



## Minutes      Meeting of Council

**Date:** 16 April 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;  
Mr Belton, Dr Layden, Professor Maltby,  
Mr Maxwell, Dr Nicholls, Mr Sly, Mr Sutcliffe,  
Mr Sykes, Mr Wray

**Secretary:** Dr Strike

**In attendance:** Mrs Dingle, Mr Dodman, Ms McGrath, Professor Petley, Ms Stephens;  
Mr Baragwanath and Mr Sirett (item 10)

**Apologies:** Mr Bagley, Dr Eden, Ms Hague, Professor Siva-Jothy, Professor Valentine,  
Professor Watkins

### **WELCOME**

The Chair welcomed Professor Dave Petley (Vice-President for Research & Innovation), who was attending for the AMRC Group proposals (see Minute 10) and as an observer for the rest of the meeting.

### **AGENDA**

#### **1. DECLARATION OF CONFLICTS OF INTEREST**

Mr Sutcliffe noted a potential conflict of interests in respect of Henry Boot plc's involvement in aspects of the capital programme. Mr Sly noted DLA Piper's retainer by the University in connection with the IP elements of the Lynparza matter, as well as the proposed AMRC in Wales/Cymru. No other conflicts of interest were declared.

#### **2. MINUTES OF THE PREVIOUS MEETING**

The Minutes of the meeting held on 12 February 2018, having been circulated, were approved and signed.

#### **3. MATTERS ARISING ON THE MINUTES**

Matters arising on the Minutes were noted as follows:

- (a) Minutes 3(b), 4.1(c) and 6, Office for Students: It was noted that preparations for registration with the Office for Students were being progressed in accordance with final guidance published in late February. A Student Protection Plan had been approved by the Senate on 21 March. The deadline

set by the OfS for registration applications had been extended from 16 to 30 April. The Council agenda included two matters for which approval was sought (see Minute 8 below).

- (b) Minutes 3(c), 4.1(b) and 4.2(e), Industrial action: An update on industrial action by UCU members was provided in the President & Vice-Chancellor's Report.
- (c) Minute 3(e), Prevent Duty: HEFCE's letter confirming the outcome of its review of the University's annual report on the Prevent Duty had been circulated as part of the agenda (see Minute 22 below).
- (d) Minute 4.1(d), International staff: Following the President & Vice-Chancellor's meeting and discussion by UEB, further measures to support international staff had been put in place.
- (e) Minute 4.1(g), University activities with China: The programme for the Council away day on 9 July would include an update on activities with China.
- (e) Minute 4.2(h), Research Excellence Framework: The programme for the Council away day in July would include a briefing on REF preparations.
- (f) Minute 5, CUC draft Remuneration Code: A response had been submitted to the consultation on the draft CUC Remuneration Code. The Minutes of the last meeting of the Senior Remuneration Committee (see Minute 13 below), identified a number of aspects of the University's current arrangements to be reviewed once the final Code was published.
- (g) Minute 7.3, Estates Committee: The Estates Committee was reviewing its terms of reference in the light of the findings of Estates Governance Review and would report to Council in July.
- (h) Closed Minute.
- (i) Minute 9, AMRC Asia: Further AMRC proposals appeared on the Council agenda (see Minute 10 below). The programme for the Council away day in July would include a strategic evaluation of the AMRC.
- (j) Minute 10.2, Comparative fundraising position: DARE was currently undertaking a bench marking process with Russell Group universities using the Ross CASE survey. The outcomes would be shared with Council.
- (k) Minute 11.2, Cyber security: The report of an internal audit review of cyber security undertaken by PwC and considered by the Audit Committee had been made available to Council members. See also Minute 15 below.
- (l) Minute 12, President & Vice-Chancellor appointment: The job profile and person specification has now been published and was circulated to members of Council prior to being finalised. Odgers Berndtson had been appointed as executive search partner.

#### **4. HEALTH AND SAFETY UPDATE**

- 4.1 As previously agreed by Council, an update on health and safety would in future be provided as a Section A item at each meeting. Council received the first such update, and noted in particular actions taken to review University accommodation following the Grenfell fire; ongoing work in relation to staff and student mental health; and actions being implemented following a health and safety incident in September 2017.

4.2 Council also received and approved the Report of the meeting of the Health and Safety Committee held on 13 February 2018. Clarification was provided on the implementation of the University's health surveillance policy and referral process, and it was confirmed that action was being taken to ensure that all individuals identified as requiring health surveillance attended a health surveillance appointment.

## 5. PRESIDENT & VICE-CHANCELLOR'S REPORT

5.1 Council received and discussed a report from 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: The Government's Review of Post-18 Education and Funding included in its terms of reference choice, competition and value for money and was likely to result in a reduced tuition fee of £6k for non-STEM subjects. The implications of this for the University would be modelled through the financial forecasts.
- (b) Brexit: The University continued to provide support and advice to staff affected by Brexit. The UK's success in the European Research Council's latest round of advanced grants had allayed some fears about the early impact of the Brexit vote, but also underlined the risk facing UK universities should their access to the scheme be curtailed. The UK's continuing participation in EU-funded research post-Brexit remained uncertain at this stage.
- (c) Freedom of speech: A report on Freedom of Speech in Universities by a Parliamentary Joint Committee had highlighted what the Committee believed were barriers to free speech, but also stated that the perceived problem had been exaggerated in the media and by politicians. With respect to recent press coverage concerning academic staff at a number of universities (including one at Sheffield) and support for the regime in Syria, the President & Vice-Chancellor reported that on the basis of the available information there was no reason to seek to inhibit individuals' freedom of speech. He would, however, continue to monitor the situation and respond to any issue of genuine concern.
- (d) Financial results: Headlines from the financial results for the quarter ended 31 January were noted, and the full results had been previously circulated to Council members. Clarification was provided on expenditure on overseas agents' fees, an increase in which reflected additional student recruitment. The University's relationship with agents was based on contracts negotiated and managed by the Global Engagement team.
- (e) Student number forecasts: Student recruitment targets for the financial forecast period, including intake targets for 2018 entry, had been set at a level that was both realistic and sought to protect intake quality, albeit with an associated impact on projected fee income, the impact of which was being modelled through the financial forecasts. Recruitment for 2018 was broadly positive, with some variation between faculties and in student categories.
- (f) Portfolio review: UEB would shortly consider the outcomes of a review undertaken by departments and faculties to identify programmes and

modules with small numbers. Changes to some portfolios would follow, and it was confirmed that the University would maintain its commitment to registered students, with any programmes identified for closure being taught out. A further update would be provided to Council. It was noted that the regulatory framework governing HE providers' relationship with the Office for Students would in future require intended subject closures to be reported to the OfS.

- (g) Research strategy: Attention was drawn to an exercise currently taking place under the leadership of Professor Petley to identify areas of research strength to be designated as University Research Institutes. More broadly, preparations for the 2021 Research Excellence Framework were continuing under the oversight of a steering group chaired by Professor John Derrick. An update on the REF would be provided as part of the Council away day on 9 July.
- (h) Industrial action: UCU members had recently voted in a consultative ballot to accept UUK's offer and suspend immediate industrial action. A joint expert panel would now be established to re-examine the 2017 valuation of the Universities Superannuation Scheme, the processes and assumptions and to agree key principles to underpin the future joint approach. Current pension benefits were guaranteed until at least April 2019. The dispute had exposed deep and broad-based concerns among staff across the sector, and it was recognised that institutions would now need to take steps to rebuild trust and collegiality ahead of the next phase of the national discussions. It was noted in discussion, however, that given other financial pressures on institutions and the likely outcome of the next valuation of USS, the likely need for longer term pension reform remained.

## **6. REPORT OF THE COUNCIL AND SENATE TASK AND FINISH GROUP – ACADEMIC STANDARDS AND QUALITY**

- 6.1 Council considered the report of the joint Council and Senate task and finish group on academic standards and quality, which had been established under the chairmanship of Dr Nicholls to review the material currently provided to Council and establish future requirements for Council and Senate in both giving and receiving assurances in relation to academic standards and quality. Although the new regulatory framework now in operation under the aegis of the Office for Students was one of the drivers for this work, the task and finish group had not wished to define its role in terms of compliance, but had instead sought to identify where improvements could be made to ensure that Council was able to provide assurance on matters properly within the remit of Senate.
- 6.2 Thanks were extended to members of the group, and especially to Professor Maltby, who was chairing a separate review of Senate effectiveness, the outcomes of which would be informed by the task and finish group's report. Professor Maltby provided a brief update on this review, noting that Senate had, at its meeting on 21 March, reaffirmed its responsibility for academic standards and quality and acknowledged that the review was timely and necessary. One likely recommendation would be the establishment of an academic assurance committee, reporting direct to Senate, to interrogate and scrutinise relevant information, raise issues and where appropriate propose actions, supporting Senate in its duty to provide assurance to Council.

- 6.3 Council approved the task and finish group's recommendations, key among which was the provision by Senate of an annual report (with minimum content specified) on which Council could rely to provide assurance that academic standards and quality were being maintained and enhanced. A small sub group of Council and Senate would be convened annually to receive the report, review the assurance provided and identify matters for consideration by Council. Actions would also be taken to support Council in developing its understanding – both collectively and individually – of academic matters.
- 6.4 It was confirmed that in formulating its recommendations, the task and finish group had drawn on the extensive materials made available by the Leadership Foundation for Higher Education (now AdvanceHE) on academic governance and assurance. Consideration was being given to appointing an external adviser for the Senate effectiveness review.

## **7. REPORT OF THE COUNCIL OVERSIGHT GROUP FOR THE STUDENT LIFECYCLE PROJECT**

Council received a further report of the group established under the chairmanship of Mr Belton to have oversight of the Student Lifecycle Project on behalf of Council. It was noted that the group had received a finance and budget update, a review of progress and a risk update and would, at its next meeting, consider the outcomes of second 'stage gate' review being undertaken by PwC. Attention was also drawn to the President & Vice-Chancellor's Report, which made reference to the creation of a Strategic Change Office to support the delivery of major change initiatives, monitor progress and taking into account interdependencies. The Student Lifecycle Project would fall within the remit of this new Office.

## **8. PREPARATION FOR REGISTRATION WITH THE OFFICE FOR STUDENTS**

### **8.1 Update**

Following the detailed briefing provided to Council at its last meeting, preparation for registration with the Office for Students (OfS) had continued. The deadline for submission of applications had been extended to 30 April and the University expected to hear the outcome in July 2018. Once registered, it would be necessary to ensure ongoing compliance with the registration conditions, which included a far broader definition of reportable events than that previously applied by HEFCE.

### **8.2 Regulations of Council**

It was noted that one of the conditions for registration with the OfS required the University to show how its governing documents uphold the public interest governance principles set out in the OfS regulatory framework.

Council approved recommended amendments to the Regulations of Council to include explicit provisions relating to freedom of speech, equality and diversity, the public interest governance principles and value for money

Council also approved an amendment to the terms of reference of the Council Nominations Committee to include reference to equality and diversity.

### **8.3 Self-assessment on management and governance**

The University was also required to provide, as part of its registration application, a self-assessment on management and governance, using a template provided by the OfS. Council approved the self-assessment, together with an accompanying corporate governance statement.

### **9. CLOSED MINUTE AND PAPER**

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### **11. CAPITAL PROGRAMME UPDATE**

11.1 Council received an update on the capital projects considered at recent meetings of UEB and its Estates & Capital Sub-Group and at Finance Committee. Recommendations were approved as follows:

- (a) Five-year maintenance plan: expenditure requirements for the period 2017-18 to 2021-22.
- (b) Sir Henry Royce Institute Discovery Centre: capital business case involving (i) the construction of a dedicated Royce Discovery Centre building and acquisition of equipment to the value of £34.951m as part of the Sir Henry Royce Institute; and (ii) release of the remaining capital budget of £6.483m, bringing the total released to £34.951m for Royce Discovery Centre building and equipment (£22m funded by BEIS/EPSRC).
- (c) Advanced Manufacturing Innovation District: capital business case for master planning infrastructure involving the release of £900k gross to support the development of the AMID western land infrastructure design to RIBA stage 3. It was noted that the Estates Strategy for this element of the University's estate was to be reviewed and that proposals would be presented to Finance Committee and Council in due course.
- (d) Social Sciences Hub: use of the existing unallocated budget of £840k gross to proceed with the partial completion of the Pre-Construction Service Agreement, subject to clarification concerning the cost of this work.

In response to a query concerning the potential impact of student number projections and a £6k tuition fee, it was noted that taught postgraduate recruitment remained buoyant, and that additional overseas student recruitment could offset a reduced fee for home undergraduates. This scenario would, however, be modelled as part of the financial forecasting process.

- (e) Disposal: approval to proceed with the disposal of Humphrey Davy House, noting the proposed sale price.

### **12. CORPORATE RISK REGISTER**

Council received and approved the Corporate Risk Register, noting that the points raised at the last meeting had been addressed. It was confirmed that a University Executive Board owner was in place for each risk and for the associated controls.

**13. MINUTES OF THE SENIOR REMUNERATION COMMITTEE**

(Meeting held on 12 February 2018)

- 13.1 Council received and approved the Report, noting that this comprised the Senior Remuneration Committee's full minutes, which replaced the previous abridged report and would be made publicly available, subject to the redaction of personal details.
- 13.2 Attention was drawn to the Committee's review of the draft CUC Remuneration Code and the requirement, as part of the University's application to register with the Office for Students, to publish on the web a commitment to comply with the Code. As the final version of the Code was not expected to be published until after the deadline for OfS applications, this statement would initially confirm the University's intention to comply with the Code's anticipated requirements.
- 13.3 With respect to the publication of the University's Gender Pay Gap, it was confirmed that an existing action plan was in place.

**14. REPORT OF THE SENATE**

(Meeting held on 13 December 2017)

Council received and noted the Report.

**15. REPORT OF THE AUDIT COMMITTEE**

(Meeting held on 12 March 2018)

Council received and approved the Report. With respect to cyber security, it was agreed that arrangements should be made for Council to receive a briefing, with input from the Vice-Presidents for Education and Research & Innovation and from the Chief Operating Officer. This should include consideration of organisational culture and the evolving differentiation between central and devolved responsibilities for specific areas.

**16. REPORT OF THE FINANCE COMMITTEE**

(Meeting held on 15 March 2018)

Council received and approved the Report.

**17. REPORT OF THE ESTATES COMMITTEE**

(Meeting held on 26 March 2018)

Council received and noted the Report.

**18. REPORT OF THE HONORARY DEGREES COMMITTEE**

Council received and noted the Report on action taken by the Committee.

**19. REPORT OF THE HUMAN RESOURCES COMMITTEE**

(Meeting held on 21 March 2018)

Council received and noted the Report.

## **20. ANNUAL REPORT OF THE SPORT SHEFFIELD BOARD**

Council received and noted the Report.

## **21. STUDENTS' UNION REPORT ON COMPLAINTS AND DISCIPLINE 2016-17**

Council received and noted the Report, which had been provided in response to a recommendation in Council's 2015 review of the Students' Union constitution and governance arrangements.

## **22. REGULATORY MATTERS:**

### **22.1 HEFCE assessment of institutional risk**

Council received and noted the outcome of HEFCE's assessment of institutional risk.

### **22.2 Prevent Duty annual reporting: monitoring outcome**

Council received and noted the outcome of HEFCE's monitoring of compliance with the Prevent Duty.

## **23. USE OF THE UNIVERSITY SEAL**

Council received and noted the Report.

## **24. COUNCIL BUSINESS PLAN 2017-18**

Council received and noted the Plan. In response to a query concerning the frequency of reporting to Council on performance and progress against KPIs, it was noted that changes to the data collection process by the Higher Education Statistics Agency (HESA's Data Futures project), together with the outcomes of an internal Data Warehouse project, would mean that future reporting could be based on more current data where feasible. Consideration would be given to providing more frequent reports to Council and more explicitly linking performance reporting with the Corporate Risk Register. It would remain the case, however, that some data informing assessments of performance by the Strategic Plan theme leads was by its nature annual.

## **25. 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.

## **26. OTHER BUSINESS:**

### **26.1 President & Vice-Chancellor appointment**

(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. Interviews had provisionally been scheduled for 18-19 June and would include meetings between shortlisted candidates and

stakeholder groups. A special meeting of Council had been arranged for 25 June to receive the Appointment Committee's recommendation.

**26.2 Retirement**

Members expressed thanks and good wishes to Sue Stephens, who would shortly be retiring from her position as Head of Governance.

These Minutes were confirmed

at a meeting held on 9 July 2018

..... Chair