

EMPLOYMENT AND FINANCE COMMITTEE

7 November 2022 - via Microsoft Teams (including videolink)

CONFIRMED SUMMARY MINUTES

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Present: H Fairfoul (Chair), C Apsey, Dr R Blackman-Woods, H Colclough, Dr S Fancey, Prof A Long, D Pearson, L Orme [Cost of Living and Industrial Action – EF22/34]
 Observers: Dr B Bartoli [EF22/26 – EF22/27], L Bird [to EF22/34], Dr L Brown, H Kajee [from EF22/29], Prof J McLaughlin, S Pelham
 Secretary: G Bailes, R Elliott (Assistant Secretary)
 In attendance: J Embley, Prof C Gentry [EF22/34], Prof T Lawson, D Monnery, Prof G Marston [EF22/32 – EF22/33], S Newitt, E Peart [EF22/32 – EF22/33], Prof J Reast [EF22/31], Prof K Shaw [EF22/34],

MAIN ITEMS DISCUSSED/DECIDED ON AT THE MEETING

1	<p><u>Introduction</u> <u>Vice-Chancellor’s Horizon Scanning</u> [Oral Report] The Vice-Chancellor and Chief Executive presented on sector wide matters and the implications of these for the University. The British Council had arranged a visit to Saudi Arabia of University VCs, resulting in several potential opportunities. Plans were under discussion for managing potential industrial action by UCU. The recent Ofsted inspection of Degree Apprenticeships provision outcome was ‘reasonable progress’; a subsequent Education and Skills Funding Agency audit had highlighted a number of issues that were being addressed. The new Secretary of State for Education was thought likely to focus on the skills agenda and there had been a positive meeting between representatives of several universities and the Shadow HE Minister, who had been invited to visit the University. The Committee noted the update.</p>
2	<p><u>People</u> <u>Equality, Diversity and Inclusion Annual Report 2021/22</u> [EF22/25] The Committee considered the first Equality, Diversity and Inclusion Annual Report aligned to the academic year, noted that the University was required to evidence compliance with the Equality Duty and that the report would be published on the University website. EDI work was now strategically aligned to the University’s aspirations and during the reporting period ten departments held Bronze Athena Swan awards, with all remaining departments awaiting outcome of applications. The University’s combined gender pay gap had reduced since 2020 and Black, Asian and Minor Ethnic appointments had increased significantly since 2019. The Vice-Chancellor’s Diversity Fund had supported 15 projects and 914 students had been supported by the Access to Learning Fund. The Committee endorsed the report for submission to Board of Governors, noted that the Chair of Board of Governors had met with staff networks in the past and that she, and the Chair of this Committee, should aim to continue this, and requested an analysis of the Race Equality Survey results.</p> <p><u>Academic Promotions and Professional Progression 2021/22 – EDI Analysis</u> [EF22/26] The Committee considered the Academic Promotions and Professional Progression EDI Analysis. 133 applications were included in the analysis so the results were caveated for the small sample size and of these White women were most successful, followed by White men , BAME women and BAME men. The Committee noted the report and that the number of unsuccessful applications and departmental difference might diminish with new procedures that should better calibrate expectations and self-assessment of performance, and suggested further investigation regarding part-time applications.</p> <p><u>Cost of Living and Industrial Action</u> [oral report] The Committee considered an update on issues relating to the Cost of Living and planned UCU industrial action. Proposals to address low pay issues had already been made to Unison, and</p>

	<p>alongside continuing national discussions an offer would be put to the UCU branch conditional on not participating in the national action. The University was working with the Student's Union to minimise the impact of any industrial action on students. The Committee noted the updated.</p> <p><u>Pensions Update</u> [Oral Report] The Committee noted an update on pensions issues.</p>
3	<p><u>Core Financial Performance and Planning</u> <u>Annual Report and Financial Statements</u> [EF22/27] The Committee considered the Annual Report and Financial Statements 2021/22 from a performance perspective. The conformance elements would be considered by Audit Committee on 14 November. Performance in 2021/22 remained strong and the forecasts gave assurance that the strong position would continue. The Committee endorsed the report and the use of the going concern basis of accounting for submission to Board of Governors noting that the informal discussion with Audit Committee and KPMG had been valuable.</p> <p><u>OfS Annual Financial Return</u> [EF22/28] The Committee considered the five-year financial forecast, part of the OfS Annual Financial Return. The forecast elements had been prepared during a time of significant political and economic uncertainty and the approach and assumptions made had been cautious due to uncertainty around inflation, tuition fee levels and Government policy on foundation years. The strong operating cashflow, good headroom and contingency levels were expected to be maintained. The Committee endorsed the forecast for submission to Board of Governors and noted that the submitted reports were used by OfS for sector overview information.</p> <p><u>Treasury Management Annual Report</u> [EF22/29] <u>Resolved:</u> that the Treasury Management report for year ending 31 July 2022 be approved.</p> <p><u>Finance Monthly Report: P2 2022/23</u> [EF22/30] The Committee noted the University's financial position and performance at Period 2 (September 2022) and that early enrolment information indicated a continuing strong financial position.</p> <p><u>Student Recruitment 2022/23</u> [EF22/31] The Committee noted an update on student recruitment for 2022/23 and 2023/24.</p>
4	<p><u>Policy/Regulation/Projects</u> <u>Centre for Health and Social Equity</u> [EF22/32 and presentation] The Committee considered recent developments relating to the Centre for Health and Social Equity (CHASE). £5.8m had been awarded from the OfS to support the creation of a new Clinical Skills Facility. The CHASE building would enable the relocation of staff and students from Coach Lane and provide a physical location for the Centre for Health and Social Equity; overall CHaSE would be a significant transformational development. <u>Resolved:</u> that that spending from the OfS award to begin Phase 2 of the CHASE project be approved.</p> <p><u>Further OSCE Expansion</u> [EF22/33] The Committee considered proposals at NMC's request to expand OSCE provision at the NMC Competence Test Centre (CTC) which would increase capacity for testing to 45 tests per day as more international nurses were required to cover the current shortfall of c.100,000. There were two years remaining on the current contract and an extension had been requested. <u>Resolved:</u> that the OSCE expansion and development budget be approved.</p> <p><u>New Writing North</u> [EF22/34 and presentation] The committee considered a proposal to develop the Centre for Writing (CfW) and the creation of a joint venture with the New Writing North (NWN) to secure a sustainable future for high-quality education and research in English at Northumbria differentiated around an established base of sector-leading cultural partnerships. <u>Resolved:</u> that the proposal was approved 'in principle' to allow negotiations to begin, noting that there were significant building-related risks which would need to be carefully managed and shared by all parties.</p> <p><u>Chartwells Catering Contract</u> [EF22/35]</p>

The Committee considered the steps leading to the awarding of the next contract for catering, retail and hospitality. Independent audits showed that the service from Chartwells during the current contract period had remained strong and recognised that not all elements of the current contract met the University's changing needs. Work with Chartwells was ongoing and would form the basis of a negotiated contract for the next ten years. **Resolved: that the commercial model for the new catering contract be approved noting that subject to negotiation a break clause at the end of year seven would be included.**

Annual Material Income Contract Performance Summary [EF22/36]

The Committee considered the Annual Material Income Contract Performance Summary. There had been continued progress towards the development of commercial capabilities and structures to support diversification of income within the University, which had been supported by the launch of the Commercial Performance Committee (CPC). There had been a significant increase in unregulated income, reflecting the focus on this over the last five years. **The Committee noted the report.**

Major Outsourced Services Monitoring [EF22/37]

The Committee considered the annual report on major outsourced contracts noting that contract extensions for student accommodation management and hard facilities management to June 2024 had been approved and a proposed longer term strategy for these would be brought to a future meeting. The overall performance and position was positive with some areas for improvement. **The Committee noted the report, noting that an overview of subcontractor conditions of employment had been included and this would be factored into contract re-negotiations.**

Contracts and Legal Claims Update [EF22/38] **CONFIDENTIAL AND LEGALLY PRIVILEGED**
(NB: this item is Legally Privileged and included in Reserved Business Minutes)

Students' Union Financial Performance P2 2022/23 [EF22/39]

The Committee noted the report.

Richard Elliott
Assistant Secretary to Employment and Finance Committee
November 2022