

**CONFIRMED MINUTES OF THE MEETING HELD ON**

**15 JULY 2020 PRESENT:**

Neil Macdonald (Chair)	Meg Munn
David Bradley	Dr Stephen Timothy
Lord Kerslake	

**IN ATTENDANCE:**

**AGENDA ITEM**

Michaela Boryslawskyj, University Secretary and Clerk to the Board	All
Simon Briggs, Chief Information Officer	7
Richard Calvert, DVC Strategy and Operations	All
Deborah Harry, Chief Finance and Planning Officer ("CFPO")	All
Dr Sally Jackson, Chief People Officer	All
Prof Chris Kinsella, Chair of Audit and Risk Committee (observer)	All
Daniel Ladbury, Director of Estates and Facilities	7-8
Mark Swales, Chief Estates and Facilities Officer	7-8
Angela Temple, Governance Senior Adviser (Minute Secretary)	All
Libby Wilson, Director of Transformation	7

Agenda item 1	<b>Apologies for Absence</b>	Minute Ref	FEC/20/42
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42.1 Professor Chris Husbands and Julie Morrissy.

Agenda item 1	<b>Chair's Opening Remarks</b>	Minute Ref	FEC/20/43
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43.1 The Chair noted that this was Dr Stephen Timothy's final meeting of FEC as his maximum term of office on the Board of Governors was reached on 31 July 2020. Stephen was thanked for his significant contribution to the work of the Committee since 11 October 2012. Furthermore, he was thanked for his work on the Board's Task and Finish Group on the financing of the campus masterplan.

Agenda item 2	<b>Declarations of Interest</b>	Minute Ref	FEC/20/44
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44.1 There were no declarations of interest.

Agenda item Paper Ref	<b>Minutes of Meeting held on 2 June 2020</b>	Minute Ref	FEC/20/45
FEC/3/20M			

45.1 The minutes were confirmed as an accurate record.

45.2 The Chair reported that Chair's action had been taken to amend the minutes of the joint meeting between FEC and Audit and Risk Committee to make part of the minutes confidential (FEC+A/19/5.2ii). The content of the minute had not been amended.

Agenda item 4 Paper Ref	<b>Matters Arising and Action Tracker</b>	Minute Ref	FEC/20/46
FEC/4/20/4			

46.1 **Minute FEC/20/27.2:** A glossary of terms/abbreviations used in the UPR report had been issued. This would be further updated/extended for use in future.

46.2 **Minute FEC/20/37.7:** The insurance position in relation to the Hallam Alliance Partnership had been resolved and the risks had been addressed. The DVC Strategy and Operations would provide a note for circulation to the Committee concerning this matter.

Agenda item 5.1 Paper Ref Confidential	<b>University Performance Report - Financial Monitoring (Period 11)</b>	Minute Ref	FEC/20/47
FEC/4/20/5.1			

47.1 The CFPO gave an update to the Committee on the financial outlook for the University as at period 11 (end June 2020). The Committee noted:

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- i. that the operating surplus had reduced following the decision to invest further in homeworking equipment during the financial year;
  - ii. that the furlough claim, which was previously deducted from staff costs, had been moved to 'other income' on the advice of the auditors. This caused an offsetting variance on each compared to the previous forecast;
  - iii. it was possible that the year-end position could change as a result of the need to make provision for any liability in relation to the Teachers' Pension Scheme (TPS). Work was on-going in relation to this matter;
  - iv. that non-operating costs would be updated when the actuaries' report on pensions was received in August 2020.
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47.2 During discussion, the following points were made:

- i. the funds allocated to increase provision of homeworking equipment in 2019/20 had covered the initial needs of staff. Further expenditure had been allocated to provide an extended range of equipment recognising the longer-term need for staff to work from home;
- ii. there had been a slowdown of capital expenditure and a further report on the impact of this would be made in September 2020;
- iii. the University had taken account of revised HM Revenue and Customs' guidance in relation to the tax status of the provision of equipment to staff.

Agenda item 5.2  
FEC/4/20/5.2  
Confidential

**Update on Covenants**

Minute Ref FEC/20/48

48.1 A minute confidential to the Committee was recorded.

48.2 A minute confidential to the Committee was recorded.

48.3 The Committee commended management on the early and successful engagement with the banks.

Agenda item .3  
Paper Ref FEC/4/20/5.3  
Confidential

**University budget 2020/21**

Minute Ref FEC/20/49

49.1 The CFPO presented the report to the Committee offering a proposed budget for 2020/21. The Committee noted:

- i. that the Office for Students required the submission of a 5-yearly forecast annually in December (the annual financial return) and that the budget for the forthcoming year formed part of the forecast preparation process. The FEC would usually review the 5-yearly forecast together with the budget for the forthcoming year at its July meeting. However, this year the budget only was being presented to the July FEC meeting;
  - ii. that the 2020/21 budget had been collated from business unit submissions aligned to the planning round and adjusted, where appropriate, for University-level assumptions relating to the impact of Covid-19 (including the impact on student numbers for 2020/21);
  - iii. the comparison between the proposed 2020/21 and the 2020/21 forecast budget which had been submitted to the OfS (as part of the annual financial return 2019 to 2024) in December 2019 (BG/5/19/144.2 refers to the Board's approval of the financial return for submission to the OfS);
  - iv. the assumptions which underpinned the 2020/21 including student number income, other income, pay costs, non-pay costs and pensions costs;
  - v. the key assumptions which underpinned the 5-yearly forecast and that a revised forecast – including Future Strategy Group proposals – would be presented to the FEC in October 2020. The FEC in September 2020 would receive (i) an update on the FSG work (prior to formal proposals being submitted in October 2020) and (ii) an update on the estates strategy .
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49.2 During discussion the following points were made:

- i. income from Home postgraduate fees for 2020/21 was lower than previously predicted due to the University offering discounted postgraduate fees to the class of 2020 as part of a comprehensive offer of support for the University's 2020 graduates;
- ii. other income for 2020/21 was lower than previously years due to lower expected income from commercial activity including catering and conferences;
- iii. assumptions in relation to international student numbers in 2020/21 (for September 2020 and January 2021 intakes) had been based on advice from the international recruitment team combined with data on deposits paid and surveys of international students' intentions in relation to study in the UK;
- iv. the Board was aware of the financial challenges faced by the University prior to covid-19 and it was noted that these had been accelerated by the impact of covid-19.

49.3 The Committee recommended that the Board approve the proposed Income and Expenditure, Balance Sheet, Cash and Capital Budget for 2020/21.

Agenda item	5.4	<b>Students' Union Financial Monitoring (Period 11)</b>	Minute Ref	FEC/20/50
Paper Ref	FEC/4/20/5.4			
	Confidential			

50.1 The CFPO gave an update to the Committee on the financial performance of the Students' Union (SU) as at period 11 (end June 2020). The Committee noted that the SU proposed to use the predicted surplus for 2019/20 to progress their 5-year strategy, which would be presented to the Board in July 2020.

Agenda item	5.5	<b>Orders and Contracts Above Threshold Level</b>	Minute Ref	FEC/20/51
Paper Ref	FEC/4/20/5.5			
	Confidential			

51.1 The CFPO updated the Committee with details of recent and future procurements in line with Financial regulations. The Committee noted:

- i. that the existing contract for the website content management system had been extended and substantially renegotiated;
- ii. orders had been raised to undertake the usual cyclical replacement of the existing suite of desktops and laptops and exceptional, additional supply had been secured in a direct response to Covid-19 for both staff and student cohorts;
- iii. a supplier had been appointed under the terms of the National Built Environment Consultancy Services (BECS) framework;
- iv. a supplier had been appointed under the SUPC Software Licence Resellers Agreement [2016/05]; Lot [Lot 1 – Microsoft and Associated Services].

Agenda item	6	<b>People Plan</b>	Minute Ref	FEC/20/52
	FEC/4/20/6			

52.1 The Chief People Officer gave an update to the Committee on progress towards creating an outstanding environment in which to study, research and work including work on the following:

- i. the Hallam Deal
- ii. the Staff Engagement survey
- iii. workforce planning

52.2 The Committee noted:

- i. that this is the first report to FEC from the Chief People Officer Portfolio, which brought together HROD (Human Resources and Organisational Development) and ADD (Academic Development & Diversity). The CPO's portfolio included equality, diversity and inclusion (EDI) in relation to both staff and students;
- ii. that the lockdown of the University from the 23 March 2020 had required a rapid response to emerging people issues and these were on-going;

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- iii. that the University strived to put EDI at the heart of its activity and the CPO highlighted a number of EDI activities including recent communications concerning Black Lives Matter and LGBT+, a pilot reverse mentoring scheme, plans to renew the University's submission for Institutional Athena Swan Bronze award in 2022 and work being undertaken on the University's first submission for the Race Equality Charter in 2021;
  - iv. that a key focus had been developing support materials for academic colleagues in particular around closing the awarding gap, as well as supporting forums within colleges to address this issue;
  - v. a number of initiatives concerning reward and recognition including the extension of the Real Living Wage to casual staff (from 1 January 2021), the introduction of increased paternity leave, a career Break Policy and the on-going review of the Reward and Recognition offer;
  - vi. that the Academic Career Framework had been fully embedded into the Academic Performance and Development Review process to support focused conversations around expected contribution and career development. The Professor/Associate Professor progression processes had been aligned to the Academic Careers Framework and the application process had been published and communicated to academic colleagues.
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52.3 The following comments were made:

- i. it was important to develop performance indicators to measure success in relation to the initiatives and the CPO confirmed that PIs were being developed and would be reported regularly to FEC. It was agreed to report to the September 2020 meeting on progress;
- ii. the range of work being undertaken by the CPO's portfolio was commended;
- iii. members were interested in the reverse mentoring scheme, during which a small number of Widening Participation students ('mentors') were matched with senior University staff ('mentees'). It was noted that the pilot scheme was being reviewed and it was likely that the scheme would be extended in 2020/21.
- iv. a member suggested that the experience of commuter students may also be an area to consider as part of the reverse mentor scheme or similar initiative to consider students experience;
- v. it was important that the University and the Students' Union engaged on issues related to the experience of students from minority groups/Widening Participation students given the SU's representation role. It was noted that the CPO planned to discuss this further with the SU.
- vi. it was felt that care should be taken in extrapolating findings from a small sample of experiences (such as obtained from the reverse mentoring scheme) to a larger group and that wider surveys of experience should also be used as a evidence base for action on EDI issues;
- vii. the CPO suggested bringing Elaine Buckley, Director of Development and Diversity, Academic Development and Diversity, to FEC in September 2020 to discuss the awarding gap.

53.1 The Chief Information Officer updated the Committee on progress made in relation to the roadmap (FEC/20/19 refers). He outlined the development of the roadmap:

- in July 2019 the roadmap and investment priorities for a 3-year period had been agreed;
  - the roadmap had been further updated in February 2020 to integrate activity more closely to the data strategy;
  - in July 2020 the roadmap was being aligned to the emerging strategic priorities for the post Covid-19 University.
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The CIO highlighted changes made to the roadmap as a result of covid-19 including activity that had been accelerated, activity which had been de-prioritised and developments which remained on track. It was noted that strong progress had been made on key priorities. Current investment and running costs were sufficient and consistent with the University's ambition. However, the University would continue to keep this under review, and there were likely to be further investment choices over the period ahead, including in relation to a more technology-enhanced campus. The Future Strategy Group was considering the longer-term financial sustainability challenge and how this impacted on the digital strategy including plans to replace the finance and HR systems.

53.2 The following comments were made:

- i. how had the University's technology strategy impacted on student experience compared to other HEIs? The Deputy Vice-Chancellor, Strategy and Operations, observed that the NSS provided information of student's views of technology and the University had previously performed well in this area.
- ii. the Director of Transformation noted that work had been undertaken over the previous 18 months to join up the student support offer through the use of the CRM system. The University was unusual in its prioritisation of the use of the CRM system to manage current students experience.

53.3 In relation to estates the Chief Estates and Facilities Officer updated the Committee on developments including plans to re-open the campus following the closedown of buildings due to covid-19. Robust plans were being put in place to support the delivery of teaching in 2020/21. The University was considering the future estates needs arising from changes arising from covid-19. A report on expected direction of travel would be made to the September 2020 FEC meeting with proposals being submitted to the October 2020 FEC meeting.

Agenda item 8	<b>Estates Development Report</b>	Minute Ref FEC/20/54
Paper Ref FEC/4/20/8		
Confidential		

54.1 The Committee received the Estates Development Report. The Committee noted the changes made to work on site as a result of the covid-19 shutdown.

54.2 The Committee noted that the Chief Estates and Facilities Officer would retire from the University at the end of July 2020 and thanked him for his significant contribution to the University and the work of the Committee during his time at the University.

Agenda item 9	<b>Investments Summary</b>	Minute Ref FEC/20/55
Paper Ref FEC/4/20/9		
Confidential		

55.1 The Committee received the Investments summary report.

Agenda item 10	<b>Finance and Employment Committee Annual Business Cycle</b>	Minute Ref FEC/20/56
Paper Ref FEC/4/20/10		

56.1 The Committee received the Committee's business cycle setting out items for discussion to the end of 2020.

Agenda item 11	<b>Other Urgent Business: Business Opportunity</b>	Minute Ref FEC/20/57
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57.1 A confidential minute in relation to a bid submitted jointly with a third party in relation to a business opportunity was recorded.

Agenda item 12	<b>Date of next meeting</b>	Minute Ref FEC/20/58
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58.1 16 September 2020