|  |  |  |
| --- | --- | --- |
| **CONFIRMED OPEN MINUTES OF THE EXTRAORDINARY HYBRID MEETING HELD ON THURSDAY 18 JANUARY 2024** | | |
| PRESENT: | | |
| Meg Munn, Chair | Matt Parkin | |
| Joanna Allen | Prof Julietta Patnick | |
| John Cowling | Prof Keith Ridgeway | |
| Ian Hall | Giles Searby | |
| Sameer Kothari | Tim Smith | |
| Dr Claire Ketnor | Emmanuel Owusu Takyi | |
| Prof Liz Mossop | Penny Thompson | |
| IN ATTENDANCE: | | AGENDA ITEM |
| Michaela Boryslawskyj, University Secretary and Clerk to the Board | | All |
| Richard Calvert, Deputy Vice-Chancellor Strategy and Operations (DVCSO) | | All |
| Prof Rory Duncan, Pro Vice-Chancellor (Research and Innovation) | | All |
| Prof Sally Jackson, Chief People Officer and Pro-Vice-Chancellor (Diversity & Inclusion) | | All |
| Ryan Keyworth, Chief Finance Officer | | All |
| Clair Marlow, Head of Legal Services and Deputy University Secretary | | All |
| Prof Helen Scott, Pro Vice-Chancellor (Learning, Teaching and Student Success) | | All |
| Prof David Shepherd, Deputy Vice- Chancellor (Academic) | | All |
| Lorraine Stallard, Executive Assistant to the University Secretary and Chair of the Board of Governors (Observer) | | All |
| Prof Chris Wiggington, Pro Vice-Chancellor (Global and Academic Partnerships) | | All |
| Tracey Taylor, Minute Secretary | | All |
| APOLOGIES: Gabrielle Berring, Abiola Fasipe, Angela Foulkes, Dr Matt Lilley and Jia Liu. | | |

|  |  |  |
| --- | --- | --- |
| Minute Ref | Item of Business | Paper Ref |
| BG\_2024\_01\_18\_01 | CHAIR’S OPENING REMARKS |  |
| 1.1 | The Chair welcomed the Chair Designate and Vice-Chancellor to their first meeting of the Board. | |
| BG\_2024\_01\_18\_02 | DECLARATIONS OF INTEREST | |
| 2.1 | There were no declarations of interest. | |
| BG\_2024\_01\_18\_03 | **LONDON CAMPUS** | BG\_2024\_01\_18\_P2  CONFIDENTIAL |
| 3.1 | The Chair outlined the background to the Board’s deliberations on the London Campus proposals, particularly for the benefit of Governors who had not been involved from the outset. The role of the Task and Finish Group (T&FG) in supporting agile decision-making following the Board’s agreement in principle of the proposals was noted. The Board noted that, over time, the financial context for both the developer and the University had changed prompting a re-evaluation of the original business case. Revisions to the Agreement for Lease (AfL) were also being proposed, all of which had been reviewed in detail at the T&FG meeting on 11 January 2023.  The Board received a comprehensive update on recent developments, including the revised construction timeline and funding model, an uplift in the rental cost and an updated risk profile.  It was reported that negotiations with Related Argent (RA) on the key changes to the AfL, to protect the University’s interests, had been largely concluded, though the final details of arrangements to ensure the university’s required floor capacity needed to be confirmed. A confidential minute was recorded.  It was also noted that the University was seeking delegated authority from the Board to the Chair of the T&FG to approve the final version of the AfL (the revised draft of which was appended to the paper). | |
| 3.2 | On behalf of the Chair of the T&FG, the Chair of the Finance and Employment Committee (FEC) reported on the T&FG’s recommendation to proceed withthe London Campus proposals which was in line with the University Executive Board’s (UEB) recommendation. T&FG members had expressed their overall support for the programme, acknowledging the significance of any further delay, having discussed in detail the benefits and risks, particularly:   * recognition that London should be considered within the University’s wider financial context and the relatively low impact on the University’s financial performance in the early years; * the lack of an alternative flagship diversification project to address financial challenges in the long-term; * the costs of not progressing the London Campus including potential reputational damage to the University, the negative impact on staff morale and the potential long-term financial implications of a declining recruitment performance in Sheffield; * the potential to enhance brand recognition and benefits to wider marketing activity in Sheffield; * the institutional bandwidth to deliver, noting UEB’s position that the timeline was achievable; and * the largely positive reaction from lenders to initial discussions on the significance of the project. A confidential minute was recorded. | |
| 3.3 | A range of Governor questions/comments and responses from the Executive were noted, including:   * any risks associated with progressing with the London Campus should the University fail to achieve its growth target for Home Undergraduate (UG) recruitment. It was reported that UCAS data on applications as at the end of January would further inform the University’s recruitment position, on which the Board would be briefed at the Strategy Update event on 6 February; but that the underlying arguments for diversification remained relevant in such a scenario; * market intelligence on the experiences of institutions in similar financial circumstances and the contribution of their London Campuses to financial performance; A confidential minute was recorded. * the challenges around UG and international markets including potential changes in government policy and responding recruitment strategies from competing institutions. noting that the proposed operating model which could flex across different markets provided some mitigation; * the challenge from Board Officers to the T&FG to provide reassurance that decision-making processes were informed by timely and detailed information and an agreement that would enable effective partnership working whilst protecting the University’s interests. The T&FG highlighted the comprehensive and high quality of information provided by the Project Team. Members reported that the site visit, in particular, had helped to crystalise the developer’s vision, building on the experience of the Kings Cross Granary Square development in terms of a sense of community and vibrancy, and had contributed to the T&FG’s confidence in achieving a sustainable London Campus; * whether, in light of the rental increase, the University had looked into alternative buildings which may offer a cheaper solution. It was reported that the Executive had not considered this option given the concept for the London Campus as part of a wider development through partnerships with RA and the London Borough of Barnet (LBB), aligned with the University’s vision and values, rather than a standalone building. However, it was noted that the University had received assurance from external property agents on the appropriateness of the rent increase in the current market; * the parallels between Sheffield and Brent Cross Town (BXT) and its relatively underserved populations and the positive contribution Sheffield Hallam could make to the BXT community through its expertise in place-based working and contribution to widening participation; * the strategic fit of the University’s vision for an applied, civic approach to the London Campus and the importance of maintaining this approach throughout; * the wider strategic benefits to a Northern university from establishing a strong brand in the South East, noting that whilst there was further work to do on raising the University’s profile, strong support from its strategic partners would assist; * the institutional bandwidth risk, which would be the subject of a deep dive at the March Audit and Risk Committee (ARC) meeting. The composition, capacity and expertise of the core Project Team were highlighted, and with support from resource across the University, the Executive provided assurance on leadership capacity to deliver the project, noting that the T&FG had regularly tested mitigations to this risk; * whether further debate at Board level on the wider strategy of diversification would be beneficial. It was noted that, whilst diversification featured as one of the strands of the Future Strategy Programme developed post Covid, other workstreams such as the extended campus and a refreshed portfolio offer had also been discussed. It was recognised that diversification was critical to growth particularly given the static UG tuition fee. A confidential minute was recorded. The Chair reminded Governors that the diversification strategy had been tested regularly at Board strategy events in recent years; * A confidential minute was recorded. * recognition of the financial context, particularly around 2026/27, and the critical task for the Executive to improve the short and mid-term financial position in Sheffield. Whilst cost management in Sheffield was fundamental to address the financial challenge, the risks related to London and reducing the University’s cost base could not be considered in isolation, and the need to plan for growth was recognised; * A confidential minute was recorded. * the importance of messaging which communicated to the University community that London was part of an overall strategy to make the University more sustainable, noting that communications with Governors was crucial to their role as University ambassadors; and * reassurance that the T&FG would continue to oversee the development on behalf of the Board (with regular updates), noting the benefits of dedicated time for consideration and agility in decision-making. Whilst there was much work still to do, the University Secretary confirmed that it had always been the intention that the T&FG would continue to oversee the operating model as it developed, with regular reporting to the Board-.   **Action:**   * **Executive to report back to FEC and the Board by end March 2024 on plans to maintain short-term financial sustainability.** * **Project team to liaise with Governance Services to arrange a site visit to BXT (and Granary Square).** | |
| 3.4 | **Resolution:** Tounanimously **approve**, with one abstention:   * the London Campus proposals and next steps as summarised in section 4 of **Paper BG\_2024\_01\_18\_P2;** and * that delegated authority be granted to the Chair of the T&FG to sign off the final version of the AfL. | |
| BG\_2024\_01\_18\_04 | OTHER URGENT BUSINESS |  |
| 4.1 | The Chair informed Board members of Jonathan Slater’s resignation and, on behalf of the Board, recorded her appreciation for his considerable contribution as an Independent Member of the Board. | |
| BG\_2024\_01\_18\_05 | DATE OF THE NEXT MEETING |  |
| 5.1 | Tuesday, 6 February 2024 at 15.00 (following the Board’s Strategic Update and Development event). | |