuition fee income for 2018/19, particularly in relation to international postgraduate taught students (PGT). A consequent reduction in revenue of £6.2m after application of the budgeted under-recruitment provision (£1.5m) was forecast which would have an impact on Aston's surplus. The shortfall for PGT was

£5.3m (comprising £1.1m home/EU and £4.2m international) and for undergraduate was £2.4 (comprising home/EU £2m and international £0.4m). Aston had been able to maintain entry tariffs at least at last year's levels despite the very competitive environment.

The University's performance over the past two years had secured an additional surplus, above budget, of c£10m which would help to offset this year's weaker performance. As most postgraduate students studied on one-year programmes, the financial consequences would be felt only for one year provided that the University could recover the student recruitment position.

The Vice-Chancellor asked the Council to approve a proposal to preserve the existing expenditure budget allowing the income shortfall to drop to the bottom line and the budgeted surplus to reduce to £2.0m (1.3% of revenue). This would allow the planned investment to deliver the Aston Strategy and to support growth in areas such as international, degree apprenticeships, and online, and the planned increase in staff numbers to address the high student:staff ratio and thereby to improve Aston's league table ranking. This request had been endorsed by the FIC.

The Executive had established a Postgraduate Recruitment Task Group which met weekly to oversee implementation of the actions to address the causes of the under-recruitment as a matter of urgency and in readiness for the cycle for recruitment for 2019/20 entry which was already underway.

18/11 NOTED the following points:

- Members asked the Vice-Chancellor to explain why the news about the under-recruitment had emerged so late in the year, and whether this was the result of ineffective lead indicators/management information reports which failed to identify the scale of the under-recruitment or of the reluctance of staff to report bad news. The Vice-Chancellor reported that he had been aware from the outset that the international PGT targets were challenging in a competitive and volatile environment, but had been surprised by the level of under-recruitment at the end of the year. He felt that this was a consequence of a combination of inadequate management information reports available to staff and communication issues. Aston's internal auditors, PwC, had been asked to undertake a review of the management of the pipeline of postgraduate student recruitment. They had identified one high risk rating (the need to establish a clear postgraduate recruitment strategy to guide Schools when setting student number targets) and three medium risk ratings: improvements required to the management of international agents, to the conversion process and to management information and reporting. The Postgraduate Recruitment Task Group were ensuring these actions and other issues were addressed expeditiously. The appointment of a new PVC International had led to some initiatives to improve international recruitment processes (eg the student journey mapping project), but these had occurred too late in last year's cycle to impact on the 2018 intake. A Director of International Recruitment had recently been appointed to help grow international student numbers across levels from foundation to undergraduate and postgraduate.
- Members suggested that the decision about what to do about the revenue shortfall was not necessarily a binary one. For example, consideration could be given to reducing overall expenditure, whilst ensuring that investment in priorities (such as those to promote growth or to increase academic staff numbers) was protected. The Vice-Chancellor reported that the University would continually endeavour to operate as efficiently as possible and, for example, a programme of process improvement projects was being undertaken with a view to identifying efficiencies as well as enhancing service quality. The University's record over the last few years demonstrated that there was a

cautious culture of spending by budget holders, which meant that expenditure savings were likely to ensue.

- FIC had highlighted the fact that Aston's projected revenue streams were becoming more difficult to predict due to the changing mix of the intake and agreed it should focus more on understanding the various sensitivities related to a higher proportion of industry-funded apprentices, off campus/on line teaching and the aggressive pursuit of the international market. The Executive had been requested to produce a revenue sensitivity analysis to provide comfort to FIC and Council that the ambitious revenue targets were realistic and achievable.

ACTION: Vice-Chancellor and Chief Operating Officer to closely monitor the University's financial performance and to report thereon to FIC

2018 NSS Results

18/12 RECEIVED:

Paper CO/18/5, presented by the David Farrow, Professor Helen Higson and Amna Atteeq which provided a report on Aston's NSS 2018 performance versus the sector, School by School NSS performance, and performance on specific dimensions of the NSS such as Feedback and Assessment. The report recommended that Aston prioritise improvements on several cross-School and overlapping areas of concern which had the biggest impact on student satisfaction.

18/13 NOTED:

- That Aston's Overall Satisfaction was 84.15% (down 3.83% from 2017) and 0.61% above the sector average. Whilst EAS had improved Overall Satisfaction to 81.1%, this had fallen in two Schools: LSS to 78% and LHS to 84.1%.
- That Aston's SU score had fallen by 2.55% from 52.36 to 49.81 and its rank was 122 out of 151 institutions (111th last year).
- That, although Aston's performance in the NSS had been negatively affected by the strike by UCU members, there were other contributory factors that had influenced the result and it was really important for the University to recognise and address them going forward. This was demonstrated by the fact that whilst the average decline in Overall Satisfaction of universities affected by the strike was 1.95%, Aston's score fell by 3.83%. The University and the Students' Union were taking this matter very seriously with a view to impacting positively on the NSS 2019 and the following Sunday Times league table.
- That a Cross-University Taskforce (led by Helen Higson and David Farrow) had been established and had agreed action plans for Schools and Departments. The SU would be working collaboratively with the Task Force. The following key themes underpinned the action plans:
 - Investment in and empowerment of Programme Directors to take responsibility for their programme as a whole.
 - Cross-University task group to focus on the experience of Joint Honours Students (led by Dr Liz Moores).
 - Emphasising key cross-School University policies and procedures and expecting all staff to adhere to them.
 - Tightening the feedback loop so that students know what has been done as a result of comments made.
 - Ensuring that deadlines for return of marked work and comments are met, and that the feedback is always high quality.
 - Increasing the accessibility of staff to students, staff visibility on campus, and expectations of turnaround time on e-mails.

- Working with the Students' Union to increase the amount and effectiveness of the Student Voice, including telling students what has changed.
- That Council members recommended that Aston should attempt to learn from the experience of other universities who achieved consistently high NSS scores.
- That the University should explore ways to canvass the opinion of students on a structured basis throughout the year to identify any significant issues, so that actions could be taken rapidly and communicated to students prior to the NSS itself.
- That Council members recommended the identification of some quick wins which should be addressed and then the actions fed back to students with the assistance of the SU Officers (eg additional copies of Library books, provision of additional study space, increased SU budget for student-related activities, and free printing credits).
- That Council members stressed that it was the responsibility of all staff to focus on meeting the needs of students and line managers had an important role in leading by example and taking action where this was not being done.

18/14 RESOLVED: to endorse the NSS plan of action and the concept of the SU working as a 'critical friend' to the University, in order rapidly to deliver improvements to student satisfaction in time for the next NSS in January 2019.

ACTION: *Provost, SU President, Executive Director of Marketing Strategy and Communications and Executive Deans*

League Tables

18/15 RECEIVED:

Paper CO/18/6 presented by the Vice-Chancellor, which indicated that Aston's ranking in this year's Sunday Times (ST) university league table had fallen from 46 to 56. The difference between this ranking and rankings published earlier in the year (the Guardian and the Complete Universities Guide), which had shown some improvement in Aston's rankings, was that the ST used the 2018 NSS results (which had declined significantly as reported above), while the prior rankings used the 2017 NSS results.

The University would be focussing on the following three areas to improve its future rankings in league tables:

- i) Student:Staff Ratio (SSR): This was the ratio of full-time equivalent (on campus) student population averaged over the academic year to full-time equivalent teaching staff. Aston had been ranked near the bottom of the sector in recent years, with a ratio of approximately 22:1, compared to the sector mean of 16:1. The University aimed to achieve the sector median in order to neutralise the impact of the SSR since it carried a heavy weighting in some rankings. As this was a lag indicator, the University's efforts to recruit additional academic staff were not expected to have a significant impact on the league table position until 2020.
- ii) National Student Survey: Aston had agreed a target to be in the top quartile for overall student satisfaction on this measure, and to achieve a measure of 90%. The relatively poor result in this year's NSS, while still above the sector median, pulled down Aston's performance in the recently-published ST ranking, and would likely impact the next Guardian and CUG rankings in early 2019. As set out above, the University had agreed a proactive programme, developed with and implemented in each of the Schools, to undertake actions targeted on improving student satisfaction. The aim was to improve the performance in the next NSS to be conducted in April, 2019, and thereby to impact upon the ST ranking later that year, and in the Guardian and CUG in early 2020.

- iii) **Graduate Prospects:** This was the most important aspect of Aston's value proposition to students; namely, that the University would maximise their employment prospects. To-date the measure of this had been the DLHE (Destinations of Leavers of Higher Education) survey, which had been conducted for graduating students six months following graduation (around January of the year following graduation). Aston had benefited from investment in Careers and Placements, and in its Placement Year, to perform consistently in the top quartile on this measure. However, Aston's lead over the sector has been reduced due an improvement by the sector through increased investment by competitors and to some decline in its performance. The cohort of graduates who were surveyed for the 2018 leagues tables, had been recruited at a time when the University had expanded student numbers considerably, with a higher proportion of enrolments in disciplines with lower employment prospects. The Careers team had faced the challenge of placing a higher number of students, a greater proportion of whom were from disciplines with lower employment prospects. The DLHE survey made no allowance for the socio-economic characteristics of the student population; hence, universities which were much more selective academically and attracted students from a higher demographic, both of which factors were known to correlate with better graduate outcomes, were advantaged. The DLHE survey was to be replaced by a new survey, the GOS (Graduate Outcome Survey), which would survey graduates 15 months post-graduation. Aston's current strategy, was to halt the decline in tariff, by seeking not to grow home undergraduate numbers, and to alter the mix towards programmes with higher employability outcomes. This was another lag indicator, and the current strategy was not expected to impact significantly the GOS and league table position until after the students recruited this year and next year had graduated (ie rankings published in 2024).

A realistic assessment of the above actions, would result in no expectation of a rankings improvement next year (2019), with the likelihood of slippage in the Guardian and CUG rankings in the first half of the year due to the substitution of Aston (good) 2017 NSS data with our (less good) 2018 data. The NSS survey in April, 2019, was the first chance to obtain better input data to feed into the ST ranking next September. If this was achieved, Aston's more competitive SSR numbers, when included in the 2020 rankings, suggested some cause for optimism. Meanwhile, Aston faced the challenge of two more years of higher student numbers, from 2014 and 2015, to place in employment or graduate level study in order to avoid relative decline in its graduate outcomes.

18/16 RESOLVED: to endorse the proposed actions to raise the University's future league table rankings.

ACTION: *Vice-Chancellor and Provost*

University Key Performance Indicators

18/17 RECEIVED:

Paper CO/18/7 presented by the Vice-Chancellor, proposed the adoption of a new set of 10 University's Key Performance Indicators (KPI) which were aligned to the Aston Strategy 2018 to 2023 and focused on how well the University was meeting the needs of its three main beneficiaries.

18/18 NOTED:

- That Council members requested that a data dashboard should be developed to provide Council with an overview of the University's current performance against its budget and plans. This dashboard data should be refreshed for each Council meeting.

- That Council members emphasised the need for KPIs to include predictive/lead indicators so that they could provide sufficient warning when progress was not on track to allow timely mitigating action to be put in place.
- Council members agreed it was desirable for KPIs to be validated through the use of external data, and to be measurable at both institutional and School level. KPIs should measure progress with regard to all of Aston's three beneficiary groups.

ACTION: *Vice-Chancellor, Provost and Chief Operating Officer*

STRATEGY REPORTS

References from Committees

Report from the Audit Committee

18/19 RECEIVED:

Paper CO/18/8 which summarised issues considered at the Audit Committee (AC) meeting held on 17th October 2019 (the full minutes of which would be received at the next meeting).

18/20 NOTED:

- That AC had reviewed the Internal Auditor's Annual Report which indicated that PwC's overall opinion was that "there are significant weaknesses within discrete areas of Aston's operations that put the achievement of organisational objectives at risk. Major improvements are required within discrete areas to improve the outcomes of our governance, risk management and value for money arrangements". The key factors for this included: of the six reports that PwC issued in 2017/2018, four reports were rated as 'High Risk' and PwC had raised five high-rated findings. PwC noted the positive and constructive conversations they had had with the Executive in agreeing recommendations and action plans. PwC also recognised the focus being placed on follow-up of recommendations by Audit Committee. Actions in respect of the five high rated findings raised in 2017/2018 were on track to be completed within target dates.
- That the Nous Group had been commissioned to review Aston's current IT strategy, which broadened into development of a proposed Digital Strategy. Their recommendations went beyond IT services and systems, and included culture, staff capability, processes and governance. The Strategy sought to move Aston to the way it should operate in a digital age and to better meet the needs of its beneficiaries. Audit Committee members had raised some concerns with regard to the Strategy and asked the Executive to reflect upon them as they consider the recommendations from the Nous report and develop implementation plans. Lance Doughty had agreed to meet with Neil Scott to provide comment and advice.
- That AC had considered a draft revised University Risk Appetite Statement and Risk Register which had been reviewed by the Executive. Two new risks identified included league table rankings and the Post 19 education funding review (which proposed a reduction of current tuition fees to £8,000 which could reduce Aston's income by circa £10m). AC had asked the Executive to reflect further on its risk appetite and AC's view that it would probably be necessary to take on higher risk in delivering the new Strategy. AC also felt that the Executive should consider raising the risk rating for Appropriate Student Recruitment given the current market volatility.

Report from the Finance and Infrastructure Committee (FIC)

18/21 RECEIVED:

Paper CO/18/9 which summarised issues considered at the FIC meeting held on 8th October 2018 (the full minutes of which were contained in the Resources and Background Material).

Estates Strategy

18/22 RECEIVED:

- i) Paper CO/18/10 being a report on the Review of the Estates Strategy which had been prepared following extensive consultation across the University. The report recommended the adoption of Option 5A which assumed that all future growth would be delivered 'off-campus' and that existing activities achieved a 13% space-efficiency; delivered in-part through increased use of digital resources and new ways of working. It would also improve on-going maintenance and running costs through new-build instead of refurbishing old buildings. Option 5A would have a 10-year cost of c. £230 million and would be phased to mitigate financial and delivery risks. The first phase would include a new £60 million building for ABS/LSS. This new building would 'unlock' future reconfigurations: it would provide flexible new accommodation (which could be utilised for non-university activity if space need were to fall) and allow the demolition of old and unviable buildings to be planned around business as usual. It also created two development zones with significant commercial value.
- ii) Paper CO/18/10b which provided a sensitivities analysis of factors that would have an impact on the University's financial performance and its ability to finance the borrowing required to support delivery of the revised capital plan. The paper reviewed the potential impact on Operating Surplus and Cash Flow of some major external issues within the HE sector, including five different scenarios for USS pensions and tuition fees (post the government's Review of Post-18 Education and Funding). The scenarios assumed borrowing increased by £40 million in 2018/19 as detailed in the above-mentioned Financing Option paper. The scenarios assumed all the USS pension cost flowed to the bottom line as many competitors were likely to be unaffected. The potential fee reductions would be likely to affect all universities so a review of the operating model would result in cost reductions. Aston aimed to have a minimum cash holding of £10 million. All scenarios, other than the base scenario (ie assuming the current position with regard to USS pensions and tuition fees), would move Aston into a negative cash position, so other cost reductions or delays in capital spend would be required. None of the scenarios included proceeds from land disposals or other asset sales.
- iii) The following recommendations from FIC:
 - That Estates Strategy Option 5A be adopted as the "preferred option" and as the basis for the implementation of a new estates vision and strategy. Proposals for individual projects should be considered and approved on a case by case basis by FIC and Council once the vision and strategy were finalised and agreed.
 - That the University proceed with preparatory work to deliver the new build project, including engaging a design team and planning consultants.
 - That the University commit resources including the appointment of an external project manager to assemble a 'design team' to deliver the estates vision and masterplan and its implementation.
 - That Officers investigate possible options to provide required additional borrowing of £40 million to fund the delivery of the Estates Strategy. It would be prudent to seek to secure the facility for up to £50 million loan to provide some future flexibility.

- iv) A report from the FIC Chair summarising FIC members' view that, despite a degree of uncertainty in the overall market going forward with regard to student intake mix, fee levels, pension funding requirements together with any adverse effects of the Brexit decision, it was fundamental to the future of the University that the infrastructure was put in place to be fit for purpose and adaptable enough to sustain many of these changes.

18/23 RESOLVED:

To approve the above recommendations from FIC.

ACTION: *Chief Operating Officer*

Report from the Nominations and Remuneration Committee (NRC)

18/24 RECEIVED:

Paper CO/18/12 which summarised issues considered at the NRC meeting held on 10th October 2018.

18/25 NOTED:

- That Innecto Reward Consulting had been appointed as independent advisors to support the NRC in responding to the expectations of the Office for Student and the Committee of University Chairs code of 'best practice' with regard to senior staff remuneration.
- That NRC had received a presentation of a report on the Senior Leadership Pay and Benefits Benchmarking Review undertaken by Innecto. Innecto gathered reward intelligence and insight for a relevant group of peer organisations both inside (UCEA 2017 Senior Staff Remuneration Survey) and external (data on FTSE 350) to the HE sector. Innecto reviewed the content and scope of Aston's senior roles, potential comparator 'markets' in which Aston competes for such talent, the most suitable data sources that reflect this, and how Aston incumbents sit against this aggregated market position. NRC welcomed the report as the sound basis for future decisions and action, and agreed the following follow up actions:
 - Executive Director of HR&OD to provide NRC with additional contextual information about the level of salaries for certain senior staff roles.
 - Vice-Chancellor to review the recommendations of the Innecto report and to develop proposals for future senior staff pay, bonuses and benefits which would help to ensure the University's investment continues to achieve value for money, as well as being competitive enough to ensure the attraction, retention and motivation of top talent. Innecto could provide assistance with this work.
 - The University should continue to adopt a robust and data driven approach in line with the CUC guidelines to ensure that levels of base pay for senior roles are set with rigour and consistency, with reference to both external and internal levels of pay. Due regard would need to be paid in relation to ensuring fairness of pay and addressing the gender pay gap.
- That NRC had reviewed the composition of Council and its Sub-Committees for 2018/19 and noted those members who would be completing terms of office on 31st July 2019. The number of independent members needed to reduce from the current level of 11 to nine. The Pro-Chancellor undertook to meet with the members concerned to discuss their capacity and interest in continuing to serve. The Committee would then determine whether or not it would be necessary to seek new appointments, having regard to the skills mix and diversity of Council.

Independent Council Effectiveness Review

18/26 RESOLVED:

To approve Paper CO/18/13, setting out the proposed scope and terms of reference for an Independent Council Effectiveness Review to be undertaken in 2018/19, on recommendation from NRC.

Vice-Chancellor's Report (CONFIDENTIAL TO COUNCIL MEMBERS)

18/27 RECEIVED:

A confidential oral report from the Vice-Chancellor concerning an Aston Student.

DATE OF NEXT MEETING

18/28 NOTED:

That the next Council meeting was scheduled for 28th November 2018.

REVIEW OF 310th MEETING

18/29 NOTED:

That members welcomed the opportunity to have lunch with the ABS Executive Dean, members of his senior leadership team and students from the School, which gave important context to his excellent presentation to Council. They suggested that, in future, it would be useful to start the Council meeting at 1:30 pm if there were to be a School Strategy presentation from an Executive Dean, in order to allow sufficient time to cover all the business. The Pro Chancellor emphasised that it was important to have an independent report from the President of the SU at all meetings in order to give the Council a view of the student experience and student satisfaction.

OTHER BUSINESS

Brexit

18/30 RESOLVED:

That a report should be prepared for consideration at the next Council meeting on the implications of a possible "no deal" Brexit.

JGW/20.10.18