



4 July 2024

Council

Minutes

Minutes of Council held on Thursday 4 July 2024 at 1.30 pm via Teams.

Present: George Garlick (Chair), Professor Rob Dover, Andrew Haigh, Professor Kevin Kerrigan, Vanessa Lee, Heidi Morris-Flint, Dr Catherine Murray, Professor Dave Petley, Raji Destiny Ibrahim Raji, Neil Robinson, Rashmi Rungta, Rosalyn Schofield, Denise Wilson

In attendance: Joanne Gibbons, Jeremy Hartley, Dr Chris Ince (Secretary), Professor Fiona Matthews, Professor Darren Mundy, Derek Ord (Assistant Secretary), Lilly Rockett, Professor Dirk Schaefer, Professor Laura Treadgold, Sarah Wilson

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		Action by
88	<p>Welcome, Apologies for Absence and Declaration</p> <p>Apologies were received from: Ursula Lidbetter, Matt Jukes and Professor Becky Huxley-Binns</p>	
89	<p>Minutes of last meeting</p> <p>The minutes of the meeting held on 25 April 2024 were approved as a correct record.</p>	

<p>90</p>	<p>Matters arising</p> <p>(a) <u>Action Summary</u></p> <p>Council received the Action Summary. It was noted that all items were complete, in progress or on the agenda.</p>	
<p>91</p>	<p>Terms of Reference and membership of the committee, and plans for the next academic year</p>	
	<p>(a) <u>Terms of Reference and composition</u></p> <p>Council received the proposed Terms of Reference and membership for the next academic year.</p> <p>There were no suggestions for changes.</p>	
	<p>(b) <u>Programme of Work</u></p> <p>Council received the outline programme of work for the committee for the next academic year.</p> <p>There were no suggestions for changes.</p>	
<p>92</p>	<p>Chair's Report</p> <p>(a) <u>General Election</u></p> <p>Council noted that that the meeting was being held on Teams due to the General Election.</p> <p>(b) <u>ULT/Council Change Group</u></p> <p>It was reported that the joint ULT / Council Change group had been formed and had met to agree the terms of reference.</p>	
<p>93</p>	<p>Management Report</p> <p>Council received the latest Management Report, and the following areas were highlighted:</p> <p>(a) The Vice-Chancellor had now completed two years at the University, with the institution now in a period of major modernisation and restructuring, including changes to systems and processes.</p>	

	<p>(b) Professor Steve Hardy was leaving the institution this month. Professor Becky Huxley-Binns would leave at the end of August. Congratulations and thanks were expressed to both. It was further noted that this would be the last meeting for Neil Robinson, who would be leaving at the end of September, and who was thanked for his contribution to Council.</p> <p>(c) The current HUSU President team were thanked for their work over the year and contributions to Council.</p> <p>(d) It was reported that the ERP project had recently launched, with an ambitious programme of change planned.</p> <p>(e) It was reported that the London Study Centre had enrolled its first cohort of approximately 200 students, which was well above initial expectations. Work was underway to recruit and welcome the September intake.</p> <p>(f) It was reported that approximately 65 universities across the sector were now undertaking cost-cutting exercises due to the current financial pressures.</p> <p>It was noted that engagement through UUK with the Labour party had been positive, but no quick solutions were expected.</p> <p>The University was now in a change process, aiming to both save money and reconfigure to be better placed to operate effectively in a changed higher education environment in future.</p>	
<p>94</p>	<p>University Change Proposal</p> <p>It was agreed to move this item up the agenda, as it related closely to items in the Management Report.</p> <p>It was noted that various external reports had been referenced, setting out the context for the higher education sector. This had resulted in a £23m challenge for this University, leading to the current change process outlined in section 3 of the report.</p>	

	<p>It was reported that all areas would be required to make savings, totalling £7m in non-pay and £16m in pay. ULT leads had devised outline plans for their areas. It was anticipated that 110 – 150 posts would be removed, depending on pay bands. It was confirmed that approximately 100 posts had been lost through the recent VES, one third of which were academic posts. Faculties were now working through details of students, staff and plans to deliver the required savings.</p> <p>It was noted that if significant numbers of posts were removed, there was the likelihood of having small and therefore unviable academic schools. There was a plan for changes and mergers to the school and faculty structure. It was felt that approximately 30 staff would be a minimum requirement for a school to be viable. This would also give opportunities to better align disciplines. These changes were being considered across all faculties.</p> <p>It was confirmed that through these changes, the proposal was that FBLP and FACE would merge to form one faculty, with the potential to position HUBS as a semi-autonomous school within the faculty. A rationale paper for faculty mergers was being finalised for discussion.</p> <p>It was noted that simply removing posts and restructuring would not be sufficient to make the changes required and that a programme of process simplification would be required, together with the ending of some current activity. The academic workload model would be reviewed to allow staff the time to deliver both teaching and research. Income streams would also need to be diversified, for example by introducing new student intake points.</p> <p>It was noted that the timeline was challenging, but must be adhered to, if possible, rather than stretch the process and increase pressure on staff.</p> <p>It was confirmed that depending on the final changes, there may be a need to report changes to the OfS – it was confirmed that their permission to make changes was not required.</p> <p>It was confirmed that the joint ULT / Council group will monitor progress and report to Council.</p>	
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<p>95</p>	<p>KPI Update</p> <p>Council received the update and implementation plan.</p> <p>It was confirmed that changes had been made to the document following feedback from Council and ULT. It was noted that more work is required regarding civic impact and on carbon emissions. It was confirmed that a paper on carbon emissions would be brought to Council in October.</p> <p>It was noted that in relation to the people satisfaction KPI, the results of the recent staff survey would inform a target which would be set by the end of July.</p> <p>It was noted that KPI owners had been added, with milestone targets. It was confirmed that some milestones would show an initial downward trend before rising at a later date.</p> <p>It was noted that plans for change and for monitoring had been added.</p> <p>The alignment of KPIs, risk and strategy was welcomed.</p> <p>RESOLVED:</p> <p>That the Phase 1 institutional-level KPI targets and milestones be approved.</p>	<p>CFO</p> <p>DVC</p>
<p>96</p>	<p>Finance Report</p> <p>Council received the April YTD financial update and Q3 full year forecast.</p> <p>The P9 deficit was reported to be £1.9m, £0.4m adverse to Q2F and £9.2m adverse to prior year.</p> <p>It was noted that the VES had successfully contributed to the pay challenge, but that exceptional costs had also been incurred. Income was higher, and student attrition lower than prior year. It was confirmed that not all challenges to non-pay costs had yet been met.</p>	

	<p>It was reported that £1m doubtful debt provision had been included. This had been affected by changes in the payment plans to benefit students. The debt position was reported to be improving as students make payments towards the end of the year. The majority was reported to be from Nigerian students.</p> <p>It was reported that the balance sheet was in line with expectations, the cash position was £64m and liquidity was around 120 days.</p> <p>The Q3 forecast was reported to be using the rolling forecast and was showing an expected surplus of £6.8m, which was reduced due to non-pay challenges not yet met. The cost of energy was reported to be decreasing. The Q3 ending cash balance was forecast to be £75.7m</p> <p>It was reported that all covenants were expected to be met, but two internal trigger points had been reached. These were being closely monitored and action taken.</p> <p>It was confirmed that the North Yorkshire Pension Scheme exit had completed on 31 May. A payment of funds of approximately £1m had been requested and if approved would be paid by 20 September.</p> <p>Debt and investments were reported to be in line with the prior year. It was noted that FIC had approved the sale of endowments, raising £0.9m.</p> <p>It was confirmed that the Energy Co. accounts had been filed. It was clarified that the company was set up in anticipation of the new solar farms selling energy outside the institution. However, other projects may need to use the company for other, similar purposes in future.</p>	
<p>97</p>	<p>2024/25 Budget and Financial Plans</p> <p>Council received the proposed 24/25 Operational Budget and 5-year Financial Projections.</p> <p>It was reported that the plan was owned by the institution as a whole, rather than ULT or Finance. Detailed discussions had taken place in all areas which had fed into the institutional plan.</p>	

	<p>It was confirmed that banks and investors were being kept informed of progress and context. We would continue to have covenants monitored and this would be discussed in quarterly meetings.</p> <p>It was clarified that the level of student numbers used in planning had been cautious and that planning had been prudent. It was noted that there were some good signs of improvement in recruitment, but we would remain cautious in planning.</p> <p>It was reported that analysis had recently shown that potential students had in the past been lost to other institutions due to poor offer-making strategy. As a result, the strategy had been amended and adjustments made for this cycle. Larger improvements would be expected next year.</p> <p>The Key Metrics were noted. It was reported that international fees were being monitored carefully, and that payments had been increasing.</p> <p>With regards to the organisation change project, it was reported that £19m of savings had been identified so far, with work progressing on the remaining £4m.</p> <p>It was reported that a number of scenarios and sensitivity analyses had been provided, including a new scenario related to private placement default.</p> <p>It was agreed that the planning and budget process had been improved and the link to KPIs was welcome.</p> <p>RESOLVED:</p> <p>That, subject to ensuring that the expected staff number reductions were appropriate to meet the challenges, the 24/25 Budget and financial plans for 25/26 – 28/29 be approved.</p>	<p>CFO</p>
<p>98</p>	<p>Risk Management Policy and Risk Register procedure</p> <p>Council received the Risk Register and the Risk Management Policy and Procedure.</p> <p>It was reported that the Risk Register had been updated, and that work would shortly commence on reviewing the various local risk registers. It was noted that these will be linked to the new planning process.</p>	

	<p>It was reported that the impact on staff of the current change process was being reviewed as a possible risk. It was noted that ARC reviews the risk register at every meeting.</p> <p>It was confirmed that the current risk appetite statement remained appropriate.</p> <p>RESOLVED:</p> <p>That the updated Risk Management Policy and Risk Register Procedure be approved.</p>	
99	<p>University Research and Knowledge Exchange Strategy</p> <p>Council received the new Research and Knowledge Exchange Strategy, as recommended by Senate.</p> <p>It was noted that the strategy sets out clear objectives, with a combined approach for both research and knowledge exchange. It proposes activities and defines themes to show research strengths.</p> <p>It was noted that some plans would require resource to implement but that these would only be pursued when funds allow. The desire was to maximise external investment rather than internal expenditure.</p> <p>The Strategy was felt to be highly aspirational, with a need to identify challenges and put support in place where appropriate, starting with new Professors and Senior Lecturers.</p> <p>It was noted that mid-career researchers are often in a difficult position and require support, although this can be hard to identify.</p> <p>It was noted that through the current change process, there may be larger schools which are better able to support research management. It was confirmed that the current change process would include careful monitoring of possible exit pools to ensure that valued staff are kept in the institution and supported. The risk of recently promoted staff being placed into a redundancy pool was noted.</p> <p>RESOLVED:</p> <p>That the Research and Knowledge Exchange Strategy be approved.</p>	

<p>100</p>	<p>Institutional Quality and Standards Report 2022-23</p> <p>Council received the Institutional Quality and Standards Report.</p> <p>It was noted that the Report was a key aspect of academic assurance, particularly related to OfS conditions of registration. It was noted that the recent Governance Effectiveness Review (GER) also highlighted academic assurance as an area for review. It was confirmed that the GER is considered at GNC.</p> <p>Academic assurance was suggested as a possible topic for future internal audit. This would be considered.</p> <p>RESOLVED:</p> <p>That the Institutional Quality and Standards Report 2022-23 be approved.</p>	<p>USCCO</p>
<p>101</p>	<p>Hull University Students Union Update</p> <p>Council received the HUSU update for information. It was noted that this would be the final update from the current President team. Thanks were expressed to Council for their support.</p> <p>It was noted that most students had now left campus. However, the change programme proposals had been communicated to students and it was reported that most were understanding of the need to make change, although concerns had been raised regarding the ending of undergraduate Chemistry provision. It was noted that most students' main concern was that they could return to studies after summer with no issues regarding their course.</p>	
<p>102</p>	<p>Hull University Students Union Away Day Feedback</p> <p>Council received feedback from HUSU regarding the recent Council Away Day.</p> <p>A number of ideas and suggestions were presented to improve the joint working of the University and HUSU.</p> <p>An annual presentation, student-staff sports day, joint board meeting and peer mentoring were all welcomed. Several other suggestions would require further consideration.</p>	

	The possibility of widening of Varsity to other institutions was supported.	
103	<p>Hull University Students Union Code of Practice</p> <p>Council received an updated Code of Practice.</p> <p>It was noted that the document was a legal requirement, reviewed annually.</p> <p>RESOLVED:</p> <p>That the HUSU Code of Practice be approved.</p>	
104	<p>Endowment funds</p> <p>Council received a proposal regarding a review of endowment funds.</p> <p>It was reported that charity legislation had been amended to allow the University to gather and repurpose trust funds that had been dormant for several years. Different processes would apply depending on the size of the fund.</p> <p>It was noted that there are several old funds which cannot be used any more due to being related to areas or subjects which are no longer taught. The changes would allow those funds to be freed up and repurposed.</p> <p>RESOLVED:</p> <p>That the proposals related to removing restrictions on unviable permanent endowment funds be approved.</p>	
105	<p>Chair of Council appointment</p> <p>(The Chair of Council left the meeting for this item)</p> <p>Council received a proposal related to the reappointment of the Chair of Council.</p>	

	<p>It was reported that the term of office of the current Chair expires in July 2025. Through discussions and the annual appraisal of the Chair, it was recommended to GNC that the term of office be extended for a further three years. This would ensure some consistency through the current change process.</p> <p>The extension of appointment was recommended by GNC.</p> <p>RESOLVED:</p> <p>That George Garlick be reappointed as Chair of Council for a further three year term until 31 July 2028.</p>	
106	<p>Establishment of Council/ULT Change Sub-Committee</p> <p>Council received the proposed Terms of Reference and membership of the new Council / ULT Change Sub-Committee.</p> <p>RESOLVED:</p> <p>That the Terms of Reference and membership be approved.</p>	
107	<p>Finance and Investment Committee Terms of Reference/composition changes</p> <p>Council received the proposed revised Terms of Reference and composition of Finance and Investment Committee.</p> <p>RESOLVED:</p> <p>That the revised Terms of Reference and composition be approved.</p>	
108	<p>Gifts and Hospitality Policy approval</p> <p>Council received the revised Gifts and Hospitality Policy, which had been recommended for approval by FIC, following minor amendments.</p> <p>RESOLVED:</p> <p>That the Gifts and Hospitality Policy v12.01 be approved.</p>	

<p>109</p>	<p>Environmental Sustainability</p> <p>Council received an Environmental Sustainability Update.</p> <p>It was noted that the first sustainability report had been published in December. The CFO was reported to be the new Chair of the Sustainability Board and KPIs had been agreed with implementation groups.</p> <p>It was noted that the carbon neutrality target was now not possible due to delays regarding proposed solar farms. The Board and working group would work on presenting a new proposal to Council in October, setting out new commitments.</p> <p>It was reported that a carbon levy had been considered on business travel. This would be examined over the next year.</p> <p>It was noted that the University had received excellent results in the recent THE Impact Rankings, resulting in being ranked 12th in the world for SDG17 and 11th in the world for SDG16.</p> <p>It was queried whether carbon literacy training was available to members of Council, and it was confirmed that this would be arranged.</p>	<p>CFO</p>
<p>110</p>	<p>The Lawns and Ferens Hall Update</p> <p>Council received a verbal update on The Lawns and Ferens Hall.</p> <p>It was reported that in July 2023, it was agreed to work with a specialist developer on a listing update. This had started in September 2023. The update had been submitted and a report had been sent to DCMS in late June. A response from DCMS was awaited and would be shared once received.</p> <p>Following receipt of the response, the consultant will produce a proposal, which will be presented to Council in October.</p>	<p>CFO</p> <p>CFO</p>
<p>111</p>	<p>Minutes/Summaries of Committees</p>	
	<p>(a) <u>Audit and Risk Committee – 10 June 2024</u></p> <p>The minutes of the Audit and Risk Committee meeting held 10 June 2024 were received and noted.</p>	

	(b) <u>Governance and Nominations Committee – 13 June 2024</u> The minutes of the Governance and Nominations Committee meeting held 13 June 2024 were received and noted.													
	(c) <u>Finance and Investment Committee – 18 June 2024</u> The minutes of the Finance and Investment Committee meeting held 18 June 2024 were received and noted.													
	(d) <u>Senate – 19 June 2024</u> The minutes of the Senate meeting held 19 June 2024 were received and noted.													
112	Valedictions The Chair thanked Neil Robinson and Professor Becky Huxley-Binns (in her absence) for their excellent work and contributions to Council. The Chair thanked Raji Ibrahim Bamidele and Lilly Rockett for their positive and excellent work on Council, representing all students.													
113	Dates of Meetings 2024-25 <table border="1" data-bbox="316 1308 1187 1744"> <thead> <tr> <th>Date of Meeting</th> <th><i>Deadline for papers</i></th> </tr> </thead> <tbody> <tr> <td>Thursday 17 October 2024 at 1.30 pm</td> <td><i>3 October 2024</i></td> </tr> <tr> <td>Thursday 12 December 2024 at 1.30 pm</td> <td><i>28 November 2024</i></td> </tr> <tr> <td>Thursday 13 February 2025 at 1.30 pm</td> <td><i>30 January 2025</i></td> </tr> <tr> <td>Thursday 20 March 2025 at 1.30 pm</td> <td><i>4 March 2025</i></td> </tr> <tr> <td>Thursday 19 June 2025 at 1.30 pm</td> <td><i>5 June 2025</i></td> </tr> </tbody> </table>	Date of Meeting	<i>Deadline for papers</i>	Thursday 17 October 2024 at 1.30 pm	<i>3 October 2024</i>	Thursday 12 December 2024 at 1.30 pm	<i>28 November 2024</i>	Thursday 13 February 2025 at 1.30 pm	<i>30 January 2025</i>	Thursday 20 March 2025 at 1.30 pm	<i>4 March 2025</i>	Thursday 19 June 2025 at 1.30 pm	<i>5 June 2025</i>	All members
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114	Other dates to note <u>Council Induction for new members</u> Thursday 10 October 2024 at 2.00 pm <u>Council Away Day</u> Wednesday 21 May 2025 at 11.00 am <u>Council Dinners</u> Thursday 17 October 2025 at 7.00 pm Thursday 3 July 2025 at 7.00 pm	All members
115	Any other business (a) <u>Co-opted members of ARC</u> It was reported that following a recruitment process, two new co-opted members of ARC had been identified and proposed. Their details had been circulated. RESOLVED: That the two new members of ARC be approved. (b) <u>CPD</u> Members were reminded that there would be an online session on organisational EDI activity on 19 July at 11:00 am.	