



## University Council

**Paper no:** 2019-10-24-03

**Paper title:** Minutes of previous meeting and matters arising

Minutes of the Council meeting held on 25 July 2019 in the Lord Kings Norton Room, Mitchell Hall, Cranfield University.

**Present:** Hutton, Dame Deirdre (Chair)  
Braithwaite, Professor Graham  
Carter, Miss Caroline  
Carey, Mr Anthony  
Day, Mr Colin  
Ehigiator, Osas  
Fairweather, Mr Paul  
Ferguson, Mr Iain  
Gregson, Professor Sir Peter  
Hynes, Miss Alice  
Mayhew, Dr Maxine  
Ryals, Professor Lynette  
Saggu, Mr Jaz  
Sparks, Professor Emma  
Thompson, Dr Christine  
Young, Baroness Barbara

**Apologies:** Chen Davison, Lesley  
Rowlands, Mr Simon

**Attending:** Aspinall, Mr Philip, Chief Operating Officer  
Coulson, Mr Jonathan (*for item 6.2*)  
Douglas, Mr Gregor, University Secretary  
Morris, Mrs Julie, Governance Officer  
Murray, Mr Duncan (*for item 9*)  
Pollard, Professor Simon (*for item 8*)  
Perkins, Mrs Helen (*for item 9*)  
Sibbald, Mr Ian (*for items 4-11*)  
Stephenson, Professor Tom (*for item 4(a)*)

**1. Introduction**

The Chair welcomed members and attendees to the meeting. In particular, Mr Jaz Saggu and Mr Osas Ehigiator.

**2. Disclosures of Interest**

Item 10: Professor Emma Sparks with regard to her proposed re-appointment as a staff member on Council.

Item 11: Professor Lynette Ryals as Chief Executive of MK:U and Mr Colin Day as Chair of the MK:U Board.

**3. Minutes of meeting and matters arising**

The minutes of the meeting held on 11 April 2019 were approved for publication on the University website.

## **Matters arising**

There were no matters arising

### **4. (a) Health & Safety (H&S) Quarterly Report**

*The Chair of the University H&S Committee and the Director of Finance joined for this item.*

The Council Lead on H&S introduced the item and invited the Chair of the H&S Committee to comment. It was noted that:

- the University had maintained its OHSAS 18001 certification. The BSI auditors reported that they had been impressed by the clear commitment to H&S from University leadership and the robust systems in place for managing H&S activity across the University. A corrective action plan had been accepted and approved by the auditors in relation to two minor weaknesses identified in the audit. Cranfield would be transitioning to the new standard, OHSAS 45001 and a gap analysis was underway to identify specific areas of focus.
- the University Health & Safety Manager had led a project with colleagues in Human Resources to address issues of wellbeing, in particular work related stress. A series of wellbeing sessions had been introduced covering a range of areas including promoting wellbeing in the workplace, mental health and stress management, mindfulness and building resilience. These sessions had been well attended and more had been scheduled to accommodate demand.

*The Chair of the H&S Committee withdrew from the meeting.*

### **(b) Environmental Quarterly Report**

*The Director of Finance, as a member of the Board for Energy and Environment, presented this item.*

Council noted that following the BSI audits to COTEC and to Cranfield campus in April and May 2019, the University had retained its certification to ISO 14001. Minor non-conformities were identified during the audit and these would be addressed.

### **5. Chief Executive's Report**

In addition to his written report the Chief Executive and Vice-Chancellor briefed Council on the:

- appointment of Professor David Oglethorpe as the incoming Pro-Vice-Chancellor and Dean of the Cranfield School of Management. Professor Oglethorpe would take up his appointment at the beginning of September 2019;
- announcement from Marshall Aerospace that it intended to relocate its operations from Cambridge Airport to one of three possible locations: Cranfield, Wyton or Duxford; the University was preparing a strong case for presentation to Marshall.
- opportunities to showcase Cranfield at the Paris Air Show.

### **6. Finance matters:**

The Chair of Finance Committee introduced the following items in turn:

#### **6.1 Forensics Institute**

*Professor Mark Richardson joined for this item.*

Following renegotiation of the Academic Provider contract, Cranfield Defence and Security (CDS) had been limited in the amount of private venture work it had been able to undertake at the Defence Academy site. In reviewing CDS's growth potential the University had considered it necessary to migrate the majority of non-MOD private venture activity outside of the wire.

The first phase of a much bigger transition project was to relocate the Forensics Institute, which was the least embedded capability at the Defence Academy, to

the Cranfield site. Finance Committee had considered the detailed project proposal in early July 2019 and recommended to Council expenditure of £3,659k in budget year 2019/2020.

Taking into account: the positive views of staff at CDS; assurances around delivery; opportunities to expand the product range; forecast increase in student numbers; opportunities for cross-School collaboration; benefits to the Cranfield student experience; and the need to reduce operating costs outside of the University, **Council approved the proposed expenditure** to enable phase one of the transition to commence.

*Professor Richardson withdrew from the meeting.*

## 6.2 Residential Project

*Jonathan Coulson and Stewart Elsmore joined Council for this item*

- (a) Following the Council strategy day in April 2018, the University had been working with Turnberry Consulting on proposals to increase residential accommodation at Cranfield and to develop a student hub (the 'Beacon').
- (b) On behalf of Council, Finance Committee had endorsed the development of residential opportunities and routes for funding in December 2018 and March 2019. In July 2019, having considered the final proposals, Finance Committee agreed to recommend to Council:
- the appointment of Watkins Jones as the Development Partner;
  - that funding should be provided directly by the University from a bond obtained through HSBC acting as the University's agent; and
  - the value of the bond, between £110m and £150m to be determined by the Chair of Council in conjunction with the Chair of Finance Committee once the actual coupon rates had been obtained.
- (c) In response to Council queries on the differing capital expenditure costs between developers, Mr Coulson explained that:
- Watkins Jones had an almost entirely internal team to deliver this project and they were therefore able to take out margins that other third parties would incur;
  - their buying power in the market place was greater; and
  - they were taking less of a margin.
- (d) In terms of business stability, Mr Coulson confirmed that Turnberry had undertaken appropriate financial/credit checks and had taken up detailed references from other HEI institutions that had used the developer's services. In terms of HEI residential development Watkins Jones had come out as the clear market leader.

**Council approved the recommendations** as set out in paragraph 6.2(b) above and thanked Mr Coulson and Cranfield colleagues for their contributions to date.

## 6.3 Management Accounts to 30 April 2019 Redacted minute

## 6.4 University budget

Following detailed consideration of the proposed budget and discussion on the Operating Plan 2019/2020 (recorded under minute 7) Council approved the University's Budget for 2019/2020.

## 7. Operating Plan

The Chief Executive and Vice-Chancellor introduced the 'Operating Plan 2019/2020: Resilience and Selective Growth towards £200M Turnover' noting that the framework had remained unchanged from the previous year. In presenting the plan, the following updates were highlighted:

- inclusion of the University's values: following engagement through the 'big conversation' on values and behaviours;
- key priorities associated with the Student Experience: digital learning; student accommodation; and Beacon;
- delivery of large scale projects: relocation of CDS; new model University for Milton Keynes - MK:U; and Airport;
- Plan on a page: moving towards being REF 2021 ready; increased net fee income; enhanced Taught and Research student numbers; income from executive development; and increased value and number of research and consultancy contracts.

In discussion Council was reassured that the increase in staff numbers was directly linked to growth in the student base and that a rigorous staff recruitment approval process remained in place. **Council approved the Operating Plan 2019/2020.**

## 8 Report from University Executive

*Professor Simon Pollard joined for this item.*

Council considered items raised in the quarterly report and endorsed the proposed plan for student engagement with governance, and noted the REF Code of Practice submission, the Chancellor appointment process and compliance with Prevent Duty as confirmed by the Office for Students. With regard to international activities Council was encouraged by positive engagement activities ongoing in Singapore; proposed collaboration with Jiangsu University China; updates on the partnership with Muscat; and implementation of the European strategy. *Professor Pollard withdrew from the meeting.*

## 9 Values and Behaviours

*Mr Duncan Murray and Mrs Helen Perkins joined for this item.*

Following extensive consultation, a framework of values had been identified with an explanatory high-level statement in each case and each statement underpinned by four behaviours. Council was encouraged to hear that the project had drawn positive engagement from across the University and that a clear set of measurable values and behaviours would be introduced. **Council endorsed the values and behaviours.**

*Mr Murray and Mrs Perkins withdrew from the meeting.*

## 10. Report from Nominations Committee

*Professor Emma Sparks withdrew from the meeting.*

The period of membership of the current four staff members on Council would be completed at the end of September 2019. Following a recent nomination and election process two staff members had been elected by the staff and Nominations Committee recommended the appointment of two others. **Council agreed the recommended appointments.** The staff members on Council from 1 October 2019 would be Professor Helen Atkinson, Mr James Hill, Professor Emma Sparks and Dr Chris Thompson.

*Professor Emma Sparks re-joined the meeting.*

## 11. MK:U

The Joint Finance and Audit Committee had met to consider the current status with the MK:U business model and investor strategy; education strategy; MK:U project risk register; governance and risk from Cranfield perspective, including go/no go decision

criteria and timelines; and an update on the project including the high level plan, project highlight reports and operational readiness. The Chair of the MK:U Board introduced this item by summarising the current position and the Chairs of the Cranfield University Finance and Audit Committees confirmed they were exploring each of the key priority areas in detail. It was noted that the Joint Committee would be meeting again in September to scrutinise the populated business model in addition to the date already scheduled in October. Council will receive an updated report in October, prior to go/no go in November 2019.

## **12. Governance**

Members were thanked for providing their individual updates to the Register of Interests which was maintained by the University Secretary's office and was open for inspection by members of the University and by members of the public. Members noted that personal information provided was processed in line with current data protection legislation and that the University was required to share the personal data given to Cranfield for a number of statutory and/or regulatory reasons.

## **13. Any other business**

### **13.1 Information papers**

Council had received a number of information papers including:

- Secretary's report;
- Approved minutes of Finance Committee and of Audit Committee
- REF Code of Practice submission
- MK:U Business and Funding
- List of members
- Schedule of future meetings

### **13.2 Council membership**

This would be the last Council meeting for Professor Graham Braithwaite and Professor Lynette Ryals as their term as staff member on Council would be completed on 30 September 2019. Council thanked them both for their contributions to Council and the University.

### **13.3 Record order for School of Management**

Council was delighted to record that the School of Management had won a record contract through the Human Resource Development Fund to the value of £4.9 million. This was tremendous news for Customised Executive Development at Cranfield. Council congratulated colleagues.

### **13.4 Pro-Chancellor**

This would be the last Council meeting for Dame Deirdre Hutton as Pro-Chancellor and Chair of Council. Council thanked Dame Deirdre for her exemplary leadership of the Council over seven years. Dame Deirdre in turn thanked Council members and the University Executive. She recorded particular thanks to the Governance Officer for her support during her appointment.

Julie Morris  
25.07.19