



Minutes Meeting of the Council

Date: 08 July 2024

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

Claire Brownlie (Pro-Chancellor), Adrian Stone (Pro-Chancellor), Rob Memmott (Treasurer), Professor Koen Lamberts (President & Vice-Chancellor), Professor Graham Gee, Gemma Greenup, Professor Sue Hartley, Dr John Hogan, Varun Kabra, Professor Janine Kirby, Professor Robert Mokaya, Frances Morris-Jones, Dr Caoimhe Nic Dháibhéid, Dr Phil Tenney, Professor Mary Vincent

Secretary: Jeannette Strachan

In attendance: Anna Campbell, Jo Jones, David Swinn, Al Carlile (item 8), Aaron Porter (AdvanceHE) (item 9),

Apologies: Dr Brian Gilvary, Alison Kay, Phil Rodrigo, Daisy Watson-Rumbold

1. Welcome and Introductions

1.1 The Chair welcomed Members and attendees to the meeting, including Professor Robert Mokaya, who was attending his first Council business meeting since taking up the role of Provost & Deputy Vice-Chancellor.

2. Declaration of Conflict of Interests

2.1 It was noted that the Report of the Council Nominations Committee (See Minute 12, below) contained recommendations relating to individual members of Council, who would not take part in any decisions relating to themselves.

2.2 No other conflicts were declared.

3. Approval of Category C Business

3.1 Council considered Category C business, which is covered in Minutes 13-24, below.

4. President & Vice-Chancellor's Report

4.1 Council received and discussed the President & Vice-Chancellor's Report, which 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 with additional information provided as follows:

(a) UK General Election Result:

It was reported that the new Labour Government presented an opportunity for the University to engage with policy makers to further its strategic aims and raise the profile and impact of its education and research. The Labour administration was expected to take a mission-based approach to government, having outlined five missions during the election campaign: driving economic growth, underpinning all activity; creating opportunities for all; green energy; the NHS; and crime. The University would seek to engage with the new government given the significant contributions it could make to their achievement, e.g. delivering R&D-led growth and implementing the NHS workforce plan. Adopting a missions-based approach would be the most effective way to speak to the new government, secure influence and achieve impact, and it was pleasing to note that Ministers were already seeking to involve the University on several of these matters, including in recent institutional visits.

However, it was recognised that it would take time for clarity to be provided over any Government plans to address the HE funding challenge and the implementation of Freedom of Speech requirements. Nevertheless, the expected more positive rhetoric about HE from the new Government was encouraging. Council also noted a detailed initial briefing on the implications of a new Labour Government which had been added to the meeting papers ahead of the meeting.

(b) Student Crowd Awards 2024:

Council was pleased to note the University's positive performance in the latest rankings, which were based on over 31,000 verified student reviews. Having been placed first overall for the Student's Union, as well as for Wifi and Internet, the University was also second overall for Best UK University and only missed out on first place by two decimal places. The University was also ranked second for Clubs and Societies, the Careers Service, Teaching Quality and Personal Tutoring, and was ranked in the top five or top ten in a number of other areas. These awards followed the University's recent success in the Whatuni Student Choice Awards and the successes were being promoted on social media and in other materials as appropriate. It was particularly pleasing that these successes were driven by students themselves and was testament to the hard work and sustained efforts of colleagues.

(c) Student Recruitment:

Due to the protest on campus (see Minute 4(d), below), the University had made a number of changes to its recent Open Days in June and July to minimise the risk and impact of the encampment. These measures had worked successfully overall and saw 27% more prospective students at the June Open Day than the same time last year, with positive feedback received from visitors, which was particularly important given that Open Days were an integral part of the student recruitment process.

In terms of September 2024 intake, the University was focused on converting UG and PGT offer holders throughout the summer period, with particular regard for institutional UG tariff. Council noted an overview of the latest intake forecasts for UG and PGT for both home and overseas student cohorts, the impact of which would be considered in greater detail in the context of the 2024/25 budget and financial forecasts (See Minute 6, below). The University was adopting a balanced approach to PGT decision making, whereby flexibility was applied to maximise both home and overseas student recruitment where appropriate. It was also noted that institutions across the sector, including the University's peer group, were all having to respond to the challenging market conditions. The University would be monitoring the emerging intake position closely in order to inform operational planning and expectations for confirmation and clearing activity during August; any material updates would be shared with the Council Finance Committee and Council.

(d) Campus Protest:

On 26 June the Chief Operating Officer had addressed the encampment and issued a reminder that they did not have the University's permission for the camp and that they were trespassing. Participants were asked to leave peacefully by the end of that day and informed that, if they did not leave, the University would start legal proceedings and reserved the right to use its disciplinary procedures in respect of any student or member of staff who could be identified as contravening the institutional guidance for protests from that point onwards.

The COO had explained that the University would not commence disciplinary proceedings against any student for their involvement in this camp, or activities directly related to the encampment if they left on 26 June, and nor would the University initiate legal proceedings. It was noted that the University's response to the camp and all dealings with the protesters had sought to balance their right to protest in the interests of freedom of speech with the University's responsibilities to maintain the safety and welfare of the entire University community.

While the two recent Open Days had been largely uneventful and had not suffered any significant disruption, there were some unfortunate examples of inappropriate language and graffiti. University branding was also used on posters and other materials without permission, including a video shared on the Sheffield Campus Coalition for Palestine social media accounts which used misleading AI-generated audio, and University-owned video footage featuring staff and students and University branding without permission. As a result, the University Secretary had sent a cease-and-desist letter to the camp in response, a course of action which Council endorsed, noting with disappointment that the P&VC had been targeted personally, as well as the examples of illegality and misleading communications associated with the encampment. Attention was drawn to a further update which the COO had shared with Council on 8 July and Members noted the important role of the Incident Management Team in overseeing the University's response to the camp.

(e) Graduation:

It was reported that all graduation ceremonies would proceed as planned. However, extra security measures would be implemented to ensure the safety and wellbeing of attendees and minimise the risk that ceremonies might be disrupted. Appropriate communications would be shared directly with graduating students and with the relevant staff involved.

5. Student Experience Report

5.1 Council received and noted the Student's Union new Code of Practice on Freedom of Speech, in response to the Higher Education (Freedom of Speech) Act 2023, which imposed new and additional obligations on Students' Unions. Members noted that the SU's approach had sought to align processes and procedures with those of the University in order to assist and support students and other colleagues in navigating the new requirements and provisions in an accessible way. It was also reported that the SU had agreed a revised reporting cycle for Council in 2024/25 to ensure that these updates were meaningful, whilst balancing demands on SU colleagues.

6. Latest 2024/25 Budget and Financial Forecasts

6.1. Council discussed a paper proposing the latest 2024/25 budget and financial forecasts to 2026/27. These had been updated since the baseline budget was approved in April and since Finance Committee's meeting in June, in order to reflect UEB's work to mitigate the impact of reduced tuition fee income and the most recent student intake modelling. Council also noted that the updated forecasts would form the basis for the University's going concern discussions with external audit and the Annual Financial Return to the OfS in November, with the forecasts updated at that point to reflect any material variances to student recruitment, mitigating actions and the capital programme.

6.2. During a related presentation, Members noted a summary of the April baseline budget and forecasts; an overview of the latest funding gap and mitigation, including the impact of the higher impact scenario; analysis of movements in tuition fee income under the latest modelling; details of particular mitigating actions across different areas of the University and budget lines; the updated capital expenditure forecasts; an overview of the updates that were reflected in the latest forecasts; and the resultant movements from the baseline underlying surplus/deficit. Attention was also drawn to: key metrics under the latest forecast; the impact on bank and USS covenant headroom; the sensitivity test assumptions applied to the latest figures and their impact on covenant headroom; proposed key financial principles; and potential further adjustments, including the further income and expenditure improvements, which may also have wider institutional benefit, and a series of other actions.

6.3 Clarification was provided that the prioritisation of capital projects would take into account their impact on revenue generation, as well as balancing the relative merits of academic and non-academic projects that would benefit the wider student experience and achievement of sustainability targets. The importance of retaining sufficient flexibility to fund priority strategic investment from reserves was also noted, in order to exploit future opportunities. It was noted that the planned review of student scholarships was necessary to ensure that

the University and students themselves achieved maximum value from what was a significant area of expenditure. Members also noted the importance of institutional culture in facilitating the delivery of operational efficiencies, with work to implement the Schools structure contributing to positive improvements in this regard, including the centralisation of professional service budgets to enable new Heads to focus on academic activities.

- 6.4 Having noted that the speed with which mitigating actions would be achieved and deliver the necessary impact, Council received clarification that these were built-in to Faculty and Professional Services plans on the assumption that they would be required and delivered. However, as a matter of prudence it was assumed that a number of the associated savings could not be realised until January 2025. Members also recognised the importance of providing clarity about the budget to senior leaders as soon as possible before UEB undertook further work to consider the key milestones and other activities that may be necessary. It was also reported that, with respect to staff costs, vacancies were only being released following an assessment of need, to avoid the application of blunt instruments that may adversely impact the University's core mission and strategic priorities. Similarly, a number of posts currently advertised were externally funded. It was clarified that Faculty and central Professional Services leadership teams were emphasising to key stakeholders the challenging nature of the current financial position to ensure that this was understood and taken into account in planning activities and that an update on the achievement of milestones would be presented to Council Finance Committee early in the next academic session.
- 6.5 During further discussion, it was agreed that the next update to Council would include further information from Faculty and Professional Service plans, including deadlines and milestones, in order to strengthen lines of accountability and assurance. A key consideration in the Autumn would be a further evaluation of whether the current scenario represented a longer-term trend, and any implications for the institution. However, the University was in a relatively strong position, due to the current cash balances and covenant headroom. Similarly, work undertaken in recent budget rounds to reduce the expenditure forecasts and budgets had been positive in ensuring that the impact of the high impact scenario the University now faced was less severe than it would otherwise have been. Nevertheless, it remained important that the University took the necessary action in areas which it could control directly, and that Council and relevant committees were provided with the necessary and update assurance reports in due course. Clarification was also provided that the University reviewed and updated its tuition fees, other than Home UG, annually as a matter of course taking into account the wider market and associated reputational considerations. Although the current priority was to focus on what the University could control directly, opportunities for income growth would be considered in due course, when the present uncertainties were less pronounced, with such opportunities reported in a number of areas.
- 6.6 Council approved the updated 2024/25 budget and noted the latest financial forecasts to 2026/27. Council also agreed the proposed key principles set out in the related presentation.

7. Capital Report and Capital Commitments

- 7.1. Council received and noted the Capital update Report and an analysis of the University's current and planned capital expenditure commitments, which had been discussed by the Council Finance Committee in June. Attention was drawn to the progress of an ongoing complex project, with respect to which the build programme had been delayed such that discussions with the project partner were ongoing to ensure overall project delivery. It was also reported that Council would be asked for an offline approval in principle relating to a strategically important external funding bid and related capital project, subject to consideration by UEB during July.

8. New Schools Update

(Al Carlile in attendance for this item)

- 8.1 Council considered an update on the implementation of new Schools and approved recommendations relating to the names of Phase 2 Schools, which had been discussed and endorsed by the Senate at its meeting on 26 June 2024. It was agreed that Council would be provided with the agreed list of acronyms for each of the new Schools. **[Action: KL/AC]**

9. Council Effectiveness Review Report

(Aaron Porter in attendance for this item)

- 9.1 Council received and discussed the independent report from AdvanceHE, which set out the findings and recommendations from their review of Council and University governance effectiveness under the scope approved by Council in February 2024. Council also received a verbal update from the Chair of the Task and Finish Group established to oversee and support the review process. In presenting the report, AP highlighted that, as an independent report, it was for Council to consider which recommendations it wished to act upon.
- 9.2 Council welcomed the report, which concluded that governance at the University was highly effective and on a positive trajectory, and the eleven recommendations it contained were made in the spirit of continuous improvement, an approach which had been strongly endorsed by the Task and Finish Group. During discussion, clarification was provided that the University's report was amongst the best 3 or 4 out of around 40 HE institutions which AdvanceHE had reviewed in the last four years and that the University's average score in the benchmark survey was the third highest out of the 65 HE institutions that had completed it over the last five years. Importantly, Council was pleased to note that the University's scores were supported and had been validated by AdvanceHE in reviewing the other evidence and documentation that had been tested during the review.
- 9.3 Following discussion, Council approved the report and agreed that the University Secretary would draft an action plan in response to the recommendations for further consideration and agreement. Council also agreed that the Task and Finish Group should remain in place as a vehicle to support the implementation of those actions and monitoring of the same. **[Action: JS/DS]**

10. Access and Participation Plan Update

- 10.1 Further to the presentation and related update provided to Council's previous meeting. Council received and noted a further update, including: progress against the current plan for the academic year 2023/24; the submission of the University's new APP to the OfS in May 2024, to commence in 2025/26 and for which OfS approval was awaited; and that the University was awaiting details of any monitoring requirements the OfS may require in relation to the current plan during the present academic session, which may require further amendments to the current draft.

11. Corporate Risk Register

- 11.1 Council considered and approved the 2023-24 Corporate Risk, noting an accompanying report from the UEB Risk Review Group. Particular attention was drawn to the introduction of a revised risk exposure matrix, increasing the number of options from four to 12 and the future use of 12 risk appetite statements to support the prioritisation of workload by highlighting where risks were assessed as being above or below the stated risk appetite.

12. Report of the Council Nominations Committee

- 12.1 Council received and approved the report, including recommendations for the appointment and reappointment of Members of Council and of University Committees, as set out in the report, with the exception of proposed members of the Honorary Degrees Committee. It was noted that the Honorary Degrees Committee would be reviewed to ensure that its remit and membership were appropriate and reflected good practice in the sector. Council also approved an amendment to the Committee's terms of reference and noted an analysis of diversity across the central University committees and related actions.

12A. CLOSED MINUTE

13. Minutes of the Previous Meetings

- 13.1 Council approved the Minutes.

14. Action Log and Matters Arising on the Minutes

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

15. Update from the Senate

- 15.1 Council received and noted an update on the Senate's 26 June 2024 meeting, ahead of receiving the full minutes in due course. Attention was drawn to Senate's discussion and endorsement of the new School names (See Minute 8, below), as well as the progress of the Schools Governance Review, research and innovation matters and approval of changes to the governance of military education in conjunction with Sheffield Hallam University. Council also noted a number of recommendations from Senate's Committees, which Senate had approved.

16. Minutes of the Council Audit and Risk Assurance Committee

- 16.1 Council received and noted the Minutes, in particular the Committee's plans to seek assurance in relation to the implementation of new Schools at the end of phase 1 and to seek progress updates in relation to several recent high risk internal audit reviews following the Committee's standard practice. Clarification was provided that the University was implementing an agreed action plan in response to an internally-driven review of a particular compliance issue, which had been reported to ARAC's previous meeting, as a means to minimise and avoid future risk. Council also approved an additional proposal to delegate to the Chair of Council and the Chair of ARAC authority to appoint an external auditor for the University's subsidiary companies from 2023/24, for which the procurement exercise was currently underway.

17. Minutes of the Council Finance Committee

- 17.1 Council received and noted the Minutes, which contained updates on discussion of various matters, several of which had or would be covered as substantive Council agenda items.

18. Minutes of the Council Senior Remuneration Committee

- 18.1 Council received and noted the Minutes.

19. Minutes of the Council Equality Diversity and Inclusion Committee

- 19.1 Council received and noted the Minutes, in particular the Committee's positive discussions about the internal audit review of EDI governance and the new governance arrangements that had been agreed by Council at its April meeting and were now being implemented.

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. It was also reported that the OfS had responded to the recent reportable event notification and had not requested any additional information or University action such that the University considered the matter closed.

21. Governance Matters

21.1 Confirmation and Amendment of University Regulations

- 21.1.1 Council confirmed the Functions of Council (Regulation II) and approved amendments to Regulation III: Scheme of Delegation and Regulation VI: the Officers for 2024/25.

21.2 Council Standing Orders

- 21.2.1 Council confirmed the Council Standing Orders.

21.3 Council Code of Conduct

21.3.1 Council confirmed the Council Code of Conduct.

21.4 Compliance and Assurance Framework

21.4.1 Council received and noted the updated Compliance and Assurance Framework.

22. Council Business Plan 2023-24

22.1 Council received and noted the latest iteration of the business plan, ahead of a new version being prepared to inform Council's business in 2024/25.

23. Application of the University Seal

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

24. Public Availability of Council papers

24.1 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.

25. Any Other Business

25.1 University Strategy: It was reported that the P&VC intended to facilitate UEB discussions about the University Vision and Strategy and related KPIs to ensure that key externally facing elements, e.g. league table rankings, remained appropriate and related actions were optimised. This work would be reported to Council in due course to provide further assurance about the University's overall performance and deepen Council's understanding of the University's priorities in the current operating environment.

25.2 Thanks and Farewells: On behalf of Council, the Chair thanked Dr Brian Gilvary, whose term of appointment would expire at the end of 2023/24, for his service and contributions, noting that Dr Gilvary remained an active supporter and advocate for the University and that it was hoped that the possibility of Council membership may be revisited in future. Also thanked was Professor Graham Gee, whose term of appointment following election by the Senate would expire at the end of 2023/24, for his significant contributions to Council discussions, notably as Chair of EDIC and having delivered several additional virtual and in person briefing sessions. It was noted that Professor Gee was eligible for re-election as the Senate's nominee for appointment to Council.

26. Feedback on the Meeting

26.1 Members commented on the positive and constructive discussions under Minute 12A and welcomed the opportunity to see a different area of the campus. The P&VC also thanked

Council for the constructive challenge with which members had approached some highly complex and difficult issues, which would support and inform further work by the Executive.