

17 October 2024

Council

Minutes

Minutes of Council held on Thursday 17 October 2024 at 1.30 pm in the Austen/Blake Conference Room, Canham Turner.

Present: George Garlick (Chair), Professor Rob Dover, Andrew Haigh, Matt Jukes, Professor Kevin Kerrigan, Vanessa Lee, Ursula Lidbetter, Dr Catherine Murray, Ejimchi Collins Peter-Dumbili, Professor Dave Petley, Rashmi Rungta, Rosalyn Schofield, Denise Wilson and Sarah Wilson

In attendance: Joanne Gibbons, Jeremy Hartley, Dr Chris Ince (Secretary), Professor Andrew King, Professor Fiona Matthews and Derek Ord (Assistant Secretary)

In attendance until Item 8: Professor Darren Munday, Professor Dirk Schaefer and Professor Laura Treadgold,

Minutes 1 - 22

		Action by
1	<p>Welcome, Apologies for Absence and Declaration of Interest</p> <p>The Chair welcomed new members or attendees: Amy Cowling, Professor Andrew King, Ejimchi Collins Peter-Dumbili and Sarah Wilson.</p> <p>Apologies were received from: Amy Cowling.</p> <p>There were no declarations of interest.</p>	
2	<p>Minutes of last meeting</p> <p>The minutes of the meeting held on 4 July 2024 were approved as a correct record.</p>	

3	Matters arising (a) <u>Action Summary</u> It was noted that all actions were complete. Carbon literacy training had been offered to all members. An update on The Lawns would be provided as part of the Finance Update.	
4	Terms of reference, composition and membership 2024/25 It was clarified that term of reference (ix) – “to enter into, vary, carry out and cancel contracts on behalf of the University” was in practice delegated to other committees or individuals depending on the contract value, as defined in the Financial Regulations or other governance documents, such as the Statutes and Ordinances. RESOLVED: That the terms of reference and composition 2024/25 be approved.	
5	Programme of Work (a) <u>Programme of Work 2024/25</u> The Programme of Work 2024/25 was received for information. It was noted that this was subject to change as required. The February meeting was designated as having a strategic focus.	
6	Chair’s Report The significant work undertaken over the summer related to the Change Programme was acknowledged. It was noted that the change of Government had led to a change in rhetoric towards Higher Education, but no tangible changes in policy.	
7	Management Report Council received the latest management report. The Vice-Chancellor highlighted key messages. New members were welcomed. Thanks were expressed to Heidi Morris-Flint, who had left Council and was now working as the Executive Assistant to the VC. Thanks were expressed to Neil Robinson and Professor Becky Huxley-Binns who had left the institution.	

(a) Higher Education Context

It was reported that the context remained very challenging. Government rhetoric had improved but no real differences had been felt. Changes to Level 7 apprenticeships would impact some other universities. Changes in the upcoming budget were expected but details were as yet unknown.

The latest recruitment cycle was confirmed to have been difficult, affecting nearly all institutions, with regular announcements of actions being taken to protect finances at many universities.

It was confirmed that we would have to re-base our budget to meet the challenges caused by a reduction in fee income and other related income streams.

The changes to faculties and schools were reported to be ongoing and high profile. It was confirmed that this was likely to be more high profile in the future but that the right decisions must be carried through to reshape the University. It was confirmed that student growth was the highest priority, enabling other ambitions around research, student experience and sustainability.

It was noted that the OfS was now focussing on all institution finances trying to better understand the overall sector challenges. It was confirmed that a recent meeting with the OfS had been positive. It was confirmed that although the OfS had been notified of our change plans, their permission to carry them out was not required.

Concerns were expressed about how the rhetoric of a 'crisis in UK HE' appeared abroad, and if the recruitment market was affected. The possibility of a university failing was also considered, particularly the possible response from Government, and from lenders and investors.

(b) Successes

It was reported that despite the context, the University had achieved several successes over the summer. The NSS results had improved, the KEF result was positive, there were good graduate outcomes and positive movement in league tables. It was noted that there had been record high research income, and the wound healing centre was progressing well. A new addiction research centre, with significant research investment had been recently announced.

The Students' Union congratulated the work of the leadership team and confirmed the need for students to continue to receive appropriate support, so that they felt part of the institution and could act as effective ambassadors.

	<p>It was confirmed that some other institutions were considering closing courses and that there may therefore be opportunities to recruit extra students. This was felt to be a very limited opportunity.</p> <p>It was noted that closer working with local authorities on the reputation of the city would be needed, and that the recent devolution deal would present significant new opportunities, particularly around the skills agenda and a possible Investment Zone.</p>	
<p>8</p>	<p>University Change Proposal</p> <p>Council received the proposals for changes to the current faculty structure, with background information regarding school changes approved by Senate.</p> <p>It was reported that the restructure would take place in parallel with a reduction in staff numbers. The original consultation proposal had been to reduce numbers by 94. This had reduced to 70 during the formal consultation period which had proved to be generally positive and constructive.</p> <p>It was reported that the current faculty structure was too complex for a university of our size, with some schools too small to operate effectively, hampering innovation, collaboration and efficiency. It was noted that Senate had approved changes to the school structures, reducing their number and increasing their size in some cases. Council was requested to approve the merger of faculties in line with its powers under the Charter and Statutes.</p> <p>The proposed structure was discussed in detail, noting the merger of FBLP and FACE, and the move of HUBS to be a stand-alone school reporting directly to the DVC. It was confirmed that the London Study Centre would also report to the DVC. The variation in SSR figures was noted as being related partly to the varied student numbers, the type of teaching taking place and the how research intensive the schools were.</p> <p>The structure of each faculty and new school was examined in detail.</p> <p>It was reported that the expected timeline would result in a ‘normal leave date’ for departing staff of 13 December 2024 and a formal launch date for the new schools and faculties of 1 August 2025. It was noted that some changes may take place earlier.</p> <p>It was reported that the new FBLP January intake, intended to mitigate against further cost savings, was looking positive.</p> <p>Deans were thanked for their intensive work during the consultation phase.</p>	

	<p>It was noted that very few students would be directly affected by the proposed changes, mostly in Chemistry, and that appropriate support would be in place with the University's Student Protection Plan being used where required. It was noted that some module availability may be affected, but that this was a normal process to be managed for any academic intake.</p> <p>It was confirmed that benefits of the change had been considered, including reductions in leadership roles and in PSS staff and business partner requirements. The main desired benefit was noted to be a larger, more coherent structure. It was confirmed that the expected benefits could be brought to a future Council meeting.</p> <p>It was noted that the required growth in student numbers was critical, and that the structure change would help to facilitate this. It was confirmed that structural changes were happening in many institutions, and that it generally had little direct negative effect on student recruitment.</p> <p>The change proposals were reported to have been generally positively received, with some challenges particularly around the work in parallel with redundancies. There had also been challenges around the exact subject mix and timeline. Concerns had been expressed around the number of recent reorganisations and it was confirmed that in order to be effective this process must take place alongside other work to strengthen student numbers such as marketing and recruitment.</p> <p>It was confirmed that only Chemistry programmes were proposed to close, although changes to other programmes would be likely. Work would take place to identify programmes that were struggling to recruit, and to identify opportunities to introduce new programmes and combinations, taking advantage of the removal of the barrier to innovation that small schools often bring.</p> <p>It was noted that staff departures could affect current students and that the effect must be monitored so that appropriate support was provided. It was noted that with reduced student numbers, the student experience should not be significantly affected by reduced staff numbers.</p> <p>The possibility of industrial action by UCU was noted, with the need to ensure that students did not suffer a reduced experience. It was confirmed that meetings had been held with UCU to discuss and try to avoid any action affecting students. Work would take place to reduce any impact if required.</p> <p>It was confirmed that a communication plan was in place, noting the probable national interest.</p>	<p>DVC</p>
--	--	------------

	<p>It was queried whether the action proposed was sufficient to make the required impact, noting that there should not be a further round of redundancies soon. It was confirmed that other mitigations were taking place to reach the required savings.</p> <p>It was noted that many institutions were closing programmes, and that students were often looking for more career-orientated programmes, although this varied between types of institution.</p> <p>RESOLVED:</p> <p>That the proposal as noted below be approved.</p> <p>(i) To merge the Faculty of Arts, Culture and Education and Faculty of Business, Law and Politics from 1 August 2025.</p> <p>(ii) To establish Hull University Business School as a freestanding School reporting to the DVC.</p> <p>(iii) To note the approval of Senate to reconstitute schools and faculties, reducing the number of schools from 17 to 11.</p> <p>(Exact school/faculty names were to be confirmed.)</p>	
<p>9</p>	<p>Office for Students – Update, Reportable Events and Prevent Return</p> <p>Council received the OfS update and Prevent Return.</p> <p>It was reported that in relation to the Prevent Return, the University had relatively low exposure compared to some other institutions. Significant work had been undertaken recently on the Freedom of Speech Policy, Chaplaincy Policy and the process for vetting external speakers.</p> <p>RESOLVED:</p> <p>That the approach to the University’s Prevent Return be approved.</p> <p>It was noted that the OfS had approved a new Sexual Misconduct Condition of Registration. It was reported that the University had a plan of action to respond to the requirements and would work closely with HUSU on implementation.</p> <p>It was noted that two reportable events had been reported to the OfS:</p> <p>(a) The current significant change programme and associated redundancies.</p>	

	<p>(b) A potential significant fraud, currently being dealt with through legal procedures.</p>	
10	<p>KPI Deep Dive</p> <p>(a) <u>Education (KPIs 1 – 3)</u></p> <p>Council received a presentation on the Education KPIs.</p> <p>Rates of continuation were noted, with a baseline score of 88.6%, being above the OfS benchmark. Retention and engagement were reported to be a priority within the new draft Education Strategy, focussing on recognising non-engagement, attendance and induction.</p> <p>In relation to KPI2 – Student Experience, high levels of satisfaction were noted in several league tables. It was noted that this may be impacted in future by the withdrawal of Chemistry or other organisational changes.</p> <p>Several actions were noted aimed at improving all areas of student experience, targeted at those areas with the lowest scores currently.</p> <p>It was confirmed that for KPI3 – Graduate Outcomes, the University remained above the minimum threshold set by the OfS.</p> <p>Certain areas were below the threshold, and these would be the subject of further support and focus. The ‘outcome gaps’ were noted as a concern and would be a focus for work in future.</p> <p>For KPI 7- Degree Awarding Gaps, the need to address the current gaps was noted, with targeted support being put into place.</p>	
	<p>(b) <u>Employee Engagement (KPI 11)</u></p> <p>Council received a presentation on the Employee Engagement KPIs.</p> <p>It was reported that there was a new People Strategy in place, with significant supporting work taking place.</p> <p>The University advocacy score was reported to be 6.1.</p> <p>It was noted that three staff surveys had taken place recently, covering research culture, occupational stress, and a general staff survey. Engagement was very high, with valuable information gathered which would inform further work.</p> <p>Levels of self-reported stress were high, which would be an area of particular focus, alongside concern around management support.</p>	

	<p>It was confirmed that there was little external benchmarking available publicly, and no recent internal data.</p> <p>It was confirmed that the data had been shared with schools and business areas. The information would be worked on further in January, when the current change process had mainly completed. It was noted that management interactions with staff would need to improve from current satisfaction levels.</p> <p>Several changes were noted that should positively impact on the employee engagement, including cultural improvements, systems, processes and the new ERP.</p> <p>It was confirmed that the University was not currently looking to engage in Investors In People, given the cost and complexity of doing so. Specific areas were to be targeted, bearing in mind the current budget.</p> <p>It was noted that the current change process would be stressful for staff, and it was confirmed that several routes of support were in place. It was noted that the academic workload would need to be addressed.</p>	
<p>11</p>	<p>HUSU Report</p> <p>Council received the latest HUSU report. The quantity and variety of work undertaken were noted and HUSU were thanked for the report.</p> <p>Thanks were expressed to the management and to the members of Council currently acting as mentors to HUSU Presidents.</p> <p>It was emphasised that HUSU hoped that the University would be able to reach a balance between the need to achieve challenging budgets and appropriate support for students.</p>	
<p>12</p>	<p>Finance Update</p> <p>Council received the latest finance update and presentation.</p> <p>It was reported that the student intake was showing a shortfall of around 770 against budget, resulting in a financial impact of £4.4m on fee income. Both UG and PGT had been affected, with enrolment still taking place but no significant changes expected.</p> <p>A draft revised budget had been set with an Operating Surplus of £6.5m (reduced from £10m) and EBITDA of £21.7m. It was reported that there was a range of initiatives to ensure that the budget and covenants were met. It was noted that the pay expenditure had been reduced in the budget and more would need to be saved. Non-pay had been reduced.</p>	

	<p>It was noted that despite the current challenges, all covenants had been met and would continue to be monitored very closely throughout the coming year.</p> <p>It was noted that the benefits of recent investment in systems and other capital expenditure should be seen soon. Staff were thanked for their hard work in ensuring that the financial situation was the best it could be.</p> <p>It was reported that the North Yorkshire Pension Scheme had been exited and that a payment had been received.</p> <p>It was reported that student accommodation was at 80% occupancy, resulting in a £3m shortfall, included in the overall figures in the paper. Occupancy in UPP accommodation was reported to be 84% and work was ongoing to increase this figure, freeing up The Courtyard for commercial use.</p> <p>It was noted in the Capital Update that all major projects were progressing well. The High Performance Computing project was being revisited and realigned at a must lower cost.</p> <p>(a) <u>Year-End</u></p> <p>It was reported that the year-end process was progressing well, with no material adjustments made to date. There was reported to be an operating surplus of £7.1m and an overall deficit of £17m.</p> <p>However, it was noted that due to the changes in USS pension deficit provision of £63.3m, the reserves would show an increase of £47.8m on prior year and would move the reporting deficit to a statutory reporting surplus of £46.6m. Discussions were underway on how best to show this accurately, ensuring that this was not incorrectly seen as extra income to be spent.</p> <p>The balance sheet showed a Private Placement balance of £48m, following the allocation of £10m on existing green projects.</p> <p>It was clarified that the letter of support for Lampada was for a wholly owned subsidiary, producing a small turnover.</p> <p>(b) <u>The Lawns</u></p> <p>It was reported that approximately 12 months had been spent obtaining a listing report for The Lawns. It was confirmed that the listing would remain as currently, and the bungalows and Lawns Centre had not been listed.</p>	
--	--	--

	<p>The University was now working with a specialist developer, and a proposal was expected soon, which would be brought to the December meeting of Council if possible.</p> <p>It was noted that recent changes to planning rules may assist with the development and planning permission.</p> <p>RESOLVED:</p> <p>That the revised budget for 2024/25 be approved.</p>	CFO
13	<p>Risk Register</p> <p>Council received the latest risk register update, noting that it had been reviewed by ULT and ARC. Changes requested in the last Council meeting had been incorporated.</p> <p>It was noted that as part of ongoing work, local registers were being gathered and reviewed, with common themes being checked.</p>	
14	<p>KEF4 Update</p> <p>Council received an update on the KEF4 results.</p> <p>It was confirmed that we would remain in KEF 'Cluster X'. The KEF was noted as being partly metric based and partly self-assessment. It was felt that we could be more positive in our self-assessment in future.</p> <p>It was noted that as research income increased, it would be harder to retain the current KEF results. It was reported that we had successfully achieved this, remaining in a strong position.</p> <p>It was reported that the detailed data was being analysed. It was confirmed that we would be seeking small improvements in focussed areas in future.</p>	
15	<p>Education Strategy Update</p> <p>Council received an update on the emerging Education Strategy.</p> <p>It was reported that there were four main linked workstreams, being Education Strategy; Curriculum Development and Enhancement; External engagement; and Reporting, process and planning.</p> <p>It was expected that the Strategy would be delivered in approximately six months, with Senate and Council approval.</p>	

	<p>It was noted that the Strategy would link into all key areas of academic delivery, driving programme development, student experience, and recruitment, setting the visions for the next five years.</p>	
16	<p>Sustainability – carbon neutrality and net zero</p> <p>Council received an update to the carbon neutrality commitments.</p> <p>It was confirmed that the University was moving away from the previous 2027 goal, as this was no longer realistic given the challenges to implementation of the solar farm plans.</p> <p>It was reported that the proposal was to look at scope one, two and three emissions, with a revised commitment to reduce scope one and two by 60% and be net zero across scopes one, two and three by 2040.</p> <p>Significant work had taken place with estates staff and academics in the EEI. The plans could include work on carbon reduction, carbon removal, education and carbon offsetting (through accredited schemes only).</p> <p>It was noted that the related University KPI would need to be adjusted. It was noted that the measure would be baselined at 2023 levels and the KPI set at a 5-7% reduction per year.</p> <p>It was clarified that a range of target dates were considered, with different areas seeking varied targets. It was noted that there was not a closely defined plan yet, beyond working towards 2040 on an accelerated programme.</p> <p>It was noted that work on carbon removal could be very impactful for the region and our associated research. The need to integrate the work into teaching and research was noted.</p> <p>It was noted that a large proportion of scope three was due to air travel and that the target was therefore very ambitious.</p> <p>RESOLVED:</p> <p>That the resetting of the university carbon emissions planning and published commitments to encompass scopes 1,2 and 3 working towards net zero by the end of 2040 be approved.</p>	DVC
17	<p>Standing Orders</p> <p>Council received the revised Standing Orders. It was reported that there were minor amendments and updates only.</p>	

	<p>RESOLVED:</p> <p>That Standing Orders v3.01 be approved.</p>											
18	Minutes/Summaries of Committees											
	<p>(a) <u>Senate – 14 August 2024</u></p> <p>The minutes of the Senate meeting held on 14 August 2024 were received and noted.</p> <p>(i) <i>Senate Terms of Reference and composition 2024/25</i></p> <p>RESOLVED:</p> <p>That the Senate Terms of Reference and Composition 2024/25 be approved.</p>											
	<p>(b) <u>Audit and Risk Committee – 30 September 2024</u></p> <p>The minutes of the Audit and Risk Committee meeting held on 30 September 2024 were received and noted.</p>											
	<p>(c) <u>Finance and Investment Committee – 3 October 2024</u></p> <p>The minutes of the Finance and Investment Committee meeting held on 3 October 2024 were received and noted.</p>											
	<p>(d) <u>University Health and Safety Committee – 26 September 2024</u></p> <p>The minutes of the Health and Safety Committee meeting held on 26 September 2024 were received for information.</p>											
19	Valediction											
	<p>There were no valedictions.</p>											
20	<p>Dates of Meetings 2024/25</p> <table border="1"> <thead> <tr> <th>Date of Meeting</th> <th><i>Deadline for papers</i></th> </tr> </thead> <tbody> <tr> <td>Thursday 12 December 2024, 1.30 pm</td> <td><i>28/11/2024</i></td> </tr> <tr> <td>Thursday 13 February 2025, 1.30 pm</td> <td><i>30/01/2025</i></td> </tr> <tr> <td>Thursday 20 March 2025, 1.30 pm</td> <td><i>04/03/2025</i></td> </tr> <tr> <td>Thursday 19 June 2025, 1.30 pm</td> <td><i>05/06/2025</i></td> </tr> </tbody> </table>	Date of Meeting	<i>Deadline for papers</i>	Thursday 12 December 2024, 1.30 pm	<i>28/11/2024</i>	Thursday 13 February 2025, 1.30 pm	<i>30/01/2025</i>	Thursday 20 March 2025, 1.30 pm	<i>04/03/2025</i>	Thursday 19 June 2025, 1.30 pm	<i>05/06/2025</i>	All members
Date of Meeting	<i>Deadline for papers</i>											
Thursday 12 December 2024, 1.30 pm	<i>28/11/2024</i>											
Thursday 13 February 2025, 1.30 pm	<i>30/01/2025</i>											
Thursday 20 March 2025, 1.30 pm	<i>04/03/2025</i>											
Thursday 19 June 2025, 1.30 pm	<i>05/06/2025</i>											
21	Other dates to note											
	<p><u>Council Away Day</u> Wednesday 21 March 2025, 11.00 am</p>											

22	Any other business There was no other business.	
-----------	---	--