



The
University
Of
Sheffield.

Minutes Meeting of Council

- Date:** 9 July 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 (items 1-7 and 11-26); Professor Valentine, Provost & Deputy Vice-Chancellor;
Mr Bagley, Mr Belton, Dr Eden, Ms Hague, Ms Jones, Ms Kee,
Dr Layden, Mr Mayson, Professor Matlby, Professor Siva-Jothy, Mr Sykes,
Mr Wray
- Secretary:** Dr Strike
- In attendance:** Mrs Arnold, Mrs Dingle, Mr Dodman, Professor Morgan, Professor Petley, Mr Swinn; Professor Ridgway (item 7)
- Apologies:** Dr Nicholls, Mr Sly

WELCOME

The Chair welcomed Ms Lilian Jones (Students' Union President) and Ms Mel Kee (Students' Union Development Officer) and Mr David Swinn (Interim Head of Governance) to their first ordinary meeting. Also welcomed were Mrs Helen Dingle (Director of Finance), Mr Andy Dodman (Chief Operating Officer), Professor Wyn Morgan (Vice-President, Education), Professor Dave Petley (Vice-President, Research & Innovation) and Mrs Ruth Arnold (Director of Strategic Projects & Public Affairs), who were attending as observers.

AGENDA

1. DECLARATION OF CONFLICTS OF INTEREST

No conflicts of interest were declared.

2. MINUTES OF THE PREVIOUS MEETING

The Minutes of the meetings held on 16 April and 25 June 2018, having been circulated, were approved and signed.

3. MATTERS ARISING ON THE MINUTES

Matters arising on the Minutes of the meeting held on 16 April 2018 were noted as follows:

- (a) Minutes 3(f) and 13: The Higher Education Senior Staff Remuneration Code was published in June 2018 and was referred to in the Report of the Senior Remuneration Committee (Minute 18.1, below).
- (b) Minute 3(j): The survey results from CASE Europe had not yet been made available to DARE. As noted, benchmarking analysis against the Russell Group would be undertaken and shared with Council in due course.

- (c) Minute 7: The Council Oversight Group (Student Lifecycle Project) would hold its next meeting in October and report to Council.
- (d) Minute 15: A briefing on cyber security would be added to the Council business plan for 2018/19.
- (e) Minute 24: The regularity and nature of KPI and performance reporting, together with the Corporate Risk Register, would be considered in drafting the Council business plan for 2018/19.

4. HEALTH AND SAFETY UPDATE

Council received and approved the report of the Health and Safety Committee meeting held on 31 May 2018 and noted the standing general update on health and safety matters focusing on key risks and mitigating action.

5. PRESIDENT & VICE-CHANCELLOR'S REPORT

Council received and discussed the President & Vice-Chancellor's report and accompanying presentation, in which he provided information on key current and forthcoming developments across a range of areas. Points noted in particular included the following:

- (a) UK Higher Education Policy, Marketisation: A Report by the House of Lords Economic Affairs Committee and Public Accounts Committee featured thorough analyses of the impact of marketisation on the sector and on students. It criticised the financial burden to which current students and recent graduates were now subject as a result of significant levels of debt from student loans funding; the collapse of part time student numbers, which had a disproportionately adverse effect on certain groups; and the impact of public debt being forecast to reach around £250 billion by 2040 due to the funding of vastly increased student loans. It was also noted that the Government Review of Post-18 Education, chaired by Philip Augar, was underway and there were ongoing indications that the maximum permissible home undergraduate tuition fees could be reduced, possibly with some differentiation between subjects.
- (b) UK Higher Education Policy, Staff and Students: There remained questions about the effects of Brexit on EU staff and EU funded projects. The University continued to offer support to affected staff, responding to the evolving policy landscape as it developed. It was important that the University continued to be proactive in preparing for different likely outcomes. The streamlined international student visa process for China was welcome but the failure to extend this streamlining to students from other countries, notably India, would exacerbate the decline in applications from these other key markets as students opted to study elsewhere. It was also expected that the NHS charge for overseas students would be doubled again, thereby increasing costs to overseas students and adding to the perception that the UK was not welcoming of international students.
- (c) International Policy: The UK had announced the introduction of a new UKRI Science, Research and Academia scheme to be added to the existing Tier 5 visa route, and was open to those from outside the EU to come to work in the UK for up to two years. The Minister for Universities and Science, Sam Gyimah, had recognised that further action was required to enable UK universities to attract and employ the best international talent and it was pleasing to note that the Home Secretary, Sajid Javid, appeared supportive of the sector. The University continued to work closely with Paul Blomfield, MP, and the All Party Parliamentary Group on International Students in drawing together evidence

from across various sectors. The President and Vice-Chancellor had given evidence and the University was providing secretariat support to the APPG review through the University Secretary's Office. It was expected that proposals would be made for a Global Post Study Work Visa sponsored by universities, to facilitate overseas graduates staying in the UK and ensure that the UK benefitted from the best global talent.

- (d) Notable achievements: The University had secured the return of the world-leading academic and his team of biomedical scientists, which would benefit not only to the University but to the NHS and to the city by facilitating the relaunch of a cancer research centre in partnership with the NHS and other charities. The University was investing £1m in Nuclear Magnetic Resonance and the MRI-PET campaign continued to raise funds towards its £2m target, recently passing £1.5m. In the Queen's Birthday Honours Professor Pam Enderby, Emeritus Professor of Community Rehabilitation, was awarded an OBE for her dedicated service to language and speech therapy and University alumna Professor Julia Buckingham, Vice-Chancellor of Brunel University London, was awarded a CBE for services to biology and education.
- (e) Partnerships: The University had signed several memoranda of understanding for collaborations in research and student exchanges, including with Chinese universities and a Medical School collaboration with China and Iraq involving the Confucius Institute. Members noted the recent visit to the AMRC by China Rail and BEIS highlighting the NAMRC in its recently published Plan for Nuclear Power
- (f) External Perceptions: The University continued to perform strongly in institutional rankings, notably 75th in the QS World University Rankings 2019 (13th in the UK and top in Yorkshire), and expected recognition in the forthcoming Times Higher Education Teaching Rankings, as well as improving in the THE International and Guardian league tables. In addition, the University was held in high regard for its policy work, particularly in areas such as industrial strategy and high quality vocational education offering progression to degree level qualifications. The range and volume of University achievements were testament to the hard work of staff across the institution and the support of lay members, alumni and partners.
- (g) Personal Reflections: In attending his final meeting of Council before retiring, the President & Vice-Chancellor reflected on his time with the University as an inspirational place at which to work and to study. It was telling that the University's founding principles and values remained as relevant today as ever, continued to inform the University's activities and were held in high regard by deeply committed staff. The excellence of the Student's Union, including its political activism and partnerships with the University were a great strength. Highlights of the last ten years included the Royal Visit for the opening of SiTRAN; the ongoing development of world class buildings and estate; the expansion and global recognition of the AMRC, including the introduction of innovative apprenticeship programmes; the passion and commitment of academic staff; the contributions and support of alumni; and the University's leading role in celebrating the international dimension of HE, including support for refugees and #weareinternational. Finally, thanks were offered to the Chair of Council for his service to the University and the wider city and for his personal support to the P&VC, and to all members of Council for their advice, support and dedication in support of the University's educational mission.

6. AMRC MATTERS

(Professor Ridgway in attendance for this item)

6.1 STRATEGIC DISCUSSION

- 6.1.1 Council considered the report of the Council Task and Finish Group AMRC established at Council on 16 April 2018, chaired by Tony Wray. Council affirmed comments raised in discussion at its subsequent Away Day which had endorsed and praised the success of AMRC, particularly the sustained commitment and effort of AMRC staff that had led to continued opportunities for growth. However, Council had noted the need for the University to address a number of matters including AMRC's future direction and its prioritisation of opportunities, with related work to clarify and set guidelines around branding, synergies with and consequent links to Faculties, governance, and the need for AMRC to remain rooted in the Sheffield City Region.
- 6.1.2 The report set out a number of key findings and a series of recommendations that were intended to ensure the continued success of the AMRC in the context of the wider University strategy. Recommendations focused on the need for the University to devise a common and integrated strategy for the AMRC, with a related benefit realisation plan, for AMRC to focus on the right opportunities supported by a fit-for-purpose leadership structure, and a clear line of reporting and accountability. Although AMRC represented an outstanding success as a nationally and globally recognised University research centre of excellence, and the achievements of its highly committed staff were rightly celebrated, it was vital that the current and future potential benefits of these successes to the wider University were fully realised. The University should seek to establish structures and operating frameworks that enabled each of the constituent parts of the AMRC, and the individuals and teams within them, to thrive together and in support of University objectives.
- 6.1.3 During discussion clarification was provided that AMRC's financial strategy centred on moving from a break-even to surplus position, thereby generating additional cash in-flow to the University. More broadly, the University needed to leverage the success of AMRC to ensure that its achievements were reflected in stronger relative performance and improved Engineering and Technology international rankings.
- 6.1.4 Council endorsed the recommendations of the Council Task and Finish Group as set out in its report. Council asked that the University Executive now oversee the implementation of those recommendations, before reporting back to Council by the end of 2018. It was noted that the incoming President & Vice-Chancellor as well as the incumbent would need to be engaged to ensure that both past experience and knowledge and fresh perspective and insights were captured and utilised. Added value and external expertise could be provided through the use of consultants. More particularly, the group should develop a University Strategy for the AMRC in terms of faculty links and collaborations, academic benefits and branding, within an integrated strategic framework; and sound finances, while considering how to be selectively responsive to new opportunities and developments through effective and efficient leadership structures and oversight. Council suggested consideration be given to engaging external consultancy services. Council agreed the recommendation that no further AMRC business cases, beyond those presented for this meeting (see Minute 6.2, below), should be presented for Council consideration until the strategic framework existed within which to assess them to the satisfaction of the incoming President and Vice-Chancellor. This work should commence and

conclude as soon as possible in order to build on the positive progress made since April.

6.2 AMRC GROUP PROPOSALS: AMRC NORTH WEST, AMRC CYMRU, NAMRC MIDLANDS

6.2.1 Council considered three business cases which had been revised following discussion at the previous Council meeting and in the context of the AMRC Task and Finish Group's recommendations (see Minute 6.1, above). Council were reminded of the strategic rationale for each, the external partners involved and the institutional, regional and national benefits that each individual project would bring, associated reputational issues and new academic and funding opportunities that should become available to the University as a whole. Council also noted the associated risks and mitigating actions, including minimising financial exposure and contingency planning.

6.2.2 Points raised in discussion covered the following:

- The governance and approach to branding for AMRC Cymru was clarified, as well as the need to maintain positive collaborative opportunities with other potential and existing Welsh partners.
- Management, governance and leadership arrangements were noted. The AMRC North West would have a dedicated manager with over 20 years AMRC experience.
- The AMRC's financial forecasts included sufficient headroom to absorb a budget shortfall if necessary but Members recognised AMRC had a strong track record of delivering against business plans and had recently had its five-year Catapult funding confirmed.
- Legal advice had confirmed that none of the projects gave rise to concerns about any possible state aid as all three involved multiple companies and would be accessible to all companies.
- It was noted that only AMRC North West had been formally considered and recommended by Finance Committee, so any approval by Council should be made subject to Finance Committee being given the opportunity to see and to comment on the Cymru and Midlands proposals, in the context of Council's discussion.
- The revised business cases had addressed many of the points raised by UEB and, although there were some outstanding questions, the recommendations of the Task and Finish group provided a framework within which to resolve them.
- All three would support institutional activities, including through deeper industrial partnerships and strategic positioning in priority areas
- The 2016 regional Science and Innovation Audit had identified the need for a centre such as AMRC North West, delivery of which would make this audit nationally unique in translating its recommendations into action
- There was still significant potential for AMRC to increase activities within the SCR as one of the key regional economic drivers, subject to available funding becoming available which was likely to depend on progress with devolution and the SCR Mayor.

6.2.3 Council approved the three business cases on the condition that the recommendations of the AMRC task and finish group were implemented and subject to no new AMRC business cases being presented for governance approvals until that work was progressed, other than in exceptional

circumstances and then subject to the full support of Finance Committee and the University Executive Board. Specifically:

- In all three cases The University of Sheffield AMRC branding should be used on-site and have primacy.
- In relation to the AMRC Cymru case:
 - The various agreements between the parties should contain simultaneous time-related break-clauses and further provisions that cause the obligations on the University of Sheffield to fall should Airbus decide to leave Wales or the UK.
 - The AMRI Board should be advisory or provide a forum for the contracting parties (Welsh Government, Airbus and the University) to provide oversight of the agreements between them, and should not have a legal personality or become a management board.
- In relation to the AMRC NW case:
 - Operating costs for the temporary accommodation are incorporated within the ERDF grant,
 - Approval is conditional on the grant funding agreement and secured land deal.
- In relation to the Midlands case:
 - The Phase I space (under a three-year lease) is fully funded by Derby City Council, the D2N2 LEP and Nuclear AMRC Catapult funding, including rental, running costs, equipment and fit-out.
 - Phase II is subject to a further business case.

7. STRATEGIC PLAN IMPLEMENTATION: PLANNING ROUND OUTCOMES 2017/18

7.1 Council received and endorsed the University's action plan for 2018/19 which had been collectively agreed by UEB. The plan would guide short and medium term activities and enable the University to make progress against the aspirations set out in the Strategic Plan.

7.2 Points noted in discussion included:

- Clarification was provided that the review of options for establishing a European partnership post-Brexit would concentrate on comparable research intensive institutions.
- Although Council would receive the annual review of performance against the Strategic Plan KPIs in the autumn, it was agreed that an update on progress against the action plan should also be provided during the year.
- It was confirmed that the University was actively seeking to build its relationship with the new Sheffield City Region Mayor and ensure that he understood the University's priorities and potential contribution to regional development. Several meetings had already taken place or been planned, and the University was offering more general support.

8. FINANCIAL FORECASTS 2017/18 to 2022/23

8.1 The Treasurer presented the Financial Forecasts for the period 2016-17 to 2020-21, building on the CFO's presentation to the earlier Council Away Day and drawing attention to the following points:

- The University was taking a long-term, rational and strategic view of its finances that was intended to ensure its continued ability to thrive by focusing on opportunities as well as mitigating risks, for example by balancing the need for annual income generation with maintaining and enhancing a reputation for excellence and quality.
- Finance Committee was recommending approval of a set of forecasts that reflected the importance of moving towards sustainability by returning an underlying operating surplus in line with the agreed target by the end of the period.
- In the context of targeting cash generation and the borrowing assumptions contained in the forecasts, it was noted that capital expenditure would need to be constrained to around £75m per year which would necessitate further consideration and prioritisation of capital projects.
- With respect to budgets, a significant amount of work had been undertaken but further sustained effort would be needed to ensure effective budget management by all departments and faculties.
- the financial forecasts for 2018/19 would be used to set 2018/19 budgets and the forecasts for 2019/20 to 2021/22 would be used to inform indicative budgets for these years.

8.1.2 Council approved the financial forecasts and the commentary which would accompany the forecast submission to the Office for Students. Council further agreed to delegate authority to the Chief Financial Officer and Treasurer to approve any amendments to the forecasts needed to reflect material changes to the USS pensions assumptions.

9. CAPITAL PROGRAMME: UPDATE AND BUSINESS CASES

9.1 Council received an update on progress of projects in the capital programme, including projects recently considered and approved by ECSG, UEB and Finance Committee in accordance with the Council Scheme of Delegation.

10. REPORT OF THE SENATE EFFECTIVENESS REVIEW

Council received and endorsed the report of the Senate Effectiveness Review, which set out a series of 14 high level principles to guide the future operation and business of Senate, and the terms of reference of the new Senate Academic Assurance Committee that would commence in 2018/19. The new committee would perform a key role in enabling Senate to discharge its responsibilities to Council and support the annual accountability statements around academic assurance that Council was required to provide to the OfS. A consultation paper would be prepared over the summer to seek the views of current Senate members and the wider University community about the size and composition of Senate's membership. Council was pleased to note the high level both of engagement with the review and the support for its conclusions on the part of Senate members. The University Secretary will co-ordinate the implementation of the agreed actions of the Senate Effectiveness review and the joint Council and Senate Task and Finish Group on academic standards and quality. On behalf of Council, the Chair expressed thanks to Professor Maltby for leading the review.

11. CORPORATE RISK REGISTER

Council approved the revised Corporate Risk Register, which included a reduced rating for cyber and information security and provided information on actions being taken to address specific risks, in particular in those areas where the residual risk remained high. The related report also explained three changes to the University Risk Management Policy to reflect changes in the regulatory environment around OfS and health and safety. It was noted that a separate risk register had been prepared to manage compliance with ongoing conditions of registration with the OfS, which would also be reported to UEB and Council periodically.

12. REPORT OF THE SENATE

(Meeting held on 20 June 2018)

Council received and noted the Report.

13. REPORT OF THE AUDIT COMMITTEE

(Meeting held on 11 June 2018)

Council received and approved the Report.

14. REPORT OF THE COUNCIL NOMINATIONS COMMITTEE

(Meetings held on 4 June 2018)

Council received and approved the Report, including:

- (a) The reappointment of David Bagley as a Class (3) member of Council for the period 1 August 2018 to 31 July 2021.
- (b) The reappointment of Professor Gill Valentine (Provost & Deputy Vice-Chancellor) as a Class (2) (Senior Academic Officers) member of Council for a further year;
- (c) The appointments of Professor Wyn Morgan (Vice-President for Education) and Professor Dave Petley (Vice-President for Research) as the second and third Senior Academic Officers for the period 1 August 2018 to 31 July 2019.
- (d) The appointment or reappointment of representatives of the Council on other committees and bodies.

15. REPORTS OF THE FINANCE COMMITTEE:

15.1 Meeting held on 10 May 2018

Council received and approved the Report.

15.2 Meeting held on 25 June 2018

Council received and approved the Report.

16. REPORT OF THE HONORARY DEGREES COMMITTEE

(Business conducted by correspondence)

Council received and approved the Report.

17. REPORT OF THE HUMAN RESOURCES COMMITTEE

(Meeting held on 13 June 2018)

Council received and noted the Report.

18. REPORTS OF THE SENIOR REMUNERATION COMMITTEE

(Meetings held on 24 April and 13 June 2017)

18.1 Meeting held on 16 April 2018

Council received and approved the Reports.

18.2 Meeting held on 25 June 2018

Council received and approved the Reports.

19. ANNUAL REPORT OF THE EQUALITY, DIVERSITY AND INCLUSION COMMITTEE

Council received and approved the Report.

20. ANNUAL REPORT OF THE UNIVERSITIES OF SHEFFIELD MILITARY EDUCATION COMMITTEE

Council received and noted the Report.

21. UPDATE ON THE OFFICE FOR STUDENTS REGISTRATION APPLICATION

Council received and noted an update on the University's application for registration with the OfS. Notification of the outcome was expected by the end of July.

22. COUNCIL MATTERS:

22.1 Scheme of Delegation

Council confirmed the Scheme of Delegation for 2018-19.

22.2 Functions of Council (Statement of Primary Responsibilities)

Council received and confirmed details of the mechanisms whereby it discharged its responsibilities which were incorporated into the Council regulations following the last Council Effectiveness Review.

22.3 Council Business Plan 2017-18

Council noted the Plan. A new Business Plan would be developed for 2018-19 and included in the papers for the October 2018 meeting of Council.

22.4 Estates Committee revised terms of reference

Council approved the revised terms of reference which took into account recommendations arising from the University's review of its estates and capital governance arrangements, and re-designated the Committee as a Council committee.

23. FIVE-YEARLY REVIEW OF THE STUDENTS' UNION CONSTITUTION: REPORT ON PROGRESS AGAINST RECOMMENDATIONS

Council received and approved the Report.

24. USE OF THE UNIVERSITY SEAL

Council noted a summary of the use of the University Seal since the April meeting of Council.

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. THANKS AND FAREWELLS

On behalf of Council, the Chair expressed thanks and good wishes to the following members who were coming to the end of their period of appointment:

- Professor Sir Keith Burnett, President & Vice-Chancellor, who had joined the University in 2007 and overseen a period of sustained success, growth and innovation, and had demonstrated his deep personal commitment not only to the University but to the contributions it could make regionally, nationally and globally.
- David Young, the Treasurer, who had been appointed to Council in 2008 before becoming Treasurer and Chair of Finance Committee and Investment Group in 2010.
- Simon Eden, who had been appointed to Council in 2012 and chaired Estates Committee since 2013, as well as chairing a review of the Court as part of the modernisation of the University's governing instruments.

Thanks and good wishes were also expressed to the following:

- Professor Craig Watkins, Interim Vice-President and Head of the Faculty of Social Sciences, who had been a Class (2) Senior Academic Officer Member during 2017/18.
- Ms Gaynor Hague, who had been elected as the Professional staff member in 2015 and was eligible for re-election.

These Minutes were confirmed

at a meeting held on 22 October 2018

..... Chair