



The
University
Of
Sheffield.

Minutes Meeting of Council

Date: 8 July 2019

Present: Mr Pedder, Pro-Chancellor (in the Chair);
Mrs Hope and Mr Mayson, Pro-Chancellors;
Mr Sutcliffe, Treasurer;
Professor Lamberts, President & Vice-Chancellor;
Mr Bagley, Ms Jones, Dr Layden,
Professor Maltby, Professor Petley, Professor Siva-Jothy, Mr Sly, Mr Sykes,
Professor Valentine, Mr Verity, Mr Wray

Secretary: Dr Tony Strike

In attendance: Professor Marsh; Mr Carling; Ms Sullivan; Professor Mary Vincent (item 8)

Apologies: Mr Belton, Ms Hague, Professor Morgan, Dr Nicholls, Ms Whitton

1. Declaration of Conflicts of Interest

Mr Bagley noted that he was the Chairman of Gradcore, which had been invited to pitch to run the RISE initiative following some previous involvement in the scheme.

It was noted that the Report of the Council Nominations Committee included recommendations relating to the membership of Council and Council sub-committees of a number of Council members, who would not participate in the consideration of those recommendations.

2. Minutes of the Previous Meeting

(Meeting held on 29 April 2019)

The Minutes were approved as an accurate record.

3. Minutes of the Previous Meeting

(Legally Privileged Meeting held on 18 June 2019)

The Minutes were approved as an accurate record.

Members and additional attendees were reminded of the need for strict confidentiality with respect to all Council business.

4. Matters Arising on the Minutes

Matters arising on the Minutes were noted as follows:

- (a) Minute 4(b), Post-18 Education and Funding Review The report was published on 30 May 2019 and a summary was circulated to Council, with a follow-up discussion over the Council dinner on 17 June.
- (b) Minute 4 (c), University Research Institutes: The pre-Council information session on 8 July featured a presentation from the Directors of each of the four flagship URIs.
- (d) Minute 6, University Strategy: The Council Away day on 18 June included a presentation and discussion about the emergent draft vision, values and strategic

objectives. Senate and the UEB-Heads of Department forum received presentations on 19 and 20 June respectively.

- (e) Minute 7 (Closed): UEB has endorsed a detailed implementation plan. Council also received an update on recent discussions with external partners and internal discussions about related communications.
- (f) Minute 8, Composition of the Senate: The nominations process for the new elected categories took place during May, supported by dedicated staff communications. By the closing date 62 nominations had been received in total and elections were being held in four out of the seven categories, with a closing date of 30 June. Faculties had now nominated their Heads of Department.
- (g) Minute 9, Review of Committees: Possible changes to the membership of Health and Safety Committee and Human Resources Committee when they become UEB sub-groups in 2019-20 were under consideration. The Council and Senate Nominations Committees had considered the new guiding principles on committee membership in making recommendations to Senate in June and Council in July. The University Secretary's Office would be taking on the secretariat duties for several additional Council committees and all UEB sub-groups from 2019/20; transitional arrangements were underway.
- (h) Minute 10, Staff Survey Results: An update on progress against the action plan following the 2018 Staff Survey results would be added to the 2019-20 Council business plan.

5. Health and Safety Update

- 5.1 Council received and noted an update on health and safety and approved the accompanying report from the Health and Safety Committee. It was noted that accidents provided an opportunity to raise awareness amongst all relevant staff; feedback would be provided to the Director of Health & Safety.

6. President & Vice-Chancellor's Report

- 6.1 Council received and discussed the President & Vice-Chancellor's report, in which he provided information on key current and forthcoming developments in the policy environment and against each of the themes in the University's Strategic Plan. Points noted in particular included the following:
 - (a) Review of Post-18 Education and Funding: The Review had published its findings and a series of recommendations in May and a summary had been circulated to Council. It was unclear as to whether and, if so, how, the Government may seek to implement the report; the selective implementation of certain recommendations would have significant adverse consequences for the sector. The University had undertaken extensive scenario planning and these scenarios were used to inform the preparation of major business cases. Council noted the overall impact of a cut in the home undergraduate tuition fee, as a percentage of total income, while recognising the level of variation in income streams across the University.
 - (b) Brexit: The lack of progress towards a Brexit deal and the resignation of the Prime Minister meant that the Brexit Co-ordination Group would be reconvened to review and reassess the University's preparations. Council noted the recent visit of Brexit Minister, Kwasi Karteng MP, to the University. More generally, it was essential that the University continued to work with others across the sector to raise understanding and appreciation of the detrimental impact of a no deal Brexit on UK universities.

- (c) Post-study work visas for international students: It was positive to note that there was political support for an amendment to the Immigration and Social Security Co-Ordination (Withdrawal Bill) that would remove restrictions on the granting of post-study work visas to international graduates and to exclude such graduates from any limits on the number of student visas granted.
- (d) Staff Mental Health: A recent report from HEPI was noted. The University continued to prioritise mental health support for both staff and students and mental health and wellbeing featured in the development of the University's Strategy.
- (e) BME Attainment Gap: In the context of ongoing and widespread coverage about the gap in attainment between white and BME students, the President & Vice-Chancellor was one of 93 to have signed a commitment to implement the recommendations of a joint UUK-NUS report.
- (f) Student Recruitment: Council noted an update on the overall student recruitment position for September 2019 entry across all student categories, including plans for Confirmation, Adjustment & Clearing. Members noted the impact of positive action in certain areas and the responsiveness of departments to opportunities, but recognised the adverse impact of funding challenges for applicants in some areas, e.g. due to Brexit uncertainty, and the consequent impact on applications. It was also reported that the University had completed or was in the process of completing its statutory and regulatory data returns relevant agencies.
- (g) League Tables: The University's performance in the 2020 QS World Rankings compared favourably to many of its peers. Overall student satisfaction, as measured by the National Student Survey, had increased from 84% to 88%, the second highest in the Russell Group. NSS scores were one of the measures used in the Teaching Excellence and Student Outcomes Framework. Clarification was provided about the range of metrics, and their weightings, used to produce the various national and international league tables, and their particular relevance to stakeholders. The University was undertaking a project to analyse institutional performance against these measures to understand better the individual rankings and to identify opportunities in the context of achieving strategic objectives.
- (h) Programme Level Approach (PLA): Council noted an update on progress and recent priority areas of focus, including the establishment of a "Supporting & Enabling PLA" project to support departments. The PLA was a broad initiative that also involved students, whose feedback had informed work in areas including sustainable development, inclusivity; and employability, which also responded to OfS interest and the needs of employers.
- (i) Teaching Excellence and Student Outcomes Framework: The University was undertaking extensive preparations for the proposed subject-level TEF, using data to assess indicative performance for discussion with departments. It was reported that the review of subject-level TEF would report to the Secretary of State in July and Council would receive a further update in due course. The University's institutional level silver award had been renewed until 2021.
- (j) Research Awards: Council noted a comparison of research awards for the previous twelve months compared to the previous period. Although performance was strong in areas including RCUK and overseas sponsors, there were declines in some areas, notably Catapult funding, driven by the slower release of Government funds. The matter had been discussed with Catapult representatives and the UEB-AMRC Group Executive Board was monitoring the position. Nevertheless, it was pleasing to note that the value of the research order book had increased compared to the previous twelve-month period. Furthermore, the University was

now ranked number one for research income generation in Engineering, having overtaken Imperial College, thereby demonstrating sustained success in securing competitive funding and Sheffield's strengths across Technology Readiness Levels.

- (k) Litigation: Council received and noted a legally privileged update and accompanying briefing note from Pinsent Masons LLP regarding a recent Court of Appeal decision which was notifiable to the OfS as a reportable event. It was noted that the University's actions had been found to have been consistent with its legal obligations around freedom of speech and it was unfortunate that media coverage had not made this clear. The procedural issues which had been identified in the hearing had been addressed prior to these proceedings. Members also recognised that the conduct of the original fitness to practice panel had been neither questioned nor criticised, and made suggestions about how to ensure that future internal consideration of the particular case remained impartial.

7. Update on Academic Assurance

(Professor Vincent in attendance for this item)

- 7.1 Council received and noted an update on the work of the Senate Academic Assurance Committee (SAAC), which had been established at the start of 2018/19 following the recommendations of the Senate Effectiveness Review, and related work of the of the joint Council and Senate Task and Finish Group on Academic Standards and Quality. In particular, SAAC would lead the production of the annual academic assurance report that would be presented to Council as part of the annual accountability returns in November.
- 7.2 It was reported that SAAC was confident in the effectiveness of the University's quality assurance processes. Evaluation had focused on the key themes of external examiners, grade inflation, and professional accreditation, and considered the alignment of Faculty and Professional Services activities. SAAC had identified that Senate should have greater visibility of work at Faculty level and had agreed a process by which to do so with the Chair of the Senate Learning and Teaching Committee's Quality and Scrutiny Sub-Committee. Council commended the action taken to date and suggested that the annual report could include an assessment of strength and weakness, and any actions to be taken as a result.

8. Strategic Plan and Implementation: Planning round outcomes and actions

- 8.1 Council received and endorsed the University's action plan for 2019/20, 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. Clarification was provided about the University's approach to ensuring an optimum balance of staff across all areas of the institution in order to address challenges, exploit opportunities and maximise the efficient delivery of strategic objectives. It was important to distinguish academic leadership in research and teaching from other activities requiring an appropriate level of professional expertise.

9. Financial Forecasts 2018-19 to 2022-23 and Budgets 2019-20

- 9.1 The Treasurer and the Chief Financial Officer presented the Financial Forecasts for the period 2018/19 to 2023/24, which had been endorsed by Finance Committee, drawing attention to the following:
- a) The forecast 2018/19 underlying operating surplus was £20.0m, compared to a budgeted £6.4m, and cash holdings had increased by £13m over the year. Although 2019/20 showed a worsening position due to forecast growth in underlying expenditure outstripping that of income, this was in the context of strategic decisions, e.g. around student recruitment, and the need to enable investment in

certain areas to maximise opportunities to grow income further over the medium and long-term.

- b) The OfS did not require the submission of financial forecasts until December but they needed to be agreed in order for the University to set budgets for 2019/20. Any material changes would be incorporated into a revised set of forecasts to be presented to Council in November, prior to the OfS submission.
- c) The underlying operating surplus was set to gradually rise to achieve the target included in the Financial Operating Strategy by 2021/22.
- d) Cash from operations would remain relatively stable before any adjustments for capital grants. Council noted the underlying assumptions on which the forecasts were based, and their impact on cash.
- e) The forecasts included the impact of the most up to date proposals about USS pensions contributions rates but not any changes that could result from the Review of Post-18 Education and Funding (see Minute 6.1 (a), above).
- f) There would be a material adverse non-cash adjustment to the 2018/19 total financial results to reflect the University's share of the USS deficit when the revaluation process was concluded. Although this was a non-cash item and would negatively affect all USS employers, this would present a key communications challenge. Across the sector, there was increasing volatility in published financial statements due to the accounting treatment of pensions adjustments and the impact of capital grant receipts.
- g) An enhancement had been agreed for 2019/20 budget, whereby they would be set at a higher level than forecast in order to overcome prudency in forecasting and support targeted investment. This enhancement was largely allocated to Faculties to support opportunities for growth with the remainder allocated to Professional Services..

Additional points raised in discussion included:

- a) Clarification was provided about the overall balance of the student population across different student categories, in the context of total tuition fee income projections. Faculties were confident in the levels of growth predicted.
- b) The challenge of reducing costs and of growing income required medium and longer-term initiatives, and budget holders were already aware of the levels at which 2019/20 budgets were likely to be set. Indicative budgets were also produced for a further two years to aid longer-term planning.
- c) It was reported that the University was making positive progress towards the long-term diversification of its overseas student population, as well as growing total numbers.

9.2 Council approved the 2018/19 to 2023/24 financial forecasts.

10. **CLOSED MINUTE:**

Borrowings

11. **CLOSED MINUTE:**

International Faculty

12. Capital Programme: Update and Business Cases

12.1 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. Council also noted an updated cashflow report and future projects list, which was reviewed and updated on a monthly basis. A capital prioritisation exercise would take place over the summer in advance of the UEB Estates and Capital Sub-Group meeting in September. Council approved the following:

- (a) Engineering Heartspace: the release of additional funding from the capital programme as set out in the related report. This was due to delays caused by additional work to the building fabric, sub-contractor insolvency and the administration of the main contractor. It was clarified that the University was proactively managing the project and its relationship with the main contractor, and that these additional fees were regarded as the maximum that might be required to effect completion. A lessons learned exercise would be undertaken in due course.

13. Corporate Risk Register

13.1 Council received and approved the updated Corporate Risk Register, noting the accompanying report. Attention was drawn to the presentation of two Faculty risk registers and that of the AMRC Group. With respect to the latter it was reported that this would be revised to include opportunities and reflect the outcome of the recent AMRC Governance Review. It was also noted that Risk Review Group specifically considered those risks with a high/high residual ratings, and had agreed that one of these could be reduced to medium in view of the mitigation in place.

14. Amendments to Regulations

14.1 Council received and approved changes to the Regulations of Council (II-XIII) following a review led by the University Secretary and advised by Pinsent Masons LLP. The changes built on those made in 2013 after the review of the Charter and Statutes. Very few substantive changes were proposed, e.g. to address new regulatory requirements, with revised wording seeking to provide greater clarity to users. Clarification was provided that the terms of office of Council members were provided for in the Statutes.

14.2 Council approved changes to Regulations II-XIII with effect from 1 August 2019, which would be included in the 2019-20 University Calendar.

15. Report of the Senate

(Meeting held on 19 June 2019)

15.1 Council received and approved the report, including:

- (a) Council approved the change of name from the Department of Politics to the Department of Politics and International Relations.
- (b) Council approved a recommendation to transfer to the School of East Asian Studies from the Faculty of Social Sciences to the Faculty of Arts and Humanities.
- (c) Council approved a recommendation to transfer the Modern Languages Teaching Centre from Academic Services to the Faculty of Arts and Humanities.

16. Report of the Council Nominations Committee

(Meeting held on 19 June 2019)

Council received and approved the Report, including:

- (a) The reappointment of Keith Layden and Steven Sly as Class (3) members of Council for the period 1 August 2019 to 31 July 2022.
- (b) The reappointments of Professor Gill Valentine (Provost & Deputy Vice-Chancellor), Professor Wyn Morgan (Vice-President for Education) and Professor Dave Petley (Vice-President for Innovation) as Class (2) (Senior Academic Officers) members of Council for a further year;
- (c) The appointment or reappointment of representatives of the Council on other committees and bodies.

17. Report of the Audit Committee

(Meetings held on 10 June 2019)

- 17.1 Council received and approved the Report. Attention was drawn to the findings of a high risk audit report and the committee's positive discussions with the Director of IT; and relatively low numbers of staff who had completed an element of mandatory student wellbeing training, which was being reviewed to clarify that these were staff in no-student facing roles. With respect to IT, it was suggested that Council receive an update on IT strategy during 2019-20.

18. Report of the Finance Committee

(Meetings held on 9 May 2019 and 17 June 2019)

- 18.1 Council received and approved the Reports, noting that substantive items discussed and approved had been presented separately to Council.

19. Report of the Estates Committee

(Meetings held on 16 May 2019)

- 19.1 Council received and approved the Report.

20. Report of the Human Resources Committee

- 20.1 Council received and approved the Report.

21. Minutes of the Senior Remuneration Committee

- 21.1 Council received and approved the Minutes.

22. Annual Report of the Equality, Diversity and Inclusion Committee

- 22.1 Council received and approved the Report, noting that the Chief Executive of AdvanceHE, whose remit included equality, diversity and inclusion matters, was the guest speaker at the July Council dinner.

23. Annual Report of the Universities of Sheffield Military Education Committee

- 23.1 Council received and noted the Report. Mr Sly expressed his willingness to be considered for possible future membership of this committee.

24. Report of the Student Lifecycle Oversight Group

(Meetings held on 7 May 2019)

- 24.1 Council received and noted the Report.

25. Office for students: Compliance register and annual returns

25.1 Council received and noted an update on regulatory matters over the initial transitional year 2018/19 and accompanying monitoring of the ongoing conditions of registration, and reportable events.

26. Council Business Plan 2018-19

26.1 Council received and noted the updated business plan, noting that a new version would be produced for 2019/20, which may include revisions to the timetabling of certain business as the OfS was consulting on a number of key dates and deadlines.

27. Use of the University Seal

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

28. Public Availability of Council papers

28.1 Council received and approved recommendations concerning the publication on the web of papers presented at the meeting, in accordance with previously agreed proposals on the disclosure of information. It was noted that a number of papers were confidential and would not be made publicly available.

29. Thanks and Farewells

29.1 On behalf of Council, the Chair expressed thanks and good wishes to the Rob Sykes and Mike Siva-Jothy members who were coming to the end of their period of appointment.

These Minutes were confirmed

at a meeting held on 14 October 2019

..... Chair