16-17/51  Presentation on the Graduate Research School

Council received a presentation from the Dean of the Graduate Research School (Professor Tom Stoneham) on progress to establish the School since its creation in 2015.

16-17/52  Membership

Noting that this would be her last meeting as SU President, the Chair thanked Millie Beach for her engaged contribution to Council’s work and effective representation of the student body during 2016/17.
16-17/53 Declaration of Conflicts of Interest

Members were invited to declare any potential conflicts of interest relating to the business of the meeting. None were declared.

16-17/54 Minutes

The unreserved minutes of the meeting held on 3 March 2017 were approved (C.16-17/52). Council also noted the action-schedule based on the minutes (C.16-17/53), in particular the items that were to be considered at the current meeting.

16-17/55 Effectiveness Review

Further to M16-17/33 (Effectiveness Review), Council received for information an updated progress report on the implementation of actions arising from its recent effectiveness review (C.16-17/54), noting in particular completion of the related Senate effectiveness review (M16-17/70 below refers). It was agreed that the action relating to discussion of wider strategic HE issues should be marked as ongoing.

16-17/56 York EMC Services

[FOI exempt/commercially confidential]

16-17/57 New Student Residences

[FOI exempt/commercially confidential]

16-17/58 Key Performance Indicators

Further to M16-17/41 (Key Performance Indicators), Council received the agreed new set of key performance indicators populated with current data (C.16-17/55).

Attending the meeting to present the report, the Acting Director of Corporate Planning (Alistair Knock) and the Business Intelligence Analyst (Bill Mackintosh) reminded Council of the work undertaken by a working group to develop the new KPIs, including development of a summary cover-sheet showing RAG ratings for each metric with trend data back ten years, where this was available.

During discussion the following points were noted:

(a) The working group and the Business Intelligence Unit were congratulated on the informative data-set, especially the benchmarking elements. As regards the methodology underlying the new RAG ratings, it was noted that this involved an understanding of the current context and historical data, in some cases based on
boundaries rather than defined targets, in order to make the required judgement.

(b) In response to a comment on identification of internal versus external drivers (as a measure of the degree of control/influence that the University could reasonably exercise), it was noted that the final presentation of the KPIs would include a narrative element that could clarify such matters as well as the RAG rating methodology and, importantly, any major changes since the previous report. As an example of one particularly complex area, the data on research income was one for which a rich narrative would be required.

(c) As regards targets, which were essential in some areas (e.g. widening participation), it was noted that these had formed the basis of the working group’s initial consideration of appropriate KPIs, leading then to an assessment of risk appetite and appropriate actions. It was agreed that the overarching RAG rating provided a clear visual guide to areas which might require executive action, depending on the associated judgement of impact and significance.

(d) It was generally agreed that the KPIs were not intended to highlight opportunities for growth, but rather to provide Council with the necessary top-level assurance on key areas of University activity for which it ultimately held governance responsibility. It was then for the executive to drill down to the more granular KPIs in its detailed work with academic departments, as happened routinely during the annual planning cycle. One example of such management focus, which emerged clearly in the current data, was the need to address the decline in average entry tariff since 2014 (indicator M6 refers).

(e) As well as further narrative background to the RAG rating methodology, it was suggested that it might be useful to indicate any relationships and correlations between the different indicators (e.g. entry tariff/NSS scores).

(f) It was noted that the KPIs would inevitably need to change over time to reflect changing priorities and that some were ‘live’ (e.g. offers/acceptances) while others represented an annual assessment (e.g. NSS).

Following the above discussion, Council re-confirmed its approval for the new KPI set and decided to request submission of the RAG-rated coversheet to all its meetings, with a brief narrative to clarify the rating methodology and to highlight any significant changes since the previous meeting.
On behalf of Council the Chair congratulated the Vice-Chancellor on his recent appointment as Deputy Chair of the Russell Group, noting the importance in the current political and economic climate of the University being represented at the top levels of the sector.

Council received an Executive Report from the Vice-Chancellor (C.16-17/57) covering, inter alia, the following matters:

- key features of the new Higher Education and Research Act (HERA), including in respect of the new regulator (Office for Students), the Teaching Excellence Framework, responsibility for quality/standards and powers to monitor the financial sustainability of HE providers;
- ongoing government refusal to remove international students from net migration statistics and re-statement of the aim of reducing immigration in the Conservative Party manifesto for the forthcoming general election;
- lobbying of the main political parties by the Russell Group and UUK to emphasise the main priorities for higher education (e.g. in respect of the post-Brexit settlement and research funding);
- widening of the remit of the Worldwide Universities Network (WUN) beyond research collaboration;
- outcome of the HEFCE Annual Provider Review (APR) 2016/17, including the annual institutional risk assessment ("not at higher risk" as regards financial sustainability, good management and governance matters);
- current audit of compliance with National Minimum Wage legislation in one University subsidiary company;
- future use of the recently acquired Smith & Nephew building by the Management School as principal occupier.

During discussion the following points were noted:

(a) Following confirmation from the Director of the Office for Fair Access (OFFA) that the University would be required to sponsor a school as part of its access agreement, discussions were ongoing with local partners in York to consider how best to take this new requirement forward. A working party chaired by the Pro-Vice-Chancellor (TLS) was considering different options as well as potential reputational risks. Further consideration would also be given to resourcing issues, including management time, with the suggestion from OFFA that other widening participation resources might need to be diverted to this new priority (which had been re-stated in the Conservative Party manifesto).
(b) Under HERA the new regulator was empowered to “arrange for studies designed to improve economy, efficiency and effectiveness in the management or operations of a registered HE provider”, which might raise questions about its independence as a regulator.

(c) The HEFCE APR had reiterated concerns about the cost to upgrade non-residential buildings in conditions C/D (i.e. usable but sub-optimal/not fit for purpose), a matter which had been discussed in considerable detail with HEFCE advisors during a recent routine visit. It had been agreed that the University would provide regular updates on the estates master-planning project in order to provide the necessary assurances in this area. Council also noted the clear strategic synergies between refurbishment of Campus West, provision of student accommodation and future financial sustainability, noting that the unfavourable metric used by HEFCE was not the same as that used in its own KPI set (percentage of estate in conditions A/B, RAG-rated as amber).

(d) The reported financial scenario-planning work was ongoing and would continue beyond the end of the current planning round to identify possible interventions in response to significant risks. It was suggested that further discussion of this work might usefully form part of the next Council Away Day in September so that members could better understand the various inter-dependencies in financial planning.

(e) The rationale for the decision in respect of the future usage of the Smith & Nephew building by Management related to both academic and financial considerations, including the department’s projected growth and planned increase in inter-disciplinary activity with other social science departments. The re-location of Management would also provide the expansion space required by the Law School. As regards the related matter of new accommodation for Physics and Electronics, this would be considered in the context of ongoing strategic reviews of those departments which faced a number of current challenges in terms of entry tariffs and research activity.

(f) The University had responded to concerns about the engagement and responsiveness of Pearson UK as its online learning partner by terminating the partnership and awarding the contract to Academic Partnerships, subject to final agreement of contractual terms (M16-17/70 below also refers).

(g) The issue in relation to the Minimum Wage audit in a subsidiary company related to uplifting salaries when student employees reached the age of eighteen, which in turn had generated a wider
review by HMRC of voluntary “deductions” from salaries (e.g. for car parking or sports club membership).

16-17/61 Scheme of Delegation/Financial Regulations

Council considered the updated Scheme of Delegation and Financial Regulations (C.16-17/58).

Presenting the latest versions of these inter-related documents, the Finance Director drew attention to certain specific changes in respect of nomenclature, procurement limits, capital regulations and research grant approvals.

Council approved the updated Scheme of Delegation and Financial Regulations, subject to the correction of a number of minor cross-referencing and typographical errors.

16-17/62 Re-Financing of Goodricke College
[FOI exempt/commercially confidential]

16-17/63 Nominations Committee

Council considered proposals from the Acting University Secretary regarding its Nominations Committee (C.16-17/61).

Presenting the proposals, the Chair Designate commented that they arose from the need to recruit four new lay members of Council for 2017/18 and to introduce a more transparent and robust search process. Council noted the proposal that the current Nominations Committee be split into two committees with separate constituencies and terms of reference, one responsible for identifying new lay members of Council (Appointments Committee) and one responsible for considering honorary degree nominations (Honorary Titles Committee). Council also noted that the recruitment consultancy Saxton Bampfylde had been appointed to support the work of the Appointments Committee by undertaking the initial search work and that the Committee would therefore be serviced by the HR Directorate rather than the University Governance Officer. The Chair Designate drew specific attention to the areas of professional and relevant experience that were currently under-represented among the lay membership (as identified by the Nominations Committee in its recent skills audit) together with some other areas that seemed relevant in the context of current strategic priorities (e.g. commercial property and capital finance).

The following points were noted in discussion:
(a) Given the new requirement on university governing bodies to provide assurance to the regulator on academic standards and quality, it was agreed that this was also an area of professional expertise that might usefully continue to be represented within Council’s lay membership.

(b) Equality and diversity factors needed to be considered in both the constituencies of the new committees and the output from them in terms of recommendations for Council’s consideration. It was noted in this context that the proposed constituency of the new Appointments Committee was entirely *ex officio*, which although currently balanced could present difficulties in achieving gender balance in future years.

(c) In terms of ensuring diversity among honorary degree recipients, it was agreed that this needed to be broader than simply gender balance. It was reported in this context that the Director of External Relations was currently re-drafting the guidance notes for submission of such nominations and that the planned introduction of student orators at degree ceremonies from July 2017 would reduce the number of honorary graduands required each year (M16-17/68[e] below refers).

(d) It was observed that the proposed initial short-listing by the Vice-Chancellor and Chair of Council of lay member nominations might raise questions of unconscious bias if both individuals were the same gender (as currently).

(e) It was suggested that to avoid confusion the proposed Honorary Titles Committee might be more clearly titled the Honorary Awards Committee (as the Senate also approved honorary academic titles in departments).

(f) The SU President suggested that the new Appointments Committee should also have a student representative, a view which was supported as sending a positive message about student involvement in University governance.

Following discussion Council approved the terms of reference and constituencies for the two new committees, subject to inclusion of the SU President as an *ex officio* member of the Appointments Committee.

16-17/64 Pro-Vice-Chancellor (Research) Annual Report

Council considered the annual executive report from the Pro-Vice-Chancellor/Research (*C.16-17/62*).
Presenting her report, the Pro-Vice-Chancellor drew Council’s specific attention to the following elements:

- significant changes to the external environment for research;
- preparing for the next Research Excellence Framework (REF) in 2021;
- strengthening the organisational structures underpinning research;
- measurement of research performance;
- research highlights from the current year;
- key risks across the research area.

In response to comments and queries from Council members, the following points were noted in discussion:

(a) The projected drop in research income per FTE academic over the coming four years was a matter for concern that was currently being analysed further in order to identify possible reasons. Such mapping of research activity across departments would become even more significant in the event that all academic staff had to be returned in REF 2021 (publication of the REF consultation outcome being expected in July 2017).

(b) Managing the inevitable tension between student recruitment opportunities and research opportunities was a significant and complex challenge for management at departmental and institutional level. It was acknowledged that not all academics or disciplines could be equally successful at attracting research funding and that intense research activity could disadvantage teaching (with clear implications for universities such as York which promoted their “research-informed teaching” to prospective students). It was noted that this situation was best managed by flexible workload modelling which recognised the varying ratios of teaching/research in different stages of an academic career.

(c) If the recommendation from the Stern Review of Research Assessment regarding the non-portability of research outputs between institutions was implemented there was likely to be pressure on staffing as universities embarked immediately on aggressive recruitment of high quality research staff ahead of the assessment in 2021.

(d) There was no obvious common theme across the small number of departments that had not done as well as others in the last REF exercise, except possibly a shared imbalance in performance across the different levels of academic seniority (with some excellent achievements among early career researchers, which was encouraging for the future). A number of actions had been put in
train across these departments, including target setting, changing support structures and good practice sharing.

(e) Introduction of research themes had proved beneficial in providing a clear overarching framework while also establishing distinctiveness for marketing the University’s research strengths. It was noted that the next stage of this development would be further strategic deliberations on areas of strength, with recognition that the University might not necessarily be able to support all research areas in the future. In this context the Pro-Vice-Chancellor welcomed the evidence that new priority areas for government grant funding were generally aligning with University and departmental research priorities.

(f) As regards uncertainties on future research income arising from Brexit, it was noted that analysis had shown some departments to be more vulnerable than others. An emphasis on identifying alternative funding sources (e.g. the UK Global Challenges Research Fund and new Industrial Strategy Challenge Fund) would be important in addressing this issue. In terms of international academic mobility, it was reported that some recent movements had been noted, both to and from Europe and North America. Currency fluctuations against the pound were also a current disadvantage in this area.

16-17/65 Lloyds Register Foundation [FOI exempt/commercially confidential]

16-17/66 International Strategy

Council considered the International Strategy (C.16-17/63), noting that it had been amended in accordance with comments from Senate at its meeting on 9 May 2017.

Attending the meeting to present the strategy, the Director of Global Engagement informed Council that it had been developed to mirror the structure of the University Strategy, i.e. by presenting a number of detailed objectives under the strategic themes relating to research, teaching and the student experience. Council noted that the strategy’s four main priorities were as follows:

- the continued and enhanced recruitment of high quality staff and students from around the world;
- developing stakeholder relationships, partnerships and networks to develop fruitful research collaborations beyond the UK;
- increasing York student participation in international mobility (work, study and other projects);
increasing name-recognition and developing reputational gain to yield benefit in all areas of the University’s work.

It was noted that in addition to Senate, a wide range of colleagues had been consulted in order to define the strategy, including the Pro-Vice Chancellors, the Director of Student Recruitment and Admissions, the Research Theme Champions, the International Committee and the University Executive Board. The Director also reported that following these approvals work had begun to develop the associated implementation plan. During discussion of the Strategy the following points were noted:

(a) Some concern was expressed that the Strategy seemed to focus primarily on international recruitment rather than the experience and requirements of existing international students. It was suggested that it might be more appropriate to develop a separate international recruitment strategy or to further develop the student experience section. Related to this point, it was suggested that the general tone of the document might be revised so that it sounded less like a marketing publication.

(b) The view was expressed that the strategy was not sufficiently focused in terms of international outreach. Although it was agreed that the document provided a good overall view of internationalisation activity and ambitions, it was suggested that it did not adequately identify key priorities for moving forward internationally, especially in the light of Brexit, nor where to focus resource for the maximum benefit.

(c) It was suggested that the Strategy did not provide an indication of what was specifically unique about the University and what the benefits were for international students and staff of studying and working at York.

(d) Although members acknowledged that the University had a successful track record in the field of international recruitment, and there were uncertainties regarding the outcome of Brexit and the imminent general election result, it was nevertheless agreed that there needed to be a sharper focus within the strategy, as it currently appeared more like a framework than a comprehensive document. It was however agreed that this would in part be addressed by the development of an implementation plan with clear targets and timescales.

(e) The SU President suggested that further consultation might be required with the relevant student bodies, including the Student
Experience Committee, in order to enhance the sections relating to student experience.

Given the divergence of views and evident lack of clear consensus on this matter, the Chair asked members to vote on whether they felt the strategy should be approved as the overarching framework document, with the outcome as follows:

for: 9
against: 5
abstention: 1

Council therefore approved the International Strategy, subject to it being brought back to a future meeting with clearer indication of targets and more details relating to the international student experience.

16-17/67 Financial Performance Data

Council received for information financial performance data for the period ended 31 March 2017 (C.16-17/64).

16-17/68 Business from Committees

Business from the following committee meetings was noted and/or approved (C.16-17/65):

(a) Audit Committee: 24 February 2017  
(b) Equality, Diversity and Inclusion Committee: 2 March 2017 (including approval for modified constituency)  
(c) Finance and Policy Committee: 17 March 2017  
(d) Student Life Committee: 21 April 2017  
(e) Nominations Committee: 28 April 2017 (including approval for honorary degree nominations and the re-appointment of Caroline Thomson as a lay member until 31 July 2021)

16-17/69 Pension Scheme Trustee Board

It was reported that the Chair had taken Chair’s Action to approve on behalf of Council the appointment of John Lister (lay member of Council) as an employer-nominated Director of the Trustee Board of the University’s pension scheme, to replace Pat Lofthouse who had left the University (C.16-17/66).

16-17/70 Unreserved Business from Senate

Council noted the following unreserved business from the meeting of the Senate held on 9 May 2017:
(a) update on development of online learning (C.16-17/67)
(b) final report of Senate effectiveness review (C.16-17/68)
(c) register of validated programmes/collaborative provision (C.16-17/69)

16-17/71 Use of Seal

Council approved the use of the Common Seal of the University (details available in the Registrar and Secretary’s office).

16-17/72 Date of Next Meeting

The date of the next meeting was noted as Friday 28 July 2017.