



Minutes Meeting of the Council

Date: 10 July 2023

Present: M Temple, Pro-Chancellor (in the Chair)

A Stone (Pro-Chancellor), R Memmott (Treasurer), Professor Lamberts (President & Vice-Chancellor), A Belton, L Byrne, Professor Gee, Dr Gilvary, Professor Hartley, A Kay, Professor Kirby, Dr Nic Dháibhéid, P Rodrigo, Dr Tenney, Professor Valentine, Professor Vincent, A P Wray

Secretary: J Strachan

In attendance: A Campbell, J Jones, D Swinn; B Abrams (item 7); E Hartley (item 8); B Abrams (item 9)

Apologies: D Bagley, C Brownlie, G Greenup

1. Welcome and Introductions

1.1 The Chair welcomed Members and attendees to the meeting, in particular L Byrne and A Campbell, who were attending their first meeting.

2. Declaration of Conflict of Interests

2.1 Professor Kirby declared an interest in relation to one element under item 10.1, Capital Report, as a member of the Faculty concerned, and it was noted that several members held conflicts in relation to recommendations for appointment to Council and University committees under the Report of the Council Nominations Committee at item 12, and would not take part in decisions relating to themselves.

No other conflicts were declared.

3. Approval of Category C Business

3.1 Council considered Category C business, which is covered in Minutes 13-25, below.

4. President & Vice-Chancellor's Report

4.1 Council received and discussed the President & Vice-Chancellor's report, in which they provided information on key current and forthcoming developments in the policy environment and against each of the themes in the University's Strategic Plan. Attention was drawn to the following updates and developments since the written report was prepared:

(a) Addressing Challenges and Pressures:

Ongoing and increasing pressure on the model of funding and finance for the UK HE, especially the unit of resource, was unlikely to see positive change in the near future; it was more likely that the unit of resource would decrease further in real terms. Furthermore, clarity over any potential changes were not expected until at least the General Election in 2024 or 2025. Internally, colleagues' feedback, including through the Staff Survey, highlighted pressures around increased workloads and burdensome processes in addition to the known, historic structural inefficiencies that were present in most universities. Council would continue to be kept informed of actions taken in response to these issues. More broadly and in spite of the external and internal challenges, UEB was actively engaged in ensuring that the University was able to fulfil its mission and deliver its strategic objectives with a commitment to high quality and excellence. This work would continue over the summer with a view to further updates and reports, and any associated proposals, being presented to Council in due course.

(b) Industrial Action:

(i) Impact on Students:

Around 4100 students were due to complete their undergraduate studies in July 2023. The vast majority of marking had been completed for undergraduate degrees to be awarded as normal and the vast majority of students would graduate their final year students as usual. This has been communicated to affected students.

However, there was a small group of students with sufficient marks for the relevant examination board to recommend them for the award of a classified degree with some marks missing. Once these late marks became available then their classifications would be reviewed. For final-year students, if the inclusion of any missing marks affected their degree classification, they would receive the higher of the two.

Unfortunately, there were 64 students who had had to be awarded an interim pass degree as they did not have sufficient marks available for classification. These students had received specific correspondence to explain that they had achieved sufficient credit for the temporary award of a Pass in order to enable them to attend this year's graduation ceremony alongside their peers. Students would receive confirmation of their final degree classification as soon as marking had been completed. This group of students had also received a goodwill payment of £500 each in recognition of the concern and distress caused. It was reported that there were a further four students to whom, at present, a degree could not be awarded, pending receipt of further information. Although this situation was disappointing, Council recognised that the University had been relatively successful in mitigating the overall impact of the boycott on students, given that in some other institutions there were hundreds to thousands of students unable to graduate as expected. This

was the result of enormous effort and commitment on the part of numerous colleagues in ensuring that assessments were marked in time to be considered by exam boards and, like UEB, Council expressed its gratitude and appreciation to all who had supported this endeavour.

Members also noted that the University was now planning for marking due to take place after 7 July, when the current period of pay deductions for participants in the boycott ended. Informed by consultation with the most affected HoDs, this plan would continue to be student focused, reasonable and proportionate so as to provide the optimum conditions for as much of this marking to be completed as possible to minimise any disruption to our students.

The OfS required providers to report if there was a risk that they would award degrees at a materially later date than originally planned, decide to award unclassified degrees, rather than classified degrees, and if there was a material delay in the release of marks. As such, it was reported that the University notified the OfS of a reportable event in relation to those 68 students who would not receive their final degree classification and/or graduate as planned, along with relevant supporting information, including student communications. The OfS was particularly concerned with the provision of information to students and that providers made clear students' right to complain, which the University had done. Council noted that a significant number of providers would report or had already reported themselves to the OfS in relation to this issue (see also Minute 20, below).

(ii) Local and National Position:

It was reported that the national position on the disputes had not changed materially. Although a number of proposals and developments had occurred, it was unclear whether these would lead to further constructive and meaningful negotiations to resolve the dispute. In response to a recent letter from UCU, UCEA had subsequently written to the union to open discussions on how they may be able to begin negotiations but it remained the case that UCEA did not have a mandate to increase the pay offer. UCU was yet to call a new ballot to extend their mandate from September but it was expected that an announcement would be made over the summer, as UCU had a mandate to do so, but the timing was unclear at present.

Locally, there did not appear to be a possibility of reaching a local agreement with UCU to end the boycott, as the branch was adamant that they did not have the authority to end national action. Although Queen's University Belfast had reached agreement with their local branch to end the boycott in exchange for a two per cent pay supplement, this was not well received by UCU nationally or UCEA and no other branches had sought similar local deals. As a result, UCEA had ended QUB's membership of the employer body for three years, which would mean they were no longer able to participate in national pay bargaining. Therefore, there was no viable option to offer anything similar at Sheffield because this would likely prevent the University from participating in national bargaining in future as well, something the campus trade unions did not want. Members endorsed the action of the President & Vice-Chancellor in writing to all staff at the University setting out the view that a new,

collective approach was needed to help address the broader, critical need for a sustainable funding model for the sector, an issue which successive governments had not been prepared to resolve whilst industrial disputes were ongoing.

(c) QS World Rankings:

The results of the QS World University Rankings 2024 had been published, with the University placed 104th globally, down from 96th in the 2023 rankings. As previously reported to Council, colleagues across the University were working to mitigate the potential impact of this decline on international student recruitment, particularly from China, such that the University was well prepared for this outcome.

In terms of next steps, Members noted the development of an emergent global reputation plan, which aimed to improve perceptions of the University amongst the global academic community, employers, and prospective students. Council would receive further updates on this work in due course.

(d) Student Recruitment and Marketing Design Project:

It was reported that UEB had agreed for the project to progress with the necessary formal HR consultation on the roles and structures of the new service, given the large-scale change and changes to roles and structures. HR colleagues were supporting this activity closely and the Trade Unions were being kept updated. The proposed new structure was expected to be in place by the end of January 2024 and significantly enhance delivery in what was a critical area of activity.

There were around 240 staff in scope, across faculties, departments and professional services. The proposed new structure had a similar number of roles, and a significant majority of staff in scope would be matched or ring-fenced to roles. These details had been developed carefully and were based on clear principles to ensure fairness and consistency.

(e) Pay Supplement:

Following Council's previous agreement to pay an additional supplement of up to £100 per colleague for ten months, the tenth and final payment of the supplement would be paid to staff in the July payroll on 31st of the month. These payments had continued even with the early application of the first part of the 2024 pay uplift in February 2023. From 1 August the remainder of the 2024 national pay uplift would be paid to staff, representing a total increase of between 5 per cent and 7 per cent, including the pay uplift in February.

Even with the remainder of the national pay uplift being implemented in August, the removal of the £100 allowance at the end of July would mean that take-home pay for some colleagues would reduce because part of the national pay award had been applied in February 2023. Had the pay award been implemented in full in August as

normal, staff would not have seen their pay decrease in August but would not have received at least two per cent additional pay between February and July.

(f) Horizon Europe:

There had been media reports of a deal for the UK to rejoin Horizon Europe, the EU's key funding programme for research and innovation, and the Copernicus Earth observation programme, but not Euratom's nuclear energy R&D scheme. This was broadly positive news for the sector but there was ongoing uncertainty about the likelihood of the UK Government ultimately approving the agreement.

5. Financial Forecasts 2022/23 to 2027/28

- 5.1 Council considered the financial forecasts for the years 2022/23 – 2027/28 for the University and its subsidiary companies, which had been recommended by the Council Finance Committee for Council approval, subject to further work being undertaken by November 2023 in relation to both overseas student recruitment risks and efficiency savings.
- 5.2 During a related presentation, attention was drawn to: a comparison with the November forecast submitted to the OfS; the alignment of financial plans to supporting strategic delivery; capital expenditure and infrastructure requirements; income and expenditure phasing to reach the target 2% underlying surplus; positive changes to the resource allocation model; and key risks and opportunities. It was also reported that Finance Committee had agreed a minimum year end cash balance target of £170m, equating to three months' operating costs, and so the forecasts carried additional cash that would enable the University to withstand the crystallisation of downside risks or increase the pace at which strategic investments might be made.
- 5.3 With respect to the target underlying surplus, it was noted that the University was meeting this target already due to historic actual performance being better than forecast, and so action was required to ensure that surpluses were planned, thereby enabling strategic investments. Members welcomed the University's ongoing work to improve the accuracy of financial forecasting but also noted that 2022/23 had seen the generation of unanticipated additional income in several areas, which was unusual.
- 5.4 It was clarified that, while there was reasonable confidence in the University's ability to spend the capital expenditure budget, it was possible that there would be a degree of slippage as plans were implemented and projects commenced.
- 5.5 Having also noted the importance of ongoing institutional activities to enable strategic delivery and sustainability initiatives, Council:
 - (a) Approved the financial forecasts for 2022/23 – 2027/28.
 - (b) Noted the inclusion of the 2022/23 forecast outturn based on the April 2023 actual results and the 2023/24 budget approved by Council on 24 April 2023.
 - (c) Noted that the forecasts would be updated in November for approval by Council, prior to submission to the OfS. The updates would reflect the 2022/23 actual results, early indication of 2023 student recruitment and other material changes.

6. Financial Strategy

- 6.1 Council considered a presentation on the University's Financial Strategy, several key elements of which were incorporated in decisions relating to the five year financial forecasts (see Minute 5, above). The main aim of the strategy was to ensure the long term financial sustainability of the University by ensuring the generation of sufficient surpluses and cash resources to enable the University to invest in its people and infrastructure to deliver the University's vision. The institutional planning framework had identified the priorities and KPIs for delivery against the 4 pillars of the Vision and Strategy.
- 6.2 During the presentation, attention was drawn to: the series of actions agreed to date, particularly ongoing monitoring in relation to borrowings; the principles of the financial model and overview of resource allocation; previously identified efficiency savings; supporting activities that were in progress; and the potential implications of risks relating to Chinese student recruitment. Clarification was provided around the possibility that future government policy would aggravate rather than alleviate or resolve the sector's funding challenges. Although the University remained in a relatively strong position, it was vital to be proactive to mitigate these potential future risks, with an emphasis on high quality and sustainability.
- 6.3 Council endorsed the direction of travel and the breadth of activity to support the strategic financial aims, but noted that this emphasised the extent of the challenges facing the University and scale of financial performance required. Members therefore welcomed assurances that UEB had and would continue to take a holistic view of the University's operations in all areas in order to deliver excellence in as sustainable and efficient way as possible, whilst also recognising the amount of work required to identify potential solutions. Council would receive further updates in due course.

7. Technology Enabled Strategic Framework

(B Abrams in attendance for this item)

7.1 Phase 4 Status Update

- 7.1.1 Council received and noted a progress report on the status of TESH Phase 4 and the institutional value delivered to date, aligned to the University Vision. During discussion, Council commended IT Services and other colleagues who had supported the extensive and lengthy work to complete the critical CIS re-platforming work successfully and was assured by this success. Clarification was also provided over the additional elements that had been delivered successfully in spite of significant resources being focused on CIS. (see also Minute 7.2, below).

7.2 Phase 5 2023/24 Plan and Budget

- 7.2.1 Council considered business cases for Phase 5 of the Technology Enabled Strategic Framework (TESF), covering the 2023/24 financial year, and the second year of the Student Roadmap, which sat within the overall TESH but received separate and ringfenced funding. The related paper outlined the overall objective of the TESH, which was to align the transformational change of technology, products, services, and systems with the University Vision and Strategy. TESH was divided into five Roadmaps that covered this broad mission

(Education, Research, Workplace, Corporate, Infrastructure); the business case set out the Priority 0 items (such as multi-year projects and those for which delivery work was ongoing), as well as Priority 1 and 2 items that UEB IT Sub-Group (ITSG) and UEB had approved. Particular attention was drawn to the fact that the total proposed expenditure for Phase 5 exceeded the planned 2023/24 budget allocation. However, both ITSG and UEB had agreed to the over-allocation, on the assumption that the University's overall financial position in 2023/24 would be better than budget, either from savings or additional income. Any further savings that had to be realised would come from across the University's budgets and would not just be concentrated on the IT Services and TEF budgets.

- 7.2.2 It was also noted that TEF was inherently flexible and many projects were not interdependent, such that aspirational target dates could be moved to ensure that any critical deadlines were met, and the possibility of such slippage was built into the Phase 5 plans and budget. Additional opportunities to reduce IT costs across the University were noted, both in the ITS budget and others.
- 7.2.3 Following discussion, in which Council noted the prioritised roadmaps for both TEF and Student, Council approved the request for investment into the TEF and Student Roadmaps for the financial year 2023/24.

8. Education Strategy Delivery Plan and KPIs

(E Hartley in attendance for this item)

- 8.1 Council considered and endorsed revisions to the Education KPIs and Strategy Delivery Plan that had been approved by UEB. These revisions had been made in order to improve the clarity of the strategic priorities and drive performance toward institutional goals, in response to previous concerns that the existing education KPIs did not adequately capture measures of educational quality. In addition, changes were required due to the removal of the student satisfaction measure from the NSS question set and reflect relevant TEF metrics that aligned with strategic priorities.
- 8.2 During discussion, clarification was provided over the level of ambition in targeting the top ten of the Russell Group, which resulted from consultation with professional and academic colleagues and was felt to be realistic on the basis of the previous five years' data. However, this would be kept under review with the aim of making strong progress in a relatively short space of time, such that the target might be raised in two years' time.

9. Access and Participation Plan

(D Barcroft in attendance for this item)

- 9.1.1 Council received and noted a report on progress against the University's current Access and Participation Plan, which was required under OfS' ongoing registration conditions A1 and A2 in addition to taking reasonable steps to comply with the provision of the plan, to publish an access and participation statement and to update and republish this statement on an annual basis. It was reported that the OfS had consulted on a new approach to regulating equality of opportunity in English HE in 2022 and had subsequently published its response and an associated regulatory notice and guidance in April and May. Council noted that, as a result, the University would be required to develop and submit a new access and

participation plan in Spring 2024, the requirements for which were set out in the related paper.

- 9.1.2 During discussion, Members noted particular areas of success and other areas of concern, notably in relation to attainment in some groups, but that meaningful conclusions were difficult to draw at present due to the lag in data, which meant that reporting still reflected years affected directly by Covid-related restrictions. It was also noted that the OfS' requirements for new APPs from 2024 included increased evaluation, thereby increasing the resource required to deliver on the APP and ensure OfS compliance. However, the University would seek to maximise the potential benefits of such activities to identify and understand which interventions had the most positive impact. Clarification was provided about the University approach to targeting school pupils in various age groups, and related initiatives across the city which the University was or could consider becoming involved with.
- 9.1.3 Council discussed the costs associated with this area of work, which were significant. However, the overall aims and intentions around APP requirements aligned with the University's values and this enabled resources to be allocated and aligned with relevant activities under the One University Pillar and EDI strategies and action plans. Clarification was also provided that the APP, and the associated data and reporting, were focused on those that were required by the OfS, but that other under-represented groups were also included in some of the broader figures; measures to support access and participation would be beneficial to all under-represented groups whether or not they were specifically referenced in the APP or data. Further work was also taking place to ensure that the work of the AMRC-TC was better reflected in APP-related reporting. Council commended this approach and was assured by the progress to date, though recognising the ongoing need for action in this area.

10. Capital

10.1 Capital Report

- 10.1.1 Council received and noted an update on the progress of projects in the capital programme, including certain projects recently considered and approved by ECSG, UEB and Finance Committee in accordance with the Council Scheme of Delegation, capital cash profiling, and the status of current capital projects. Attention was drawn to the release of fees in relation to MDH Enabling works and Council noted the intention that this project would proceed such that a sizeable philanthropic donation could be secured in a timely manner and backed by a gift agreement; the full detailed business case would be prepared and presented in the usual way in due course.
- 10.1.2 Specifically, with respect to the RAPD Project, Council:
- (a) Approved the uplift to the capital budget for the RAPD project.
 - (b) Delegated authority to the CFO to uplift the RAPD project Capital Budget for future customer driven changes in line with the contract (and delegation already granted by Finance Committee on 27 March 2023) provided that any uplifts were wholly externally funded and reported to Council to note.

11. Corporate Risk Register

- 11.1 Council considered and approved the latest version of the 2022-23 Corporate Risk Register, noting an accompanying report from the UEB Risk Review Group, all of which had also been discussed by UEB and ARAC. Attention was drawn to the addition of a new specific risk relating to information management and increased residual risk ratings for three others as a result of the marking and assessment boycott, QS world rankings 2024 and sustainability. It was noted that UEB Risk Review Group had welcomed input from ARAC in response to a draft internal audit report on risk management, which the group was using to inform updates and changes to the Corporate Risk Register for 2023/24. It was also reported that ARAC had commended the University's ability to articulate risks and mitigating actions, and the awareness of these amongst colleagues, but noted the importance of a culture of control consciousness to help control risks effectively.

12. Report of the Council Nominations Committee

- 12.1 Council received and approved the report, including the recommendations for appointments to Council and other University committees, as set out in the report, and a supplementary update on the most recent round of Class (3) Council member recruitment. With respect to Council membership, Council agreed:

- (a) To appoint Dr John Hogan as a Class (3) member of the Council for the period 1 August 2023 to 31 July 2026;
- (b) To appoint Frances Morris-Jones as a Class (3) member of the Council for the period 1 August 2023 to 31 July 2026;
Post-meeting Note: A start date of 1 January 2024 has subsequently been agreed with Frances Morris-Jones due to pre-existing commitments.
- (c) To reappoint Phil Rodrigo as a Class (3) member of the Council for the period 1 August 2023 to 31 July 2026.

13. Minutes of the Previous Meeting

- 13.1 The Minutes were approved as an accurate record.

14. Action Log and Matters Arising on the Minutes

- 14.1 Council approved the updated Action Log. There were no other matters arising.

15. Minutes of the Senior Remuneration Committee

- 15.1 Council received and noted the Minutes.

16. Minutes of the Senate

- 16.1 Council received and noted the Minutes of the March 2023 meeting.

17. Minutes of the Finance Committee

17.1 Council received and noted the Minutes of the Committee's May and June 2023 meetings.

18. Minutes of the Audit and Risk Assurance Committee

18.1 Council received and noted the Minutes of the Committee's March 2023 meeting.

19. Minutes of the Equality, Diversity and Inclusion Committee

19.1 Council noted the Minutes of the Committee's February 2023 meeting and approved the adoption of an institutional definition as set out and explained in the report.

20. Office for Students Update and Conditions Compliance Register

20.1 Council received and noted the register of compliance with the ongoing conditions of registration and an accompanying report providing updates on the latest regulatory developments.

21. Governance Matters

21.1 Amendments to Regulations

21.1.1 Council approved amendments to the University Regulations, including the Scheme of Council Delegation.

21.2 Council and Senate Standing Orders

21.2.1 Council approved amendments to the Council Standing Orders and noted and endorsed amendments to the Senate Standing Orders.

21.3 Council Code of Conduct

21.3.1 Council approved amendments to the Council Code of Conduct.

21.4 Conflicts of Interest in Decision Making Procedure

21.4.1 Council noted and endorsed the updated procedure for managing conflicts of interest in the context of University governance and decision making.

21.5 Compliance and Assurance Framework

21.5.1 Council noted the updated Compliance and Assurance Framework.

22. Report on Action Taken

22.1 Council received and endorsed a report setting out action taken on behalf of Council since the previous meeting.

23. Council Business Plan 2022-23

- 23.1 Council received and noted the business plan, which would be reviewed and updated for 2023/24.

24. Application of the University Seal

- 24.1 Council received and noted a report on the application of the University seal since the previous meeting.

25. Public Availability of Council Papers

- 25.1 Council received and approved recommendations concerning the publication on the web of papers presented at the meeting, in accordance with previously agreed proposals on the disclosure of information. It was noted that a number of papers were confidential and would not be made publicly available.

26. Any Other Business

26.1 Farewells:

This was the final Council meeting for several members, who would stand down on 31 July 2023. On behalf of Council, the Chair thanked each of David Bagley, Adrian Belton and Tony Wray in turn for their commitment and support during their time as Council – and various committee – members. Council offered its thanks and wished each of them well for the future. Council also noted that Professor Kirby's term of appointment was also due to end on 31 July but, being eligible for re-election and reappointment, Prof Kirby was standing again.