



The
University
Of
Sheffield.

Minutes Meeting of Council

Date: 12 February 2018

Present: Mr Pedder, Pro-Chancellor (in the Chair);
Mrs Hope and Mr Mayson, Pro-Chancellors; Mr Young, Treasurer;
Professor Sir Keith Burnett, President & Vice-Chancellor;
Professor Valentine, Provost & Deputy-Vice-Chancellor;
Mr Bagley, Mr Belton, Dr Eden, Ms Hague, Dr Layden,
Professor Maltby, Mr Maxwell, Dr Nicholls, Professor Siva-Jothy,
Mr Sly, Mr Sutcliffe, Mr Sykes, Professor Watkins, Mr Wray

Secretary: Dr Strike

In attendance: Mrs Dingle, Mr Dodman, Ms McGrath, Ms Stephens;
Mrs Arnold, Ms Moore, Mr Stevenson

Apologies: None

WELCOME

The Chair welcomed Mr Miles Stevenson (Director of Advancement) and Ms Michelle Moore (Deputy Director of Advancement), who were attending for the report on alumni relations and fundraising, and Mrs Ruth Arnold (Director of Strategic Partnerships & Communications), who was attending as an observer.

AGENDA

1. DECLARATION OF CONFLICTS OF INTEREST

Mr Sutcliffe noted a potential conflict of interests in respect of Henry Boot plc's involvement in the concourse refurbishment project. Mr Sly noted the appointment of Simon Levine, co-CEO of DLA Piper, to the Board of the Office for Students. No other conflicts of interest were declared.

2. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meeting held on 27 November 2017, having been circulated, were approved and signed.

3. MATTERS ARISING ON THE MINUTES

Matters arising on the Minutes were noted as follows:

- (a) Minute 4(f), Academic quality assurance: The Group established under the chairmanship of Dr Nicholls met for the first time in December and again on 29 January and would aim to report to Senate and Council in March/April with

recommendations to support Council in its duty to provide assurance on academic quality and standards. The Senate Effectiveness Review Group (chaired by Professor Maltby) had also met and the scope of its review had been confirmed by Senate.

- (b) Minute 5.1(b), Office for Students: A detailed briefing paper on preparations for registration with the Office for Students was provided as a separate item on the Agenda and included several recommendations for Council to consider (see Minute 6 below).
- (c) Minute 5.1(e), Industrial action: An update on expected strike action by UCU members was provided in section 9.1 of the President & Vice-Chancellor's Report.
- (d) Minute 6, President & Vice-Chancellor's report on China: A report on recent overseas visits by the President & Vice-Chancellor aimed at developing research and teaching partnerships in China was provided in Section 8.1 of his Report.
- (e) Minute 8.5, Prevent Duty: It was reported that the University had been requested by HEFCE to provide a short note, supplementing the information already provided in the annual report, on the specific case of a student charged and found guilty under the Terrorism Act.
- (e) Minute 9, Senior remuneration: The Committee of University Chairs' draft code was provided as a separate item on the Agenda (see Minute 5 below), and comments would be invited from Council to inform the University's response to the consultation.
- (f) Minute 10, Student Lifecycle Project: The next meeting of the Council task and finish group established to have oversight of the Student Lifecycle Project would take place on Thursday 1 March 2018.
- (g) Minute 11, Corporate Risk Register: The Report of the Risk Review Group (see Minute 11 below) included a response to the points raised by Council.
- (h) Minute 20, Council Business Plan: An updated Plan appeared as a separate item on the Agenda.

With respect to student mental health, it was noted that the mental health strategy had been revised to take account of Council's comments on postgraduate research students and links to the Staff Wellbeing strategy. The delivery of the mental health strategy would, where practicable and where there were mutual benefits, be aligned with the wider University agenda on mental health, for instance in respect of staff and in particular around the wellbeing agenda. An action plan for delivery was being developed and would be monitored via both the Student Support Committee and the Mental Health Strategy Group, meeting twice per annum and involving key Students' Union representatives, including the President and Welfare Officer. Given the importance of this matter, it was the intention to bring a regular annual update to Council.

With respect to the Strategy Delivery Group, the President & Vice-Chancellor's Report provided an update from the Group, including the establishment of a Strategic Change Office to support UEB's collective oversight and delivery of a number of major change programmes. Regular updates would continue to be provided in the President & Vice-Chancellor's Report.

4. PRESIDENT & VICE-CHANCELLOR'S PRESENTATION AND REPORT

4.1 Council received and discussed a report and accompanying presentation by the President & Vice-Chancellor, in which he provided information on recent developments in UK Government policy and HE and reflected on key issues. Points noted in particular included the following:

- (a) Fees and funding: Recent reports that the Prime Minister had signalled that the undergraduate tuition fee could be cut by up to one third were consistent with recent Russell Group discussions with the Chancellor of the Exchequer, and raised serious issues for universities. There was as yet no indication how or if lost funding from fees would be replaced, or whether high-cost STEM subjects would be treated differently. Meanwhile, the Labour Party had reaffirmed its commitment to remove undergraduate fees altogether. A further concern was that the sector-level financial planning undertaken by HEFCE was not anticipated to continue under the Office for Students. The University would model a range of possible scenarios in preparation for potential changes as the Government's intentions became clearer.
- (b) Pensions: Industrial action by members of the University and Colleges Union was imminent across the UK in response to changes to the Universities Superannuation Scheme (USS), which would involve the introduction of a defined contribution structure on all salaries from 1 April 2019, with a commitment to consider in three years' time whether defined benefits could be re-introduced should the Scheme's funding position improve. This situation exposed a major imbalance across HE, in which staff in pre-92 institutions were members of USS, while those in post-92 institutions belonged to the publicly funded Teachers' Pension Scheme, constituting a disadvantage to older, research-intensive universities. Within the University, every effort was being made to ensure that all staff received clear information, working with the unions as far as possible. Communication with students was also a priority, and the Vice-President (Education) was chairing a contingency planning group with a view to minimising the impact of any action.
- (c) Office for Students: The new regulatory body for the sector would come fully into force on 1 April 2018, and the University was developing new mechanisms for engagement with the OfS, reflecting the regulator's new powers and priorities. Preparations for registration with the OfS were also in hand, and were the subject of a more detailed paper for Council discussion (see Minute 6 below).
- (d) International students: Clear sector-wide evidence demonstrated the importance of international students to universities and to society and the economy. For example, a recent report by the Higher Education Policy Institute on the economic benefit of international students showed that Sheffield was the top beneficiary in the UK, while the Royal Statistical Society had suggested that students should be removed from net migration figures for policy reasons. However, the Prime Minister's view remained fixed, and a recent announcement that NHS charges for international staff and students would double from April was a particularly retrograde step, both for the individuals concerned and their institutions. The President & Vice-Chancellor had recently met with campus unions to discuss the challenges for staff in terms of visas and related changes, and the University Executive Board was

considering how support could best be provided.

- (e) National government and policy: During a visit earlier in the day to the AMRC by the Northern Powerhouse Minister, Jake Berry, the University had signed a Northern Powerhouse Partnership agreement, cementing its long-term commitment to supporting economic growth in the north. Further examples of the University's engagement with government and the national policy agenda included a meeting with the new Universities Minister, Sam Gyimah, later in the week; an invitation to Robert Halfon, Chair of the Education Select Committee, to visit the AMRC training centre; the provision of advice on a new UUK campaign on the public value of universities; and the University's own continuing promotion of public benefit, including the recent hosting of BBC Radio 4's Today programme at the AMRC.
- (f) City Region activities: Council members had previously been briefed on work to develop a city region vision, led by the Chair, and had received copies of *A Better Future Together: A Prospectus for the Sheffield City Region*. This work continued, was timely in the light of the election of a regional mayor, and would, it was hoped, lead to a new period of coherence in policy making. The University was, for example, in discussion with the Sheffield Teaching Hospitals Trust and Sheffield Hallam University on greater collaboration on regional initiatives in health.
- (g) University activities with China: China was making multi-billion investments in science and innovation, and its universities continued to climb global rankings. Sheffield was in a unique position to offer a new model for translation and collaboration, and the President & Vice-Chancellor had recently returned from the Asian Universities Summit in Shenzhen, where he had spoken on the role of universities in driving Industry 4.0. A key priority during his remaining months in post would be to secure opportunities for further collaboration with China, and firm proposals would be brought to Council in the near future.

4.2 Clarification was provided on a number of points, as follows:

- (a) Fees and funding: It was highly unlikely that a reduction in the undergraduate tuition fee would be offset by additional government funding, particularly given the priority placed on early years' funding. As relevant context, it should be noted that one of the effects of removing the cap on student numbers had been to increase numbers, which would in turn and in time increase the level of unrecovered loans.
- (b) Higher Education Commission: In the context of the President & Vice-Chancellor's work to establish a Higher Education Commission, attention was drawn to the potential opportunity this presented to consider how to ensure that the vocational aspects of HE were not undervalued. The University was actively working to increase the number of students admitted through this route and, as noted above, had been invited to assist UUK in work to promote the public value of universities.
- (c) Portfolio review: A review of the academic portfolio was taking place across faculties and departments with the aim of streamlining provision ahead of a move to programme delivery via a Programme Level Approach. This process would be informed by the subject-level outcomes of the Teaching Excellence Framework (TEF), by an understanding of the competitive environment and

by the work of the group established under the chairmanship of Professor Maltby to review the effectiveness of Senate, including the arrangements for academic quality assurance.

- (d) Student recruitment: Attention was drawn to the University's success in recruiting students to taught postgraduate programmes, which had significantly exceeded target. The sharing of good practice across faculties and departments was also to be commended.
- (e) Industrial action and pensions reform: The President of the Students' Union reported that the SU supported the action being taken by members of the UCU and had requested that any savings resulting from salary deduction should be channelled into student support. An open letter to the President & Vice-Chancellor had attracted over 500 signatures. In response, it was noted that while, in the absence of additional financial support, the University was not in a position to oppose changes to USS, the concerns of staff were recognised, and it was hoped that further discussions would take place concerning longer-term pension arrangements.

Attention was drawn in discussion to the significant risk that failure to reform USS would pose to universities in the longer term, particularly in a volatile financial climate. Whilst recognising the impact of pension reform on individual members of staff, the current defined benefit scheme, which dated from the 1970s, could reasonably be judged to be unaffordable and unsustainable, and any future discussion by the USS trustees should focus on a more flexible offer.
- (f) Financial position: It was confirmed that the financial results for the quarter ended 31 October 2017 showed an underlying operating deficit for the year to date. It was also clarified that where there were variances against budget for capital projects these were subject to agreement through the normal governance processes.
- (g) Faculty of Science: It was noted that Professor John Derrick had been appointed as interim Vice-President & Head of Faculty, and that a Science task force had been established to support the development of the Faculty by means of a review addressing matters including student recruitment and the development of new programmes of study. The task force would also take into account the outcomes of a recent project on estates efficiency and a review of the University's approach to resource allocation, due to report shortly.
- (h) Research Excellence Framework (REF): The President & Vice-Chancellor's report had noted the 'significant cultural shift' that preparation for the next REF would entail. It was confirmed that an action plan was in place and that a process of robust internal assessment, supplemented by targeted external advice, was in progress to ensure that all staff had outputs at the agreed 3* (internationally excellent) standard. Assurances to Council concerning REF preparation would be provided through the President & Vice-Chancellor's report as well as through the reports of the Senate and Human Resources Committee. It was agreed that arrangements would be made for the Vice-President (Research & Innovation) to attend a future meeting of Council for a more extended presentation and discussion.

5. COMMITTEE OF UNIVERSITY CHAIRS DRAFT REMUNERATION CODE

- 5.1 Council received the draft Higher Education Remuneration Code recently published by the Committee of University Chairs (CUC). This had been considered in detail by the Senior Remuneration Committee earlier in the day, and a response would be drafted for submission to the CUC. The Committee supported the need for greater openness and transparency and, building on changes already implemented, would review its practices with a view to the University being recognised as an exemplar institution in this area. There were, however, some aspects of the draft Code that the Committee wished to question, such as the extension of its provisions to cover expenses as well as remuneration.
- 5.2 It was confirmed that, following discussion at the previous meeting of Council, consideration had been given to possible representation of the student body on the Senior Remuneration Committee. There were a number of issues which would arise, including that of continuity, given that Students' Union officers were appointed on an annual basis, and current thinking was that student membership of the Committee would not be appropriate. On a separate matter, it was noted that the Code was helpful in demonstrating the range and complexity of the role of the head of a major HE institution, which it was not felt was widely understood.

6. PREPARATION FOR REGISTRATION WITH THE OFFICE FOR STUDENTS

- 6.1 Council received a paper from the University Secretary concerning preparations for the submission of the University's application to register with the Office for Students (OfS) and the approach to be taken in terms of communication with the new regulator. It was noted that the deadline for applications was 16 April 2018 and that final guidance concerning the process and registration requirements was expected to be published on 28 February. The University would be required to demonstrate that it met a series of initial registration conditions, details of which were provided as an appendix to the paper. Attention was drawn in particular to those conditions which had implications for Council as the University's governing body.
- 6.2 Council approved the following recommendations:
- that the President & Vice-Chancellor be designated as the Accountable Officer to the OfS;
 - that, on the authority of the President & Vice-Chancellor, the University Secretary should submit the University's application to the OfS and lead on co-ordinating communications with the new regulator ;
 - that consultation should take place with the Senate with a view to considering and approving an amendment to the University's governing instruments in relation to freedom of speech, whereby Council has a specific duty to take such steps as are reasonably practicable to ensure that freedom of speech within the law is secured;
 - that, as part of updating the Register of Interests, the University Secretary's Office should collect annually the required information to demonstrate that members of Council and the University Executive Board met the criteria for 'fit and proper' persons.
- 6.3 It was noted that, where additional work was required to demonstrate compliance with the registration conditions, this was in hand. For example, a Student Protection Plan was being drafted for consideration by the Learning & Teaching Committee and by Senate; self-assessments were being undertaken against the Public Interest Principles and CMA guidance; task and finish groups chaired by Dr

Nicholls and Professor Maltby were including in their consideration of academic quality assurance the arrangements whereby compliance with the relevant Public Interest Principle could be demonstrated; and an action plan to address the outcomes of the subject-level component of the Teaching Excellence Framework (TEF) would shortly be considered by the University Executive Board and Senate. Higher Education providers expected to receive the outcome of their registration application in July 2018. The need for the University's application to reflect the role and objectives of the OfS was noted, as was the importance of providing the best evidence base possible.

7. CAPITAL PROGRAMME UPDATE

- 7.1 Council received an update on the capital projects considered at recent meetings of UEB and its Estates & Capital Sub-Group, as well as reports on capital cash profiling, the status of current capital projects, the position with respect to underwritten funds, and projects likely to be presented to Council for approval in the coming months. Members were reminded that, following a decision that the University should not seek significant additional borrowings, projects were being phased in order to achieve an appropriate balance between affordability and ambition.
- 7.2 Clarification was provided concerning the level of expenditure on capital development and it was confirmed that this had been determined as part of the budget setting process, with the resulting budget recommended to and approved by Council in July 2017, following detailed discussion by Finance Committee, which had considered the pros and cons of additional borrowing.
- 7.3 Clarification was also provided on the potential implications of the recent Efficient Estate review for existing or planned capital projects, in terms for example of the assumptions made in respect of space requirements. Following an Estates Governance review commissioned by the Provost & Deputy Vice-Chancellor, a new Space Management Group would be established, reporting to UEB's Estates & Capital Sub-Group, which would focus on efficient space use as well as emerging needs. At the same time the Estates Committee had agreed to re-visit its terms of reference and would regularly review relevant performance indicators and provide challenge in respect of estates masterplanning and design, and report to Council. Plans for the proposed Social Sciences building were evidence of the extent to which learning from these processes fed into future developments.

8. CLOSED MINUTE

9. AMRC ASIA: PROPOSAL TO ESTABLISH ADDITIONAL FOUNDATIONS IN KOREA

- 9.1 Council received an update on the operation of the University's existing foundation in Jeonju City, South Korea (AMRC Korea; approved by Council in November 2015) and considered a proposal to establish two further wholly owned not for profit foundations, in Gyeongsan City and Ulsan Metropolitan City. The proposal had previously been circulated to members of Finance Committee for comment. Both foundations would be self-financing and there was no intention to commit University funds. It was noted that further local advice would be taken in relation to the corporate and operations structures to ensure that the operation of three separate foundations was as efficient as possible and that the growing operational base was managed appropriately. No trading would take place until the obligations and risks under the relevant grant funding were fully understood, and legal advice was currently being sought. At this stage, therefore, Council approval was being

sought in principle.

- 9.2 Clarification was requested on a number of matters, including: benefits and risks to the University; the impact of expansion on the AMRC and potential risks in terms of management stretch and brand dilution; the choice of Korea as an area of focus and how this might affect the AMRC's ability to expand in other areas; and the thought given to an exit strategy.
- 9.3 It was agreed that a further update and full proposal should be provided to Council at a future meeting. Council should also receive a strategic evaluation of the AMRC's activity more generally, allowing members to understand the extent of investment and the financial and reputational benefits and risks to the University.

10. ALUMNI RELATIONS AND FUNDRAISING

10.1 Annual report of the Alumni Board

Council received annual report of the Alumni Board, noting in particular that arrangements for the future management and use of the Convocation Fund had been approved and would include a biannual Convocation Lecture, with the inaugural lecture to be delivered by alumna Helen Sharman on 6 June 2018. Attention was also drawn to the development of an alumni portal, which would provide alumni with access to a range of services, including peer-to-peer global networking and involvement in University activities.

10.2 Update on fundraising, campaigns and development

The Director of Advancement provided an update.

- (a) Fundraising and campaigns: Cash received in 2016-17 had increased by 36% on the previous year and funds secured by 20%. Over £1.2m had been raised for the MRI-PET scanner campaign in less than 12 months, and it was hoped that the £2m target would be reached by September 2017. More than £3.6m had been raised for undergraduate and postgraduate taught scholarships over five years. Attention was drawn to the due diligence undertaken in respect of all donations over £25k and all honorary degree notifications.
- (b) Alumni volunteering: The number of alumni involved in volunteering during 2016-17 had risen by 61% compared with the previous year, and alumni volunteers supported numerous activities across the University, including providing strategic advice, supporting student employability by mentoring students and giving talks, and helping with student recruitment activities.
- (c) Alumni events and communications: Attention was drawn to the development of overseas alumni chapters and to the first Convocation Lecture (see 10.1 above). Alumni communications included the publications *Your University* and *Your Gift*, an extract from which was tabled for members' information.
- (d) Events: In addition to 23 graduation ceremonies, a wide range of events had been supported, details of which were regularly included in the President & Vice-Chancellor's Report to Council.

It was agreed in discussion that information would be provided on the University's position in relevant league tables. With respect to the criteria for refusing donations, it was agreed that, while the University's policy was sound, clarification should be sought concerning cash donations deriving from monetised shares, and on the potential tax considerations involved in gifting shares, and whether these had implications for the current approach.

11. CORPORATE RISK REGISTER

- 11.1 Council received and approved the Corporate Risk Register, noting the responses of UEB and its Risk Review Group to issues raised by Council in November. Amendments would be made to presentation of the Register to make the links between corporate risks and the key themes of the Strategic Plan more explicit. In addition, for each risk, the Register would in future indicate whether the residual risk was accepted by UEB, or whether further action was being sought. With respect to the suggested addition of a new, stand-alone risk for health and safety, it was noted that the preference of UEB and the Risk Review Group was that health and safety issues should be embedded in existing risks, thus ensuring that these remained core to risk management across all areas of activity. It was agreed that this approach should be explained in the Notes prefacing the Risk Register.
- 11.2 In response to a query concerning the University's arrangements for testing and scrutinising cyber security, it was reported that following a review by the new Director of Estates & Facilities Management and IT, cyber security had been identified as one of five core IT-related risks, which would be kept under review by a new IT sub-group of UEB. In addition, an internal audit review had recently been undertaken, the outcomes of which had been considered by the Audit Committee. It was agreed that, as well as sharing the internal auditor's report with members of Council, the Director of Estates & Facilities Management and IT would be asked to provide Council with a report on cyber security.

12. PRESIDENT & VICE-CHANCELLOR: ARRANGEMENTS FOR APPOINTMENT AND TRANSITION

(The President & Vice-Chancellor left the meeting during this item.)

The Chair provided an update on progress with arrangements for the appointment of a new President & Vice-Chancellor. A meeting had taken place with lay members of Council earlier in the day to capture their particular perspective, and wider consultation was taking place across the University community to consider the draft job profile, person specification, responsibilities and priorities. An appointment committee had been established and a decision concerning the appointment of executive search consultants would be made shortly. A three-stage indicative timeline envisaged the appointment committee making its recommendation to Council in July 2018, with a new President & Vice-Chancellor taking up office following a period of transition and induction. The Chair would continue to keep Council informed of progress.

13. REPORT OF THE SENATE

(Meeting held on 13 December 2107)

Council received and noted the Report. A recommendation was approved to amend the title of the existing Department of Landscape to Department of Landscape Architecture with effect from 1 September 2018.

14. REPORTS OF THE AUDIT COMMITTEE:

14.1 Meeting held on 27 November 2017

Council received and approved the Report.

14.2 Meeting held on 22 January 2018

Council received and approved the Report, including a recommendation that PwC be reappointed as the University's Internal Auditor for a final further period of 12 months from 1 August 2018.

15. REPORT OF THE FINANCE COMMITTEE

(Meeting held on 27 November 2017)

Council received and approved the Report.

16. REPORT OF THE ESTATES COMMITTEE

(Meeting held on 12 January 2018)

Council received and noted the Report.

17. REPORT OF THE EQUALITY, DIVERSITY & INCLUSION COMMITTEE

17.1 Council received and approved the Report, including the following recommendations:

- that, as part of the annual review of committee terms of reference, all Council sub-committees ensure that their terms of reference indicate how they will progress equality, diversity and inclusion within their remit;
- that members of key Council and Senate sub-committees attend meetings of the Equality, Diversity & Inclusion Committee according to a rolling timetable, to discuss how they are progressing equality, diversity and inclusion within their areas;
- that any significant review or decision/change of University policy should be accompanied by an Equality Impact Assessment, which should be considered by the relevant committee and/or management team.

17.2 Clarification was provided on the arrangements for overseeing the University's support for students from low income backgrounds, which took place through the Vice-President (Education) under the umbrella of widening participation and the University's Access Agreement.

18. MEMBERSHIP OF COUNCIL

Council received and approved a recommendation that the Regulations of Council relating to the composition of Council be amended so that the Senior Academic Officers appointed to serve on Council could be drawn from the Provost & Deputy Vice-Chancellor and Vice-Presidents without the current restriction requiring the inclusion of at least one Faculty Vice-President.

19. USE OF THE UNIVERSITY SEAL

Council received and noted the Report.

20. COUNCIL BUSINESS PLAN 2017-18

Council received and noted the Plan.

21. PUBLIC AVAILABILITY OF COUNCIL PAPERS

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.

These Minutes were confirmed

at a meeting held on 16 April 2018

..... Chair