



Minutes Meeting of the Council

Date: 14 October 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), Gemma Greenup, Professor Sue Hartley, Dr John Hogan, Varun Kabra, Alison Kay, Professor Janine Kirby, Professor Robert Mokaya, Frances Morris-Jones, Dr Caoimhe Nic Dháibhéid, Phil Rodrigo, Professor Mark Strong, Dr Phil Tenney, Professor Mary Vincent, Daisy Watson

Secretary: Jeannette Strachan

In attendance: Anna Campbell, Jo Jones, David Swinn, Rob Sykes

Apologies:

1. Welcome and Introductions

1.1 The Chair welcomed Members and attendees to the meeting, in particular Professor Mark Strong, who was attending their first meeting of a new term having been appointed following election by the Senate, and Daisy Watson, SU President, who was also attending their first meeting.

2. Declaration of Conflict of Interests

2.1 No conflicts were declared.

3. Approval of Category C Business

3.1 Council considered Category C business, which is covered in Minutes 12-23, 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:

(a) Encampment/Protest:

It was reported a new protest camp had been established in Weston Park, adjacent to the campus, during Intro Week in September, which remained for around a week. Since then,

there had been further protest activity, the latest of which had sought to disrupt Careers Fairs in the Students' Union. This had involved attempts to prevent student and other attendees from accessing the venue but initial indications were that the event had proceeded without disruption or major incident. It was also reported that the University had held constructive discussions with members of the Student's Union People and Planet Society.

However, it was unfortunate to note the sizeable additional costs that the University had had to incur for security in managing the impact of the previous encampment camp and related protests to ensure the safety and wellbeing of students and other campus users.

(b) League Tables:

Since the circulation of the written report, the Times Higher Education World University Rankings 2025 had been published, with the University ranked 98th in the world, a rise of seven places since 2024 and a rise of 24 places over the last four years. The University was also ranked 12th in the UK. It was noted that the rankings used different metrics from the QS world rankings and were data driven. Council was pleased to note this success, in addition to other recent positive performance in several league tables, all of which showed a positive trajectory, with the exception of the QS. It was noted that the University had always adopted the approach of concentrating on academic successes and excellence in the expectation that strong academic performance and achievement should correlate to strong performance in league tables. However, the relative influence of different rankings in different student recruitment markets was highly variable, and the institutional impact significant, such that this approach may require further consideration. It was agreed that Council would receive a detailed briefing on the University's approach to league tables and its plans to recover its position in the QS World rankings in due course.

(c) Potential Student Transfers and Provider Failure:

The University has begun to receive approaches from other institutions about taking on the transfer and 'teach out' of students currently registered at other HEIs. The OfS and DfE were likely to take an interest both in such approaches and in institutional responses to them. While there may be some opportunities in this area, there was also considerable risk.

As such, all initial requests that we receive would be sent to the Vice-President for Education. A set of dedicated criteria would then be used to decide, after consultation with faculties, whether or not to progress the request to a business case.

Final decisions would be confirmed by UEB, and communications with the approaching institution would be at University level, in order to ensure that the University mitigated any associated risk and could respond prudently and strategically to future requests.

In considering these issues it was necessary to reflect on the assurances universities might need up-front from government, funders and regulators when considering options for supporting other providers and the opportunities and risks to institutional finances, reputation, and wider strategy under various scenarios. It was noted that the Russell Group was actively considering these issues and that the DVC would be attending a forthcoming discussion on the subject.

(d) Senior Staffing Updates:

It was reported that Bella Abrams, Director of ITS, would be leaving the University at the end of November to take up the role of Chief Technology Officer at JISC. An interim appointment had been made to provide stability and continuity in the short-term. Given the challenging recruitment market for IT specialists it was expected that the external recruitment of a permanent successor would take up to one year.

It was also reported that Tracy Wray, Director of Corporate Communications and External Relations, would be retiring in April 2025. Responsibility for Corporate Communications would move to the remit of the Director of Student Recruitment, Marketing and Admissions (SRMA), thereby providing opportunities to strengthen existing working and stakeholder relationships and related work on institutional brand and reputation.

(e) Policy Developments:

It was noted that a number of government policy announcements were expected in the coming weeks, including the Budget on 30 October, and further information would be provided to Council as appropriate. In particular, the Industrial Strategy Green paper, which had been published on 14 October, presented several areas of opportunity for the University and HE as a whole. More generally, in the context of a new OfS Chair and recent recommendations relating to the role and function of the OfS itself, it was reported that the University would continue to engage through both UUK and the Russell Group but also in an individual capacity as appropriate. Council noted the Government's desire for the OfS to refocus towards quality, as well as financial sustainability both of the sector and individual institutions.

5. Student Experience

- 5.1 Council received an update report from the Students' Union, noting highlights and key achievements from 2023/24, updates on the new Officer team, which for the first time included officers who had been re-elected, financial challenges both to the SU and students themselves, upcoming SU elections, the development of a new SU strategy, SU research into Student Experience and Strategic Impact, and Freedom of Speech.
- 5.2 With respect to student experience, it was reported that the University and SU were working on a data sharing agreement to maximise the mutual benefits from student survey data and supplement the relevant Council KPIs, which used external data that could be benchmarked against the sector. More broadly, it was noted that a revised Memorandum of Understanding between the University and Student's Union was in development. Clarification was provided about the range of accountabilities and responsibilities for the student experience across the University, as well as the role of the SU, recognising that different individual and groups of students had different requirements as to what constituted an excellent student experience, e.g. depending on background and their discipline of study.

6. Financial Matters

6.1 Draft Annual Report and Financial Statements 2023-24

6.1.1 Council considered the draft annual report and financial statements, which had been developed with input from professional services colleagues and UEB and had also been considered by the Council's Finance and Audit & Risk Assurance Committees during October before the final version was presented for approval to the November Committees and Council. It was noted that the external audit was ongoing but no adjustments had been notified to the University at present.

6.2 Stress Testing

6.2.1 Council received and noted an initial report on stress testing of the July financial forecasts for the 2024/25 and 2025/26 financial years and previous risk-based scenarios, which had been updated for the year end cash position and latest indicators in respect of international student recruitment numbers. The report also reflected relevant information from the corporate risk register combined with current market conditions and sector intelligence. It was noted that the report was indicative and provided by way of additional information for Council but would not be the input to the going concern assessment itself. However, the report was helpful in indicating that under the scenario that were modelled, the University would remain compliant with bank covenants and USS metrics in 2024/25 and likely in 2025/26 even without any mitigating action. Members noted the external audit approach to stress testing and going concern assessments with respect to both the scenarios themselves and mitigating actions.

6.3 Update on the Five-Year Financial Forecast

6.3.1 In advance of receiving the final updated financial forecasts at its November meeting, as part of the University's Annual Financial Return to the OfS, Council received a presentation by way of update on the latest five-year financial forecast figures, during which attention was drawn to:

- The key metrics in the July forecasts, as previously approved by Council.
- The revised, uplifted value of mitigating actions required over the period to 2026/27 per year and in total, necessary to return the University an operating surplus.
- The value of phase 1 mitigating actions by area of the University, noting that Faculty expenditure represented between 20-30% of tuition fee income and that the decrease in overseas student numbers was most significant in a small number of specific disciplines with a disproportionate impact across the Faculties.
- The value of mitigating actions by cost type.
- The value of further mitigating actions required in light of the latest student recruitment and tuition fee income projections as at 1 September, which would require further consideration by UEB to build on the cost reductions identified to date.
- A summary of the phase 2 mitigating actions identified to date.

- The impact on the capital programme.
- Two further areas of risk that had been identified: further projected reductions in student recruitment in future years, which would require decisions by UEB; and the need for Finance and Planning teams to undertake a full reconciliation of student population tuition fee income at risk in the next two financial years.

6.3.2 During discussion, it was reported that Council would receive details of the framework by which the University would monitor the delivery of mitigating actions, informed by previous UEB's agreement. Clarification was provided that the central vacancy management process had been introduced in recognition of the total savings required and the need for direct action in the very short-term, whilst ensuring that vacancies were considered in a holistic, strategic and consistent manner. Further clarification was also provided about the nature of savings in student scholarships and bursaries, which followed a UEB-led review that sought to remove duplication of effort and expenditure, as well as specific action in phase 2 regarding PGT scholarships in the context of the current student recruitment market. It was also noted that apparent reductions in student hardship still left a total hardship budget that was significantly higher than pre-Covid levels.

6.3.3 Council discussed the importance of ensuring that mitigating action was undertaken in such a way as to protect areas of strength, opportunity and strategic importance. It was reported that UEB was developing principles to inform staff activities in various areas, including vacancy management and discretionary spend. Mitigating actions would take into account the need to balance rapid costs reductions with ensuring that the University could both continue to operate effectively in the short term and ensure its future institutional strength and sustainability, including ongoing bank covenant and USS metrics compliance. Further clarification was provided about the relative decline in tuition fee income, following a c.6% increase over the last four years, and the impact on the overall size of the student population, noting that this was highly variable across different disciplines. In the context of the challenging and changing operating environment, the University would need to consider its wider strategy and approach to student recruitment and entry, taking into account competitor behaviour and looking to exploit new opportunities. Council endorsed the view that excellence, and high-quality delivery, of the University's education and research provision must remain the overriding objective, but had to be delivered in a financially sustainable way.

7. Capital Report

7.1 Council received and noted an update on the progress of projects in the capital programme, including certain projects recently considered and approved by either or all of ECSG, UEB and Finance Committee in accordance with the Council Scheme of Delegation, capital cash profiling, and the status of current capital and complex projects. Council noted the extent of slippage in 2023/24 compared to historic levels and the particular reasons for this, with historic levels to be built into future capital forecasts. Particular attention was drawn to the ongoing progress of various complex projects, including issues experienced by two such projects that would lead to delays in completion, with project leads expected to manage costs accordingly. It was also reported that Council was expected to receive a business case for approval in November, which included a significant element of external funding, but that the University had decided to pause progress with the CTL building for the time being. It was also reported that a new Estates Masterplan would be presented to Council later in 2024/25.

8. Council Effectiveness Review Follow-Up

- 8.1 Council considered a report proposing a series of actions and additional considerations which had been considered by the Task and Finish Group, Chaired by Claire Brownlie, and the senior officers, ahead of Council. Members also noted an additional Matrix showing the University's stakeholders, which was developed following Council's own work on its effectiveness in 2022/23 and would be made available to colleagues via the guidance on executive summaries. It was noted that the Task and Finish planned to meet again in Spring 2025 and at the end of the academic year to gauge progress and report to Council as required.
- 8.2 Clarification was provided about the Task and Finish Group's rationale for not proceeding with the suggestion about ESG for the time being, given the extent of work required, recognising that the wording in the action plan focused on the approach to the University Annual Report itself, not the totality of the University's activities in these areas, and that AdvanceHE had made this suggestion, rather than a substantive recommendation, in the context of a highly positive overall review with a relatively low number of substantive recommendations. It was agreed to amend the wording to note that there was a range of important ESG activity taking place across the University.

9. Report on the Code of Ethics Review

- 9.1 Council considered and approved proposed updates to the Code of Ethics, which had been considered and endorsed by UEB, and noted the report.

10. Review of the Honorary Degrees Committee

- 10.1 Council considered and approved recommendations for the composition of Honorary Degrees Committee and its sub-committee, following a review led by the University Secretary. It was noted that the changes sought to avoid duplication and effort amongst members of each of the two groups, increase the academic representation and increase the efficiency and effectiveness of the process. It was noted that the membership would need to reflect changes in the leadership of Corporate Communications. Clarification was provided that the review took into account the diversity of the membership and that the pool of candidates for honorary degrees was also diverse, which was undertaken as a matter of routine. Whilst the new process remained relatively onerous, it was recognised that the decision to award an honorary degree required appropriate scrutiny and the proposal was the most workable solution for the time being.

11. Report of the Council Nominations Committee

- 11.1 Council considered and approved the report, including recommendations for the appointment of two lay members of the Council Equality Diversity and Inclusion Committee.

12. Minutes of the Previous Meeting

- 12.1 The Minutes were approved as an accurate record.

13. Action Log and Matters Arising on the Minutes

- 13.1 Council approved the updated Action Log and noted the intention to undertake a further more detailed review of the Council Scheme of Delegation in the context of recent legal advice and separate recommendations in relation to Senate, which would be reported to Council in due course. There were no other matters arising.

14. Minutes of the Senate

- 14.1 Council received and noted an update on the latest meeting of the Senate. Particular attention was drawn to Senate's discussion and subsequent vote on a report from AdvanceHE which proposed a number of actions intended to further the implementation of earlier recommendations by the Halpin Partnership relating to the new Schools structure and academic governance. AdvanceHE's recommendations were grouped around four key areas and included proposed updates to the powers of Senate and Senate's membership, which would require formal Council approval in due course. It was noted that the report had been considered by Senate's Education, Research & innovation and Academic Assurance Committee, as well as the Schools Governance Group, all of which feedback and recommendations were presented to Senate. Council noted that Senate had voted on the recommendations and the results of that vote, and this advice would be provided to Council alongside formal recommendations for proposed amendments to the relevant Regulations.
- 14.2 It was reported that some members of Senate had expressed concern that an equality impact assessment had not yet been undertaken in relation to proposed changes to the membership of Senate, and was therefore unavailable to Senate, although Senate was not making a formal decision. One member of Senate had subsequently written to Council about this matter, via the University Secretary, and Members noted the contents of the letter, which had been added to the meeting papers. Council approved a proposal to establish a small sub-group of Council to oversee the development of and review the outcome of an EIA on the membership option supported by the vote at Senate. However, it was also agreed that an EIA should be undertaken for all options on Senate membership, for completeness and to ensure that Council had as complete as possible information to inform its formal decision and could be assured that the University had had due regard to its responsibilities in this area.

15. Update from the Council Audit & Risk Assurance Committee

- 15.1 Ahead of receiving the minutes in due course, Council noted the Committee (ARAC)'s work on planning for 2024/2, taking into account institutional risk, including the accuracy of financial forecasting and progress of implementing new Schools, timed around key milestones. Attention was also drawn to ARAC having received two high risk internal audit reports at the previous meeting and Council received an overview of the contents of each, which would be covered in more detail in the meeting Minutes.

16. Update from the Council Finance Committee

16.1 Council received an update on the Committee's most recent discussions, ahead of receiving the minutes in due course. It was noted that the majority of the Committee's substantive business was covered elsewhere on Council agenda but Members noted plans for ongoing financial monitoring and that the Committee had welcomed the University's planned approach to capital expenditure management.

17. Minutes of the Council Senior Remuneration Committee

17.1 Council received and noted the Minutes.

18. Minutes of the Council Equality Diversity and Inclusion Committee

18.1 This item was deferred.

19. Council Business Plan 2024-25

19.1 Council received and noted the business plan, which would be reviewed and updated for 2024/25.

20. Report on Action Taken

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

21. Returning Officer's Report on Elections

21.1 Council received and noted the report.

22. Application of the University Seal

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

23. Public Availability of Council Papers

23.1 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.

24. Feedback on the Meeting

- 24.1 University Strategy: Members welcomed the discussion around strategic considerations during the course of the meeting (see, e.g., Minute 6.3, above) and suggested that further consideration was needed about the University's wider strategy, given the changes and challenges in the sector since 2021 as well as the differential impact of different league tables on student recruitment and wider reputation, which may necessitate revisions to strategic objectives and KPIs. It was agreed to consider scheduling an additional Council discussion or half away day on this subject in or around early Spring, subject to further consideration by the Executive.