

SHEFFIELD HALLAM UNIVERSITY

BG/5/19/M

BOARD OF GOVERNORS

Minutes of the meeting held on Thursday 10 October 2019

Present:

Lord Kerslake, Chair	Mr N MacDonald
Mr A Adegbola	Mr S Muhammed
Prof J Bale	Ms M Munn, Deputy Chair
Ms E Buckley	Prof J Patnick
Mr D Bye	Mr K Taylor
Ms K Finlayson	Ms P Thompson
Prof Sir C Husbands	Dr S Timothy
Prof C Kinsella	Prof P Wiles

Apologies for absence from: Mr D Bradley, Ms J Allen, Dr K Grainger, Mr C Kenny, Dr J Morrissy

In attendance**For item**

Ms M Boryslawskyj, University Secretary and Clerk to the Board	
Mr R Calvert, DVC Strategy and Operations	
Prof R Eccleston, DVC Academic	
Ms D Harry, Chief Finance and Planning Officer	
Dr S Jackson, Chief People Officer	
Prof A Metcalfe, PVC Teaching and Learning	
Ms N Rawlins, Group Director for Recruitment, Communications and Marketing	7.1
Ms L Stevenson, Head of Organisational Performance and Culture	7.4
Mr M Swales, Chief Estates and Facilities Officer	
Ms S Taylor, Head of Resourcing and Reward	7.4
Prof C Wigginton, PVC Global and Academic Partnerships	
Ms T Goodwill, Governance and Sector Regulation, Minute Secretary	

Paper reference

Minute reference

BG/5/19/1

BG/19/106

Election of a Deputy Chair of the Board of Governors

106.1

The Board received the tabled paper and:

- i) resolved to appoint Meg Munn to the role of Deputy Chair, from 10 October 2019 until the first meeting of the Board in autumn 2020;
- ii) noted that the role profile (paragraph 5) approved by the Board would inform the review of the Articles of Government by the Board Effectiveness Working Group (BEWG). The Board would receive progress reports and consider recommendations from the BEWG in 2019/20.

Action: University Secretary and Clerk to the Board

106.2

The Chair left the meeting. The meeting was chaired by the Deputy Chair, Meg Munn.

BG/19/107

Declaration of Interests

107.1

Chris Kinsella declared an interest:

- i) as an Executive Director of Homes England. This related to the development by the University of the site of the former Nelson Mandela building (minute FEC/19/63.1 refers);
- ii) owing to his existing professional relationship with the Director named in the report on the potential associate company (item 8.3 refers).

BG/4/19/M	BG/19/108	Minutes of the meeting held on 23 July 2019
	108.1	The minutes were <u>approved</u> as a correct record.
BG/4/19/action	BG/19/109	Matters Arising/Action Tracker
	109.1	The Board <u>noted</u> the action tracker.
	BG/19/110	Other Urgent Business: unfinished construction of student accommodation by private developers
	110.1	<p>Reports in the media had covered the response of the Minister of State for Universities, Science, Research and Innovation to the problem for the higher education sector of private developers not completing accommodation for students in time for the start of the 2019/20 academic year. Nationally this had resulted in some students being housed at short notice in temporary accommodation. The University's support and arrangements for a small number of its students affected by unfinished accommodation were outlined. The University would continue to monitor the position. A report which explained the accommodation allocation process would be made to the Board in 2020.</p> <p>Action: Chief Estates and Facilities Officer</p>
BG/5/19/7.1i Confidential	BG/19/111	Student Recruitment for 2019/20
	111.1	<p>The Group Director for Recruitment, Communications and Marketing introduced the report and highlighted the University's:</p> <ul style="list-style-type: none"> i) performance against full-time undergraduate, postgraduate and international student recruitment targets; ii) approach to student recruitment in what was a challenging recruitment cycle for higher education providers. <p>The Board <u>received</u> the report.</p>
	111.2	The Chair returned and chaired the remainder of the meeting.
	111.3	<p>The Board discussed the University's approach to student number analysis and the data in the report including the variations in recruitment performance across the subjects in the portfolio and how the University's performance compared with that of its competitors. In response to comments and questions the following were outlined:</p> <ul style="list-style-type: none"> i) the strong recruitment performance in Clearing in August

2019. This matched the sector experience where applicants placed through the main cycle had reduced and applicants placed through Clearing had increased;

- ii) the timing of late applications received by the University;
- iii) competition in undergraduate markets and the acceptance rates for applicants domiciled in the Yorkshire and Humberside region and other regions. It was reported that there were no trends emerging to suggest that students were choosing to study with a particular competitor;
- iv) the data which evidenced the improvement in the University's full-time undergraduate application position since 15 January 2019 in the context of performance across the sector which had been mixed;
- v) the reasons why the University had outperformed and underperformed the sector, according to the UCAS data available, in the subjects listed (paragraphs 28 and 29);
- vi) the lead marketing message of 'University of the Year for Teaching Quality' following the award by The Times and Sunday Times Good University Guide which was being built into all campaign and conversion activity;
- vii) the University's approach to improve the diversity including the gender diversity of students recruited;
- viii) the risks arising from the significant challenges in the market for Higher Degree Apprenticeships compared with those for full-time undergraduate recruitment. It was suggested that HDA student numbers be disaggregated from full-time undergraduate student numbers in future reports;
- ix) the University's approach to the Education Skills Funding Agency request to all existing higher education providers to re-apply for the Register of Apprenticeship Training Providers;
- x) the challenges for the University in connection with post-graduate initial teacher education applications in the context of a fall in applications to the sector;
- xi) the subjects in the portfolio whose available places fill quickly and the reasons for that;
- xii) the potential for growth in international student recruitment and diversification of income streams. The challenges facing the University included the:
 - United Kingdom's exit from membership of the European Union;
 - policy and political context for immigration. It was reported that details were awaited following the Government's announcement of a two year post-study work visa from the 2020/21 intake of students;
 - competition in international student markets. The University's offer should differentiate it from competitors;
 - value placed on a university's league table position by international students when deciding which institution to study at.

	111.4	The Board <u>noted</u> the concluding paragraphs in the report which outlined the actions underway including the planning of all student recruitment activity to mitigate the challenges facing the University.
	111.5	The Board would receive a report on the University's student recruitment performance at its meeting in January 2020. Based on analysis of recruitment data once the UCAS end of cycle data was released in December 2019, the report would provide a meaningful comparison of the University's performance with that of its competitors. The report would also include a comparison of the University's performance against its previous four years' performance to determine any trends. Action: Group Director for Recruitment, Communications and Marketing
BG/5/19/7.1ii Confidential	111.6	The Board <u>noted</u> the briefing paper on post qualification applications system.
BG/5/19/7.2 Confidential	BG/19/112	Financial Monitoring: Provisional Outturn 2018/19
	112.1	The Chief Finance and Planning Officer reported that the draft operating outturn for 2018/19, which was subject to audit, represented an improvement on the budgeted position and was in line with the report to the Board in July 2019 (minute BG/19/90.1i refers). However the operating improvement had been offset by a FRS102 pension adjustment which the actuaries had confirmed following the McCloud judgement in the High Court. Despite the pensions adjustment being significantly higher than budgeted, the provisional outturn was a net reported deficit of £19m which was close to budget outturn (£20m). The Chair of the Finance and Employment Committee reported that the Committee had commented that this represented a good outcome for the University (minute FEC/19/66 refers). The University's strong underlying operating performance should not be overshadowed by the pensions adjustment resulting in the reported deficit for the year which was close to budget. The Board <u>received</u> the report.
BG/5/19/7.3 Confidential	BG/19/113	Evaluation of Strategic Investment
	113.1	The Chief Finance and Planning Officer introduced the report on the evaluation of the investment in the University Strategy, Transforming Lives, which had been made following the Board's approval of a budget for strategic priorities in the University Financial Plan in July 2017 (minute BG/17/66 refers). The Chair of the Finance and Employment Committee reported that the Committee had commented that there were sufficient indicators to demonstrate a clear financial return on the investment (minute FEC/19/65 refers) in the Strategy. It was commented that the key points in the FEC September minutes were reflected in the outcomes of the Board's

discussions at its October 2019 strategy event. These included the University's approach to key metrics and operational and financial sustainability. The Board noted the report which confirmed the success of the investment in the University Strategy, detailed the amounts spent and early outcomes and provided assurance of how the strategic initiatives would be delivered within operating budgets going forward.

BG/5/19/7.4
Confidential

BG/19/114

Real Living Wage (RLW)

114.1

The Head of Organisational Performance and Culture introduced the report which reviewed the:

- i) decision to track the RLW through the payment of a supplement to employees who would otherwise be paid below the RLW rate. The decision, which was implemented in 2018, received a positive response in the University;
- ii) benefits, risks and costs of the University becoming an accredited RLW employer. The Chair of the Finance and Employment Committee reported that these had been discussed by the Committee in September 2019 and the outcome was a revision to the options for the Board to consider (minute FEC/19/62 refers);
- iii) University's work to benchmark its decisions in relation to RLW payment and accreditation with other employers and in the higher education sector.

Governors commented that they welcomed the progress made by the University.

114.2

The Board discussed the tracking of the RLW as opposed to the University becoming an accredited RLW employer in the context of the University's overall financial sustainability challenges including its approach to create on-campus employment opportunities for students. The points raised in the discussion included:

- i) the potential annual costs of paying the RLW to casual workers and the benefits of implementing this;
- ii) parity of pay and the diversity of the University's workforce. The improvement in the University's gender pay gap as a consequence of paying the RLW was outlined;
- iii) the requirements in relation to contractors and the appropriate time to implement them;
- iv) the consequences for the University of not becoming an accredited RLW employer;
- v) the challenges to be addressed if the University was to become an accredited Living Hours employer. It being anticipated that the employers to be targeted initially for this campaign, which had been launched in June 2019 by the Living Wage Foundation, would be accredited RLW employers;
- vi) the risks, uncertainties and challenges arising from the policy and political landscape. In this context it was not considered timely for the University to become a RLW

accredited employer. If the University were to become an accredited RLW employer then the risk would include an external organisation dictating some pay rates to the University;

- vii) the communication of the University's approach to the payment of the RLW and decision not to become an accredited employer at this stage.

114.4 The Board resolved to endorse that the University:

- i) starts to pay the RLW to all casual workers and works towards paying it to contractors;
- ii) does not become an accredited RLW employer at this stage but continues to consider accreditation and brings forward a review of the decision in due course.

Action: Chief People Officer

BG/5/19/7.5

BG/19/115

University Performance Report (UPR): data to end of July 2019 (period 12)

115.1 At the Board's October 2019 strategy event there had been reflection on the delivery of the University Strategy, Transforming Lives in the year ended 31 July 2019 which was the period covered by the UPR. At the event the Board's discussions had covered the University's progress against strategic plans, its performance against key performance indicators and compared to the higher education sector, its financial position and sustainability, its opportunities and the risks being mitigated against in the delivery of the University's priorities.

115.2 The Board received the UPR. The Chief Finance and Planning Officer and the Vice-Chancellor highlighted the data in the UPR which was detailed in the reports on student recruitment (item 7.1), strategic investment (item 7.3) and provisional outturn (item 7.2). Governors commented on the following in the UPR:

- i) the improvement in the percentage of BAME staff against a reduction in the number of staff. It was reported that the implementation of the Professional Services Operating Model (PSOM) which was one of the strategic investments (minute BG/19/113 refers) had contributed to a reduction in the number of staff;
- ii) the growth in research income including research grants awarded to the University;
- iii) corporate risk (7) relating to staff. This would be informed by the outcomes of the ballots for industrial action by each of the Trades Unions (paper BG/5/19/10.1 refers). In the event of industrial action the University would plan for and mitigate against the impact of the action on the student experience;
- iv) sickness absence. In response to questions a briefing note would be sent to the Board following the meeting which summarised the University's data and compared it with national benchmarks for:

- a) absences owing to musculo-skeletal conditions;
- b) absences owing to work-related stress and stress not related to work;
- c) the number of referrals to occupational health due to work-related stress and stress not related to work.

Action: Chief People Officer and Chief Estates and Facilities Officer

BG/5/19/8.1
Confidential

BG/19/116

Students' Union

116.1

The Vice-Chancellor introduced the report which provided a summary of the background to the external review of the Sheffield Hallam Students' Union (SHSU). The purpose of the review, which had been commissioned jointly between the University and the SHSU, had been to gain insight and advice in relation to the SHSU's:

- financial sustainability;
- use of the Hallam Union building (HUB) on City Campus;
- relationships/ways of working between the University and the Students' Union;
- relationships/ways of working within the Students' Union.

The Board noted the findings of the review which were reported as a set of detailed observations and considerations in the appendix.

116.2

The President commented that:

- i) he had not known that the report on the review's findings would be on the agenda. In response an apology was made to the President;
- ii) the approach to meetings and correspondence in relation to the findings should be inclusive of the SHSU Officers;
- iii) he welcomed the support of the University in moving forward with the development of an action plan in response to the review's findings. It was reported that a task and finish group, led by the Dean of Academic Strategy, would systematically review the findings.

The Education Officer commented that the relationship between the SHSU and the University, the student led approach to ways of working to deliver SHSU activities which included volunteering and the use of the HUB were key elements in the delivery of the student experience.

116.3

Governors commented:

- i) that they were impressed by the contributions which the Officers made to the reports, discussion and debate at Board of Governors' meetings. The reports made by the Officers evidenced the SHSU work, activities and initiatives they were leading on to improve and deliver the student experience;
- ii) that they supported the SHSU in moving forward with an action plan to deliver improvements and performance which were successful and could be sustained. This

approach would be underpinned by positive relationships and constructive discussions in a joint endeavor between the Officers, SHSU staff, managers and executive, SHSU Board of Trustees and the University;

- iii) that a relatively small number of considerations which would deliver visible benefits in the next twelve months should be selected for initial action planning;
- iv) on the review's observations about the HUB which were different to those of the SHSU;
- v) that in moving forward the use of a small reference group should be explored. The group which would include external people would make checks periodically and provide constructive challenge and insights on SHSU performance.

116.4

The Board noted the next steps which were that the:

- i) opportunities to re-set expectations for the next five years in a renewed strategic plan for the SHSU would be explored in a planned workshop in October 2019 which would look at the vision for the Union in rapidly changing times;
- ii) SHSU's action plan to address the review's outcomes would be made to the Vice-Chancellor by the end of the calendar year;
- iii) Board of Governors would receive a report at its meeting in January 2020.

Action: Vice-Chancellor

BG/5/19/8.2

BG/19/117

President of the Students' Union Report

117.1

The Board received the report. The President and the Education Officer highlighted the activities of the SHSU and the priorities of the elected Officers. These included:

- i) the development of the strategic plan and new vision for the SHSU;
- ii) Black History month in October 2019;
- iii) working with the University to reduce printing costs for students;
- iv) proposals to launch a bus service with an operator which would be available on students' key nights out to provide a safe way home;
- v) options explored with the University to provide Lecture Capture. Governors commented on the pros and cons of Lecture Capture including the approach to it by competitor institutions, its value for disabled students, inclusivity, widening participation, international students where English was not their first language and the student academic experience. The University should be clear on its reasons for providing or not providing Lecture Capture. A report on Lecture Capture from the Education Officer would be discussed by the Shaping Futures Pillar Board. A progress report on the University's approach to Lecture Capture would be made to the Board.

Action: Pro Vice-Chancellor Teaching and Learning

BG/5/19/8.3 Confidential	BG/19/118	Potential Associate Company
	118.1	A minute confidential to the Board was recorded.
BG/5/19/9.1	BG/19/119	Appointments to the Board and its Committees
	119.1	The Board <u>resolved to approve</u> each of the following re-appointments: i) Karen Finlayson to the Board as an independent member for a further four years from 1 August 2020 to 31 July 2024; ii) Julietta Patnick to the Board as an independent member for a further four years from 1 August 2020 to 31 July 2024; iii) Penny Thompson to the Board as an independent member for a further four years from 1 August 2020 to 31 July 2024.
	119.2	The Board <u>resolved to approve</u> the appointment of Sheriff Muhammed (President of the Students' Union) to the Nominations Committee from 10 October 2019 until 30 June 2020.
	119.3	The Board <u>resolved to approve</u> the appointment of Kevin Taylor (member of academic staff elected to the Board) to the Nominations Committee from 10 October 2019 until 31 July 2021.
	119.4	The Board <u>noted</u> that Andrew Adegbola (Education Officer, Students' Union) was the Sheffield Hallam Students' Union representative on the Universities of Sheffield Military Education Committee until 30 June 2020.
	BG/19/120	Chairs' Reports
	120.1	The Board <u>received</u> the reports in 120.2 to 120.5 from the Chairs of the committees.
	120.2	The Chair of the Audit and Risk Committee reported that the Committee's business at the September 2019 meeting had included: i) the re-appointment of Chris Kenny as the deputy chair of the Committee; ii) a private meeting between the Committee and management; iii) risk management including an update on the University's corporate risks and an update on the development of an assurance map. This set out the way in which the University would provide assurances to the University Leadership Team and the Board of Governors that there was an effective system in place to monitor institutional risk and ongoing compliance with OfS conditions and other regulatory issues. The Committee was assured that the University continued to have a robust and effective approach to the management of risk;

- iv) a briefing on the University's work to plan for the United Kingdom's exit from membership of the European Union;
- v) the annual report on the Public Interest Disclosure Policy;
- vi) a progress report on the internal audit 2018/19 programme which included reviews of accounts payable, business readiness and health and safety;
- vii) a progress report on the work carried out by the external auditors including the external audit for the year ended 31 July 2019 which was on schedule.

- 120.3 The Chair of the Finance and Employment Committee reported that the Committee's business at the September 2019 meeting had included:
- i) the approval of the bad debts provision;
 - ii) the re-appointment of Stephen Timothy as the deputy chair of the Committee;
 - iii) a review of progress of estate projects;
 - iv) consideration of its draft annual report (minute BG/19/127 refers).
- 120.4 The Chair of the Remuneration Committee (RC) reported that at its meeting on 8 October the Committee had considered its draft annual report which was recommended to the Board for publication (minute BG/19/122 refers). At its next meeting the Committee would consider the University's approach to senior remuneration including the principles applied to severance arrangements.
- 120.5 The Chair of the Nominations Committee reported that the Committee had considered:
- i) the size of the Board's membership and succession planning for the vacancies arising from the retirements of one independent governor on 31 July 2020 and five independent governors on 31 July 2021;
 - ii) the composition of the Board's diversity and the extent to which individuals, with the protected characteristics specified in the Brief for external members of the Board come forward to express an interest in membership of the Board. The gender diversity of the Board's membership following appointments from 1 August 2019 was outlined. Further details about making a step change in the diversity of the Board's membership would be reported in the Committee's annual report 2018/19 which the Board would receive in November 2019;
 - iii) nominations for the vacancies on the Board and decided to invite an expression of interest in joining the Board. In response to questions the approach to appointments to the Board was outlined. As trustees those appointed were required to declare any personal interest, financial or otherwise, relating to agenda items to be considered at a meeting.

BG/5/19/9.3i
BG/5/19/9.3ii

BG/19/121

Minutes of the Committees of the Board

121.1

The Board received the unconfirmed minutes of the following

which were tabled:

- i) Finance and Employment Committee meeting held on 18 September 2019;
- ii) Audit and Risk Committee meeting held on 19 September 2019.

BG/5/19/9.4	BG/19/122	Remuneration Committee: Draft annual report
	122.1	The Board <u>resolved to approve</u> the draft annual report of the Remuneration Committee for publication in the Annual Report and Financial Statements (ARFS) for the year ended 31 July 2019. The Board would consider the approval of the ARFS at its meeting in November 2019.
BG/5/19/9.5	BG/19/123	Academic Assurance Committee (AAC): Constitution and Terms of Reference
	123.1	The Board <u>resolved to approve</u> the revised constitution and terms of reference of the AAC.
	123.2	In response to a question, the reasons for the change to the AAC's specific duties in relation to the Student Voice report were outlined. It was confirmed that the Board would continue to receive the Student Voice report annually, in November.
BG/5/19/10.1	BG/19/124	Pay Award 2019
	124.1	The Board <u>noted</u> Chair's action taken to approve the payment of the 2019 pay award.
BG/5/19/10.2	BG/19/125	Honorary Awards 2019
	125.1	The Board <u>noted</u> the report which confirmed the recipients of Honorary Doctorates in 2019. Governors commented that there was a need to improve the gender balance of the recipients of Honorary Doctorates in future years. The Vice-Chancellor reported that the Honorary Awards Committee would continue to encourage a wide range of nominations from across the University community to improve the diversity of characteristics in the nominations made for Honorary Awards.
BG/5/19/10.3	BG/19/126	OfS Update including the Access and Participation Plan
	126.1	The Board <u>noted</u> the letter from the Office for Students.
BG/5/19/10.4	BG/19/127	Finance and Employment Committee annual report 2018/19
	127.1	The Board <u>noted</u> the annual report of the Finance and Employment Committee.
BG/5/19/10.5	BG/19/128	Use of the Corporation Seal
	128.1	The Board <u>noted</u> the report.

BG/5/19/11 BG/19/129 **Schedule of Meetings and Outline Forward Planning Programme**

129.1 The Board received the forward planning programme and noted that the next Board meeting will be held from 4.00pm until 7.00pm on Tuesday 26 November 2019.

BG/19/130 **October 2019 strategy event outcomes**

130.1 Following the discussion at the Board's October 2019 strategy event, the forward programme of business would be updated with strategic topics for discussion at Board meetings in 2020.

Action: University Secretary and Clerk to the Board