



The
University
Of
Sheffield.

The Senate, 10 March 2010

Report of the Vice-Chancellor

EXECUTIVE SUMMARY

This paper presents a summary of key background information on recent developments, and is based on the Vice-Chancellor's report to Council on 15 February 2010.

The Vice-Chancellor will introduce the report at the meeting and will provide members of the Senate with the opportunity to raise questions on any aspect of the report.

1. EXTERNAL ENVIRONMENT

1.1 HE funding

The annual grant letter (22 December 2009) from the Secretary of State for Business, Innovation and Skills, Lord Mandelson, to HEFCE confirmed the Funding Council's budget for 2010-11 and set out the objectives that the Government expects to be met in spending the funds allocated. Following a meeting of the HEFCE Board on 28 January, HEFCE has written to Vice-Chancellors (1 February 2010) to set out the Board's provisional decisions regarding the distribution of funding to institutions in 2010-11. Institutions will be told their individual provisional grant allocations on 12 March, following a meeting of the HEFCE Board on 4 March.

(a) Secretary of State's letter to HEFCE on HE funding for 2010-11

Key elements of the Mandelson letter are as follows:

- funding for 2010-11 reflects the reduced baseline of £180m derived from efficiency savings in the 2009 Budget;
- there will be a further reduction of £135m across the HE sector in 2011-12, split between a reduction of £51m to the teaching grant and £84m to the capital baseline;
- individual institutions will be fined £3,700 for each student recruited in 2009-10 above the permitted level, with a warning that over-recruitment in 2010-11 could again result in clawback of funds;
- there is reference to the need for the sector to move towards a sustainable position on pay and pensions over the next year;
- institutions' efforts to widen access to HE are expected to continue (Sir Martin Harris, Director of Fair Access to HE, will report in the Spring on the next steps for promoting fair access to the most selective institutions);
- the Government wishes to see an increase in the variety of undergraduate provision, including flexible and part-time study and two-year programmes, with a shift away

from full-time three-year places over the next spending review period;

- the Government also wishes to see HE capacity grow in priority areas, supporting the skills agenda and meeting economic and social priorities and the letter indicates that that this will require 'a mechanism to redeploy funds, on a competitive basis, to those institutions that are able and willing to develop new or expanded provision in these key areas';
- the letter requests the continued development of proposals for the REF, including significant incentives to enhance the economic and social impact of research, and support for increased research concentration, especially in high-cost areas;
- Institutions will be expected to publish a standard set of information to indicate what students can expect in terms of the nature and quality of their programme, and new arrangements for quality assurance will be developed for introduction in 2011-12.

The full text of the letter can be found at:

<http://www.hefce.ac.uk/news/hefce/2009/grant1011/>

(b) Reactions to the Secretary of State's letter

Lord Mandelson's letter has attracted extensive comment and media coverage, including the following:

- In his response, Professor Steve Smith, President of Universities UK, said, 'The HE sector recognises the current pressures on public spending and is playing a key role in tackling many of the long-term challenges facing the economy.' He indicated that the sector would not be able to 'deliver more with less without compromising our longer-term sustainability and international competitiveness'. Noting that the need to make cuts is due to the increasing costs of student support during the economic downturn, he also emphasised the need to look in detail at the costs of student support as part of the Independent Review of HE Funding and Student Finance chaired by Lord Browne.
- Writing in *The Guardian* (11 January 2010), Professor Michael Arthur and Dr Wendy Piatt, Chairman and Director General of the Russell Group, argued that the UK's HE system, 'recognised across the globe as a gold standard', could be 'replaced with one of silver, bronze or worse', and drew attention to the investment being made by international counterparts (France, Germany and the US) in HE and research. They point out that the warning from the Institute of Fiscal Studies that additional cuts of 12.3% over 2011 and 2012 are needed if the government is to meet its target of reducing the national debt by 2013 would mean a further £1.6bn of cuts for the science and HE budgets. When added to the cuts already announced this would equate to one third of the current annual spend on HE.

<http://www.guardian.co.uk/commentisfree/2010/jan/11/universities-face-meltdown-britain-suffer>

- Responding to the Arthur/Piatt article, Lord Mandelson (*The Guardian*, 14 and 19 January 2010) argued that 'while universities cannot escape the coming squeeze on public finances, nor are they under any kind of threat', pointing out that:
 - university income from sources other than state funding continues to rise;
 - the proposed reductions span the period 2010-13 and equate to the equivalent of a reduction of under 5% over three years;
 - teaching and research funding will grow between 2009-10 and 2010-11.

He indicated that a more positive view is needed, and that 'tighter budgets can be a spur to further diversifying the funding of British universities' and can also 'focus minds on teaching and research excellence and new ways of delivering higher education'.

<http://www.guardian.co.uk/commentisfree/2010/jan/14/university-funding-cuts-mandelson-labour>

<http://www.guardian.co.uk/education/2010/jan/19/university-cuts-peter-mandelson>

- The points made by Lord Mandelson are reiterated in an article by HE Minister David Lammy (*Policy Review*, 25 January 2010), who also elaborates on the steps the sector needs to take to ensure that it retains its world-class status. In addition to seeking new sources of income, he expects to see greater specialisation in some institutions, for example in terms of the range of subjects offered, through inter-institutional collaboration to form larger and more powerful research groups, and by increasing numbers of international partnerships.

http://www.policyreview.co.uk/articles.php?article_id=69

- Also writing in *Policy Review* (25 January 2010), David Willetts, Shadow Minister for Universities and Skills, referred to:
 - the importance of Lord Browne's review in terms of addressing issues of HE funding and student finance;
 - Conservative plans to fund an extra 10,000 university places in 2010;
 - the need to encourage people to study in more cost-effective (eg part-time) ways;
 - the need to provide prospective students with more detailed information to inform their choice of university and course, coupled with better careers advice in schools.

http://www.policyreview.co.uk/articles.php?article_id=70

(c) HEFCE letter to Vice-Chancellors: funding for universities and colleges in 2010-11

The main points from the 1 February letter are:

- recurrent funding for teaching totalling £4,727m, which represents an increase of 0.4% in cash terms or a decrease of 1.6% in real terms compared with 2009-10;
- recurrent funding for research totalling £1,603m, which represents an increase of 2% in cash terms compared (ie maintained/flat-lined in real terms);
- capital funding of £562m, a reduction of 14.9% in cash terms compared with 2009-10;
- special funding of £294m for national programmes and initiatives, a £7% reduction in cash terms compared with 2009-10;
- an allocation of £150m for the Higher Education Innovation Fund (HEIF), representing an increase of 11.9% compared with 2009-10;
- a sum of £10m set aside to support institutions that are shifting the balance of their provision towards STEM subjects;
- a provision of £20m for moderation funding to ensure that year on year changes to grant are manageable for institutions.

It should be noted that Lord Mandelson's letter relates to funding for the financial year,

whereas HEFCE allocates funding to institutions by academic year. HEFCE has made an assumption that funding for the period April to July 2011 will be on a flat-cash basis. Should this assumption prove over-optimistic, the allocations covering these four months may need to be revisited.

It should also be noted that the decisions taken by the HEFCE Board do not take account of the £600m reduction in the HE and science and research budgets by 2012-13 announced in the Pre-Budget Report.

UEB has held a preliminary discussion concerning the impact of HEFCE's funding announcement on the University and the Vice-Chancellor will report on this at the Council's meeting on 15 February 2010.

The full text of the HEFCE letter can be found at:

<http://www.hefce.ac.uk/news/hefce/2010/grant1011/>

1.2 Independent Review of HE Funding and Student Finance

- Launched in November 2009, the Independent Review of HE Funding and Student Finance is chaired by Lord Browne of Madingley and is tasked with making recommendations to Government on the future of fees policy and financial support for full- and part-time undergraduate and postgraduate students.
- The Review has issued the first of two calls for evidence. This focuses on the current system of HE funding and seeks evidence in particular on:
 - the impact of the introduction of variable tuition fees in 2006 and the accompanying changes to student finance;
 - key trends in HE to be taken into account when considering future policy.

1.3 Universities UK report on value of HE sector to the economy

Universities in the UK now generate £59 billion for the UK economy, putting the HE sector ahead of the agricultural, advertising, pharmaceutical and postal industries, according to UUK's latest study of the impact of the higher education sector, published in November 2009. The study found that, in 2007-08:

- the HE sector spent some £19.5 billion on goods and services produced in the UK;
- through both direct and secondary or multiplier effects this generated over £59 billion of output and over 668,500 full time equivalent jobs throughout the economy, a 25% increase on the figure four years ago;
- the total revenue earned by universities amounted to £23.4 billion (compared with £16.87 billion in 2003-04);
- gross export earnings for the higher education sector were estimated to be over £5.3 billion;
- the personal off-campus expenditure of international students and visitors amounted to £2.3 billion.

<http://www.universitiesuk.ac.uk/Newsroom/Media->

[Releases/Pages/Universities%e2%80%99valuetoconomyincreases%e2%80%93UUKreport.aspx](http://www.universitiesuk.ac.uk/Newsroom/Media-Releases/Pages/Universities%e2%80%99valuetoconomyincreases%e2%80%93UUKreport.aspx)

1.4 Skills White Paper

The Government has published (November 2009) *Skills for Growth: a national strategy for economic growth and individual prosperity*. It includes the following commitments:

- creating a modern technician class through more advanced apprenticeships;

- investing in skills in the sectors on which future growth and jobs depend;
- empowering individuals through skills accounts, giving people 'consumer choice' and better information about courses;
- the introduction of light touch monitoring arrangements;
- simplifying the skills landscape, working with UKCES to implement their recommendation to reduce the number of separately publicly funded agencies by over 30 in the next three years.

<http://www.bis.gov.uk/policies/skills-for-growth>

1.5 Trends in young participation in higher education

A HEFCE report, 'Trends in young participation in higher education', published in January 2010, shows that the proportion of young people living in the most disadvantaged areas who enter HE has increased by around 30% over the past five years, and by 50% over the past 15 years. The report shows that:

- while one in eight (12.7%) of 18 and 19-year-olds from the poorest homes went to university in the mid-1990s; now almost one in five (19.2%) do;
- young people from the richest homes have also seen their chances improve – by 15% in 15 years, with more than half (57.3%) of 18 and 19-year-olds from the richest homes now going to university;
- there is a growing gender gap in participation: some 40% of young women from all backgrounds go to university, compared with 32% of young men; the gender gap between young people from the poorest backgrounds is even greater.

Meanwhile, the Government-commissioned Hills Report, also published in January, showed that inequality in the UK as a whole is greater than it was in 1980, with social class still determining life chances. One of its findings was that only 4% of children who received free school meals at 15 went on to university, compared with 33% of other children.

http://www.hefce.ac.uk/pubs/hefce/2010/10_03/

http://www.equalities.gov.uk/national_equality_panel.aspx

2. ACADEMIC STRATEGY

2.1 Student numbers

- The University's annual Higher Education Students Early Statistics (HESES) return was submitted in December 2009. This results in a HEFCE contract range position of -2.8% (compared with -2.7% in December 2008) and includes recruitment of students as part of the flexibility offered by Additional Student Places.
- The final intake as at 1 December 2009 for home ug was 4,354 compared to the student number target of 4,230 used in the financial forecasts for the University. The University remains within the HEFCE cap of 4,365 on new undergraduate entrants.
- The Student Numbers and Fees Sub-Group of UEB has agreed home undergraduate quotas for 2010 entry. Work has also begun to review future intakes for all categories of students and to enable UEB to reflect on the future size and shape of the student population and to assess the University's response to national policy concerning STEM subjects.
- Following receipt of the final report from the July 2008 HEFCE audit of the annual Higher Education Students Early Statistics (HESES) submission, work is ongoing to

aid University compliance with the relevant HEFCE guidelines.

2.2 Academic planning

- Since the Council meeting on 23 November 2009, faculty level planning has commenced and has taken forward the UEB and Council discussions on the planning parameters and focuses on the following areas: growth and development of research and innovation activities; learning and teaching; space (including planning for a 10% reduction in space); and human resources. Each faculty has been asked to plan for two potential scenarios:
 - Scenario 1: planning compound cuts of 5% per annum in both HEFCE grant and research funding with effect from 2011/12 onwards);
 - Scenario 2: planning a 10% cut in both HEFCE grant and research funding in 2011/12 (and a further 7.5% in 2012/13 and 2013/14). These are expected to be completed by late January/early February 2010.
- A UEB workstream has been initiated to integrate planning, forecasting, budget setting and resource allocation activities. It is intended that this will enable greater transparency of when and how these processes take place and deliver a series of benefits for the University community including:
 - analysis and presentation of the University performance (against our targets and goals);
 - development of opening statements at both University and faculty level on the HE landscape and our operating environment, and how these may impact on the University both financially and in terms of the strategic opportunities open to us;
 - transparency in setting quota controlled targets and targets for overseas, pgt and pgr students where we can exercise a degree of 'stretch' and grow student numbers in these areas;
 - development and articulation of how budgets are set (and it is the intention to do this by early June i.e. earlier than in previous years);
 - clarity on how resources are allocated (and the strategic choices underpinning such decisions);
 - enabling Professional Service budgets to be set alongside those of the Faculties (and thereby achieve a new level of clarity);
 - developing the resource allocation methodology (and, in doing so, share information on the cost base of the University and where and within what time limits or conditions cross-subsidy occurs);
 - strengthening the dialogue between Professional Services and Faculties so that all parties contribute to the solutions and assist Faculties in the achievement of their goals and aspirations;
 - creating a strategic development fund that UEB intends to align with strategically important initiatives that generate income for the University (or which require a degree of matched funding from the University).

2.3 National university performance metrics/tables

- *Times Higher Education* is undertaking consultation on revisions to their methodology following a change in consultant. The University has provided comments for this consultation and awaits with interest the revised league table which is expected to be published in November 2010.
- A task and finish group has been initiated to consider national and international league table rankings, to assess the University's position in the priority league tables and identify areas of concern and to propose any strategic responses or actions

relating to the University's position in the league tables to UEB.

2.4 Student recruitment

- Figures for applications for 2010 entry as at 1 January 2010 show increases on the previous year as follows:
 - Home undergraduate: +18%
 - Overseas undergraduate: +38%
 - Home postgraduate taught: +33%
 - Overseas postgraduate taught: +20%
 - Home postgraduate research: +24%
 - Overseas postgraduate research: +12%

3. FINANCE

3.1 Financial headlines to 31 October 2009 (first quarter results)

- The key headlines from the results are as follows:
 - as at 31 October 2009, the operating deficit was £4.7m against a budgeted deficit of £13.9m for the year to date, giving a positive difference of £9.2m;
 - total income was £110.0m against a budget to date of £103.1m, giving a positive difference of £6.9m;
 - total expenditure was £114.5m against a budget to date of £117.0m, giving a favourable difference of £2.4m.
- Academic fee and support grant income is £6.4m higher than budget and includes additional income from Doctoral Training Accounts (DTA) of £3.3m, which is matched by additional DTA expenditure.
- Non-research expenditure is £3.3m less than the budget to date, which includes positive differences on academic core expenditure of £2.1m, Professional Services departmental expenditure of £1.5m and shared services expenditure of £3.1m. These positive differences are offset by other expenditure being £3.4m higher than the profiled budget. The principle cause of this difference is due to DTA activity as noted above.
- Although the results show an operating deficit of £4.7m for the year to date, this is significantly better than the profiled budgeted deficit. There are no immediate areas of concern and expenditure remains within budget. However, key areas to be reviewed in the next quarter's financial results will be the financial impact of the student numbers following the 1 December census, OFFA spend, residences voids and the future pattern of research activity. Work also commenced in January on preparing the forecast outturn for 2009-10.

3.2 External developments

- The impact on the University of the funding cuts signalled in Lord Mandelson's letter of 22 December 2009 to HEFCE (see 1.1 above) is not yet clear, as the grant settlement is still at a sector level. However, current modelling suggests that the impact of the cuts could be c. £6m in 2010-11. The University had already forecast grant income reductions of £3m from previous announcements, leaving a further £3m income reduction.

- The Pre-Budget Report (PBR) (9 December 2009) identified efficiencies of £5bn by 2012-13 of which £600m would be from HE and science and research budgets. The impact of this on the University's income is unknown, but it will in turn put pressure on costs to reduce. Modelling undertaken currently suggests that the impact of the PBR could be within the range of c. £26m to c. £44m reduction to income in 2012-13.

3.3 HEFCE consultations

Three consultation documents have recently been issued by HEFCE. Institutions are invited to respond to each consultation document by answering a number of prescribed questions. HEFCE also invite other comments on the document. For each consultation, responses will be provided to HEFCE in accordance with their deadlines after consulting with and seeking views from relevant staff and lay members of the University.

- Revisions to the Financial Memorandum (2009/46): The financial memorandum is effectively the 'contract' that covers the relationship between a Higher Education Institution and the HEFCE and it sets out the University's obligations in return for which we receive funding in the form of the block grant.

This consultation document incorporates revisions to the Accountability and Audit Code of practice (Code) with any amendments taking effect from 1 August 2010.

The financial memorandum and code are being reviewed to incorporate a new framework for borrowing consents and to make changes following developments in the HE risk environment since the last financial memorandum was published in June 2008.

The deadline for responses is Friday 5 March 2010 and the institutional lead on this consultation document is Bob Rabone. The full document can be found at http://www.hefce.ac.uk/pubs/hefce/2009/09_46/

- Regulating Higher Education Institutions as Charities (2009/45): This consultation document seeks institutions' views about what information will be necessary to enable HEFCE to fulfil their new role as principal regulator of Higher Education Institutions (HEIs) as charities.

Most HEIs in England (including Sheffield) are 'exempt' charities, and thus do not need to register with the Charity Commission and have been outside the scope of its powers as regulators of charities generally. Whilst these HEIs will continue to be exempt charities, they will from 2010 be subject to many of the Commission's regulatory powers and HEFCE will also become the principal regulator of HEIs that are exempt Charities. HEFCE will therefore need to extend their monitoring of exempt charities by requesting and reviewing additional information supplied by HEIs.

The deadline for responses is Friday 12 March 2010 and the institutional lead on this consultation document is Bob Rabone. The full document can be found at http://www.hefce.ac.uk/pubs/hefce/2009/09_45/

- Capital Investment Framework (2009/48): This consultation sets out HEFCE's proposals for the further development of the Capital Investment Framework (CIF). The document proposes developments to the self assessment categories, supporting evidence and metrics that institutions use to both build upon the fundamental principles of the first CIF whilst also taking account of new issues related to carbon emissions and space management.

The proposals are about the assessment process, the amount of capital funding that will be available from April 2011 is dependent on the outcome of the next government

spending review.

The deadline for responses is Friday 12 March 2010 and the institutional lead on this consultation document is Philip Harvey. The full document can be found at http://www.hefce.ac.uk/pubs/hefce/2009/09_48/

4. CAPITAL PROJECTS

4.1 General

- As at 31 December 2009 the total approved capital programme budget supported by HEFCE (CIF) was £79.6m, of which 14% was funded by the University, with the remaining 86% funded by external sponsors. The cumulative spend against this budget as at 31 December 2009 was £25.2m. The balance of HEFCE CIF funds must be spent by 31 March 2011. In respect of non-HEFCE CIF funded projects, £26m will be spent during the period to 2013. This programme of works for building and equipment is supported by a number of different funding bodies including the University, and other funding bodies.

4.2 CIF programme 2008-11

- All projects in the approved CIF 1 funded programme have now proceeded and are on site or complete, with the exception of the Jessop Edwardian Project which has been put on hold by UEB subject to a review. All projects are running to programme with the exception of the ChELSI refurbishment in the Hadfield Building, where significant unforeseen asbestos contamination problems have been encountered.
- A full review of the financial position of the CIF 1 programme has taken place to ensure we maximise use of HEFCE funds within the expenditure timescales. A further review will take place in July 2010.
- Lord Mandelson's letter to HEFCE (see 1.1 above) indicates a potential claw-back of £84 million across the sector on 2010-11 allocations of CIF1 capital. There is no indication from HEFCE as to how this will be implemented but if applied on a proportional basis this could result in a reduction in the CIF1 allocation for the University of £2.055 million. The actual impact to the University will only be certain when HEFCE confirm funding to individual institutions later in March 2010 and HEFCE will be aware of the unwelcome and disruptive impact of any cuts to an already committed capital programme.

4.3 Future Capital Pipeline 2011-14

- The current Estate Strategy and Capital Plan covers the period to March 2011. Work has now commenced on the development of a strategy for the period 2011-14 (likely to be the CIF2 funding period).
- No information has yet emerged from HEFCE on either the level of capital allocations under CIF2 or on the criteria for assessment and subsequent allocations to institutions. Full clarity is unlikely to emerge before a general election and a subsequent spending review. Based on various publications and statements made to-date by HEFCE, UUK and others, however, the following can be expected:
 - Funding is likely to be linked to institutional policies, planning and performance on carbon dioxide emissions and space reduction.
 - The University will be re-assessed for continued institutional 'light touch' status in 2010. Any capital funding will be released by formula to 'light touch' institutions (as CIF1) and without centrally set criteria. If light touch is not achieved there is likely to be an element of hold-back.

- UEB, at its meeting of 22 December 2009, considered a number of target options associated with condition improvement, carbon reduction and operating costs reduction including better utilisation. This is likely to result in space re-configuration and may result in space reductions.

4.4 Student accommodation: Student Village

- The final phase of the Student Village Project has now been handed over and all material snags in the accommodation are complete, with minor ones remaining in the Ridge at Ranmoor.

Issues have arisen with the heating systems in three blocks at Ranmoor whereby significant numbers of rooms are not adequately heated. Remedial measures have been taken by Catalyst and investigations are underway to determine the cause of the problems and identify a long-term solution.

- With the exception of Phase 2a, all phases of the project have now achieved final completion under the contract. For Phase 2a, discussions continue with Catalyst on the extent of work due under the contract to upgrade the Stables building as a potential retail outlet.

5. LEARNING AND TEACHING

5.1 Progress against KPIs

- The University will participate in the sixth year of the National Student Survey in 2010. It will also participate in the Postgraduate Taught Experience Survey (PTES) However, it has been decided not to run the internal Student Satisfaction Survey this year, partly because of the costs involved. Information relating to student satisfaction gained through other means, such as feedback given to academic departments, will be used to obtain Faculty and University-wide pictures.

5.2 Strategic developments in learning and teaching

- The 2005-2010 Learning, Teaching and Assessment Strategy has been generally viewed as very successful. However, given the external environment, rather than initiating the planning of the next five-year strategy at this stage, the Pro-Vice-Chancellor for Learning and Teaching has introduced a new set of aspirations relating to Sustainable Excellence in Teaching (SET). This sets out the key areas where future attention needs to be focussed in terms of providing an enhanced student experience, while taking into account the external changes in funding and some of the areas where we need to improve our efficiency in order to ensure that teaching excellence can be sustained. A number of activities contributing to the SET agenda have already started. These include:
 - a review in the Faculties of taught degree programmes at all levels with a view to withdrawing those with low student enrolments;
 - the development of a University-wide resource utilisation framework;
 - the development of a structured programme for enhancing the use of e-learning in core modules;
 - the setting up of a number of projects designed to increase enhancement opportunities for students;
 - a feasibility study for the provision of opportunities for all students to undertake some learning outside the University.
- Learning and Teaching Services have carried out an analysis of Faculties' learning

and teaching strategies to ensure they are aligned with the University-wide strategy.

- In order to facilitate the University's increasingly active approach to transnational education, principles for the strategic development of Collaborative Provision, considered in line with other University strategies, have been proposed and agreed. The proposals include possible models for future collaborations.

5.3 Key projects

- In response to student survey scores and comments, and the work already carried out through the ongoing Review of Feedback and Assessment, the Pro-Vice-Chancellor for Learning and Teaching has proposed a new set of principles relating to feedback to students. These were discussed at Senate and the broad principles agreed.

5.4 Other student-related matters

- The University's English Language Teaching Centre (part of the Student Services Department) has relocated to a new facility on Hoyle Street, which is part of the Opal 3 student residential development. The new teaching facilities provide much improved accommodation for our international students and we will be able to capitalise on this in future marketing and recruitment efforts. A formal opening of the new building will take place in due course.

6. RESEARCH AND KNOWLEDGE TRANSFER

6.1 Progress against KPIs

- New awards for the 12 months ended December 2009 totalled £95.7m, compared with £86.2m at the end of December 2008. The order book for research work to be undertaken is £191m, which is comparable with the level when records began in March 2009. This is, however, partly driven by sizeable grant renewals in the Faculty of Medicine, Dentistry & Health. Whilst there is some evidence that the decline in research grant capture over recent months is starting to be reversed, Research & Innovation Opportunity Managers are continuing to work with their respective faculties to improve understanding of the research grant and contract award and application value trends and to offer targeted support to strategic or high-value applications.

Early indications for the 2009-10 revised forecast indicate no significant variations from the original forecast of income at £92m and University overheads of £19.9m.

- HEFCE has published its planned consultation on the new Research Excellence Framework (REF). Professor Richard Jones, Pro-Vice Chancellor for Research and Innovation, chaired a small group to co-ordinate the University's response, which was submitted in December 2009. HEFCE's current intention is to publish the guidance for submissions during spring 2010, with an assessment exercise in 2013 (with a census date for staff in 2012). This timetable is extremely challenging and appears to be politically motivated. It remains to be seen whether concerns raised by many HEIs, particularly in respect of the uncertainty surrounding the proposed new assessment criterion of 'impact', lead to any slippage of the planned timetable.

6.2 Research and Knowledge Transfer news

- Research and Innovation Services, together with the Faculty Directors of Research & Innovation, has co-ordinated a systematic support process to enable researchers to apply to the European Research Council Starting Independent Grants. Six submissions were made by University academics, each with a value of approximately

£1.5million.

- The University has responded to a Request for Tender from the EPSRC to establish and maintain an Epitaxy Centre. This tender is effectively for the continuation of the National III V Centre, currently hosted at the University.
- Professor John Harding (Engineering Materials) has been shortlisted for an EPSRC Programme Grant worth £5m of Full Economic Cost. The Sheffield component is worth £2.1m. Collaborators are: Cambridge, York, UCL, Leeds, Warwick and Copenhagen.
- Professor Richard Jones and the Director of Research & Innovation Services hosted a University Impact Workshop on 17 December 2009. This sought to achieve a stronger sense of common purpose amongst colleagues involved in Knowledge Transfer by celebrating our success, sharing ideas for further opportunities and development and identifying critical mass.

6.3 Postgraduate development

- The Government is currently undertaking a review of postgraduate provision chaired by Professor Adrian Smith. The Vice-Chancellor is one of five external advisers to the review. HEIs have had the opportunity to contribute by means of submissions of evidence, and the review is due to report its findings by Spring 2010. <http://www.bis.gov.uk/postgraduate-review>

7. HUMAN RESOURCES

7.1 Outstanding achievements

These include the following who have received external recognition:

- Professor Matthew Flinders (Politics) has received the W J Mackenzie Prize for the Best Book published in 2008 from the Political Studies Association, the fifth time a member of staff from the Department of Politics has won the award since 2003.
- Dr Gino Hrkac (Engineering Materials) has been selected as one of the new University Research Fellows by the Royal Society, for his work on functional nano-magnetism and spintronics.
- Ryan Marshall, a fourth-year Mechanical Engineering student, has been awarded a scholarship from NOREC, a Barnsley-based engineering company.
- Professors Ric van Noort and Geoff Craig (Dentistry) have received the John Tomes Medal, a lifetime achievement award, from the British Dental Association.
- Professor Mike Parker-Pearson (Archaeology) has been awarded an £800,000 grant from the Arts and Humanities Research Council to continue his research into Stonehenge, looking at who built it, what they ate and where they came from.
- Professor Graham Turpin (Psychology) has been awarded the British Psychological Society Award for Distinguished Contributions to Professional Psychology.
- Professor Steve Winder (Biomedical Science) has been awarded a grant by the Muscular Dystrophy campaign, to research Duchenne muscular dystrophy, a life-limiting disease which normally affects young boys.
- Professor Elizabeth Winstanley (Applied Mathematics) has been selected for the 'Women in Physics Lecture Tour 2010' accolade, which leads to a lecture tour in Australia.
- Professor Mike Wells (Neuroscience), Chairman of Council Kathryn Riddle and

Director of Library Services and University Librarian Martin Lewis all feature as new entries in the 2010 edition of *Who's Who*.

- Team SynthiBac, made-up of second-year PhD students from the Department of Molecular Biology and Biotechnology, were awarded the Pfizer Prize for Innovation in the national finals of Biotechnology YES (Young Entrepreneurs Scheme), a competition designed to highlight the commercialisation of bioscience ideas among postgraduate students and postdoctoral scientists.

7.2 Update on HR matters

- A new pay structure was introduced for professorial staff with effect from 1 January 2010. All professors have been allocated to one of three bands in the structure. Each band has clear criteria describing the role of a professor within it.
<http://www/shef.ac.uk/hr/prof>
- The national pay negotiations for non-clinical staff within the HE sector have concluded with a 0.5% increase being awarded. This will be backdated to 1 August 2009.
- The annual pay review for professors and professorial-equivalent staff was not undertaken in the current financial year due to the financial climate. Professors and professorial-equivalent staff will, however, benefit from the 0.5% nationally agreed pay award described above.
- Discussions are underway (including with the recognised trades unions) covering a range of options to reduce staff costs which will be required. Firm targets and plans will be drawn up once the University has received the HEFCE grant letter in March 2010.
- To support the progression of senior academic women, who are currently under-represented in the higher grades, all Pro-Vice-Chancellors will be mentoring at least two senior female academics over a minimum of six months. In addition to the mentoring meetings, mentees will also be given the opportunity to work shadow their mentor.

8. MEDIA COVERAGE AND EXTERNAL RELATIONS

8.1 Events

- Professor Janet Hemingway, Director of the Liverpool School of Tropical Medicine, delivered the 7th Roberts Lecture entitled 'Tropical Bugs and Infectious Diseases' on 3 December 2009. The lecture was attended by 386 people.
- Higher Degree Congregations took place on 14 and 15 January 2010. 1,538 candidates were presented with their awards, and a total of 4,350 guests attending ceremonies over the two days. Honorary Degrees were conferred on Jessica Ennis (LittD), Professor Peter Blood (DSc), Barry Hines (LittD) David Stone (LittD) and Neville Peel (LittD).

8.2 External relations: international

- Two successful visits have taken place since the last Council meeting. In line with the criteria agreed by UEB for all overseas visits, these have included business development activities, alumni and/or graduation events and relationship building with key governmental and HEI contacts:
 - Professor Dominic Shellard and Professor David Hornby (MBB) visited Libya in December 2009. Facilitated by the Ambassador, Sir Vincent Fean, the purpose

of the visit was to discuss arrangements for joint Masters and PhD programmes with Omar Al Mukhtar University, to explore the potential of short course provision, and to sign a Memorandum of Understanding. A useful meeting was held with Sir Vincent to discuss the significant developments in HE and health care within Libya.

Subsequent to the visit, Omar Al Mukhtar committed £400k to cover student fees for the current academic year; and discussions have started to explore extending the agreement for academic year 2010-11. In parallel, discussions have started with Al Fateh University to explore a range of potential collaborations.

- Dr David Fletcher, former Registrar & Secretary, visited Sharjah on behalf of the University to meet with UoS honorary graduate His Highness Sheikh Dr Sultan Bin Mohammed Al Qassimi to discuss his potential support for a major cultural exhibition. Follow-on meetings were held with representatives from the Museum of Sharjah and the Department of Culture.

Dr Fletcher also met with the American University and the University of Sharjah to discuss potential collaborations in environmental sciences, medicinal chemistry, drama and medicine.

Dr Fletcher also visited Dubai to meet with two VIP alumni to discuss potential collaborations and their support for students.

- Discussions with the Singapore Institute of Technology to explore the potential for delivery of UoS ug programmes in biosciences and engineering have concluded unsuccessfully. The original indications of the level of student fees that SIT were willing to pay for UoS programmes were affected late in negotiations by a SIT budget cut, and the UoS team was unwilling to agree to run the programmes for less than cost. Potential opportunities in postgraduate Engineering may still exist, which will be explored further by the Faculty of Engineering.

8.3 External affairs: regional/national

- A major event took place at the AMRC on 3 December 2009, attended by Lord Mandelson, to announce government and Yorkshire Forward investment in the Nuclear Advanced Manufacturing Research Centre based at the University. The event was attended by senior representatives of Rotherham Council and Development Agency, Yorkshire Forward, Industry leaders and national and local journalists. The new £25m NAMRC will be led by the University with Rolls-Royce, supported by the University of Manchester, and will be a centre of excellence for research and development of advanced manufacturing technologies that will deliver lower cost, high-integrity components to the UK nuclear industry.
- Active discussions are underway to identify how to maximise the benefits from the University's growing relationship with Sheffield's Chamber of Commerce.
- Led by Professor Richard Jones, the University, in partnership with Sheffield Hallam University, completed a significant consultancy report for Sheffield City Council and Sheffield City Region. The 'New Industry, New Jobs' report analyses the strengths and potential opportunities from the regions industries. The report will be used as a positioning document by Sheffield City Council with Government, to call for increased investment in the region's economy.
- Links are being developed with the leadership team at Rotherham Metropolitan Borough Council, with partnership events being planned for 2010.

8.4 External relations: community

- Led by the Corporate Social Responsibility Sub-Group of UEB, the University is again validating its CSR credentials through the 'Universities That Count' system. This identifies strengths and weaknesses and overall performance in various CSR-related areas, and enables comparison with others in the sector. The results will be known in early summer 2010.
- The University continues to support the 'Sheffield Showcase' initiative, bringing to life empty shops in the City Centre through displays and exhibitions aimed at the general public of Sheffield. A number of academic departments have expressed interest in putting forward displays during 2010.

8.5 Media coverage

- The University generated 778 articles in the press and media between November 2009 and 20 January 2010. This amounted to £2,710,444 in AVE – in other words the amount the coverage would have cost if paid for in terms of advertising. This included coverage in the *Times Higher Education*, *The Guardian*, *The Daily Telegraph*, *The Times*, *The Lancet*, BBC Radio 4, *Financial Times*, *Nature*, *Yorkshire Post* and *Sheffield Telegraph*.
- The announcement by Lord Mandelson of the Nuclear Advanced Manufacturing Research Centre (NAMRC), which is to be led by the University, was featured in the *Rotherham & South Yorkshire Advertiser*, *Sheffield Star*, *Yorkshire Post*, *ITV Calendar*, *BBC 1 North*, *BBC Radio Sheffield* and *Financial Times*.
- The Sheffield-Siemens Wind Power Research Centre (S²WP), which is to be based at the University, generated coverage in the *Yorkshire Post*, *BBC 1 North*, *Times Higher Education* and *Sheffield Star*.
- Mary Jess Leaverland, a second-year student studying Music and Chinese, has won a televised singing competition in China, which was televised to around 70 million people. This story featured in *The Daily Mail*, *Daily Express*, *The Guardian*, *The Daily Telegraph* and on *BBC Radio 5 Live*.