

SHEFFIELD HALLAM UNIVERSITY

BG/5/17/M

BOARD OF GOVERNORS

Minutes of the meeting held on Friday 6 October 2017

Present: Lord Kerslake (Chair) Ms M Munn
 Prof J Bale Mr L Renwick
 Mr D Bye Mr D Silver
 Prof C Husbands Mr K Taylor
 Dr P Jones Ms P Thompson
 Mr C Kenny Dr S Timothy
 Prof C Kinsella Mr M Conway (University Secretary + Clerk to the Board)
 Dr J Morrissy

Apologies for absence from Mr D Bradley, Ms K Finlayson, Mr N MacDonald, Prof J Patnick and Prof P Wiles

In attendance: Prof K Bryan, PVC Health and Wellbeing
 Mr R Calvert, Chief Operating Officer
 Ms D Harry, Chief Finance and Planning Officer
 Prof C Hughes, PVC for Student Experience
 Dr S Jackson, Interim Director of Human Resources + Organisational Development
 Prof K Kerrigan, PVC Sheffield Business School
 Mr M Swales, Director of Estates and Facilities
 Ms T Goodwill, Governance Services (Minute Secretary)

Paper Reference

Minute Reference

BG/17/88

Chair's Opening Remarks

88.1

The Chair welcomed each of the following to their first meeting of the Board:
 i) Jeff Bale and Kevin Taylor who were appointed to the Board from 1 August 2017;
 ii) the Interim Director of Human Resources and Organisational Development, Sally Jackson, who joined the University in September 2017.

88.2

Pro Vice-Chancellor Health and Wellbeing leaving the University in autumn 2017

On behalf of the Board the Chair thanked Karen Bryan for her service to the University and the Board.

BG/5/17/1

BG/17/89

Election of a Deputy Chair of the Board of Governors

89.1

Meg Munn was nominated as the Deputy Chair of the Board and the Board resolved to elect her to serve until the first Board meeting in autumn 2018.

BG/17/90

Declaration of Interests

90.1

There were no declarations of interest.

BG/4/17/M BG/4/17/MC	BG/17/91	Minutes of the meeting held on 18 July 2017
	91.1	The minutes and the confidential minutes were each <u>approved</u> as a correct record.
BG/4/17/action	BG/17/92	Matters Arising/Action Tracker
	92.1	The Board <u>noted</u> the action tracker.
	92.2	Matters Arising Minute 17/65.2vi Equality Objectives - a programme of communication
		The Equality and Diversity Committee (EDC) would monitor progress towards the delivery of the equality objectives including the use of #WeareHallam to engage students and staff. The Board's oversight of the work of the EDC was via its regular reports which were a standing item on the agendas of the Audit and Risk Committee (minute A/17/39 and BG/17/101.2 refers).
BG/5/17/6	BG/17/93	Responsibilities and operation of the Board
	93.1	The report contained the Board's Standing Orders, Statement of Primary Responsibilities and Scheme of Delegations which recorded its responsibilities and operation. The Board <u>received</u> the report and noted that any amendments to its responsibilities and operation, and those of its committees, following the reform of the University's Instrument and Articles in 2017/18 would be reported to the Board in due course. It was reported that to inform the University's work, other universities' governance documents were being examined. Proposed reforms to the University's documents were being discussed with legal advisors and further work would be progressed in the context of guidance on the regulation and funding of higher education providers following the Higher Education and Research Act 2017.
		Action: Clerk to the Board and the Board Effectiveness Working Group
	93.2	The meaning of the word values used in the Board's Statement of Primary Responsibilities (as derived from the University's governance documents) was not articulated. It was suggested that the meaning of values in the context of the University's culture should be a strategic topic for discussion by the Board in 2018.
		Action: Clerk to the Board and the University Leadership Team
	BG/17/94	Other Urgent Business
	94.1	There was no other urgent business.

BG/5/17/8.1
Confidential

BG/17/95

**Financial Monitoring: Provisional Outturn 2016/17
(Period 12)**

- 95.1 The Board received the provisional outturn report for 2016/17 which was subject to audit. The Chief Finance and Planning Officer explained the reasons for the surplus being adverse to budget with reference to the profit on disposal of fixed assets and the Financial Reporting Standard (FRS102) accounting adjustment for pension liabilities which had been confirmed with actuaries. The briefing note (appendix) explained the drivers for the increase in Local Government Pension Scheme (LGPS) charges and the requirement of FRS102 that organisations account for pension costs on a consistent market-related basis.
- 95.2 It was reported that at its meeting in September 2017 the Finance and Employment Committee (FEC) had commented on the:
- i) pensions offer to staff in the context of the developing People Plan and options to address the pensions position and statutory obligation to offer the LGPS, which was a defined benefit scheme, to new staff. The Committee would receive a further report at its meeting in November 2017;
 - ii) the covenants relating to the University's loan with Barclays bank and the LGPS valuation (appendix). As reported to the Board in July 2017 the forecast accounting deficits would not cause a breach of bank covenants (minute BG/17/66 and 79 refer).
- 95.3 In discussion, members of the Board commented on the surplus for 2016/17 being adverse to budget and:
- i) the University's prudent and timely approach to its financial planning including the work by the FEC and Audit and Risk Committee (ARC) in relation to the University Financial Plan (UFP). The sensitivity of the financial planning scenarios in the UFP to key drivers would continue to be tested;
 - ii) the accounting requirements of FRS102 and the effect of the increase in LGPS charges posted to the income and expenditure account following the publication of the summer 2017 actuarial review outcomes. In response to governors comments it was confirmed that the outcomes could not have been foreseen;
 - iii) how the University would engage and communicate with staff and other stakeholders about the adverse to budget surplus for the financial year ended 31 July 2017. The FEC and ARC would receive further reports at the November 2017 meetings prior to making recommendations to the Board to approve the Annual Report and Financial Statements for the year ended 31 July 2017.

Action: Chief Finance and Planning Officer

BG/5/17/8.2

BG/17/96

Risk Appetite

96.1

The Board received the report which included the updated statement of risk appetite.

96.2

The Chair of the Audit and Risk Committee reported that at its September 2017 meeting the Committee discussed a report on the University's developing approach to risk management and received reasonable assurances in relation to the approach which was consistent with the University Strategy. It was suggested that a briefing on the University's approach to risk management should be arranged for the Board.

Action: Clerk to the Board and Senior Planning Analyst (Risk and Business Continuity)

96.3

The Board resolved to adopt the statement of risk appetite.

BG/5/17/8.3
Confidential

BG/17/97

Student Recruitment

97.1

The Chief Operating Officer introduced the tabled report which set out the recruitment position as the University entered the September 2017 enrolment period. The number of enrolled students, the University's performance against undergraduate recruitment targets in the context of changes in age demographics, and its performance against postgraduate and international recruitment targets were summarised. Overall the University's position was considered to be positive but the challenges in the student recruitment environment were significant. The Board received the report.

97.2

The Board discussed:

- i) the recruitment of Nursing and Midwifery students and potential students with reference to the effects of government policy over which the University had no control. Comments were made about funding arrangements for nurse training including the withdrawal of bursaries, placements, student engagement and the attraction of nursing to potential students in the context of negative media reports about the performance of the National Health Service. In connection with the routes into nursing the success of the University's arrangements with regional further education colleges was outlined. Governors suggested that the University should consider making a submission to the Health Select Committee's enquiry into the current and future scale of the shortfall of nursing staff.
- ii) the governors tour of Clearing in August 2017 led by the Director of Student Recruitment and UK Admissions. Governors commented that the level of

organisation and collaboration across staff teams was impressive;

- iii) the University's approach to confirmation and Clearing, student numbers, income levels, future income generation requirements and the capacity of the estate in the context of the University Financial Plan. The work to define an internal funding resource model was summarised.

97.3 It was suggested that a report on the lessons learned from the 2016/17 student recruitment cycle be made to the Board following a report to the University Leadership Team (ULT) in autumn 2017.

Action: Chief Operating Officer and ULT

BG/17/98

President of the Students' Union Report

98.1 The Board received a report from the President of the Students' Union in which he:

- i) welcomed the time in the governors' strategy event programme for students' roundtable discussions with governors following the positive outcomes of the discussions in May 2017;
- ii) expressed his disappointment that under the new governance arrangements, implemented from 1 August 2017, the membership of the four pillar boards did not include student representatives. It was reported that the arrangements would be re-examined and other ways of ensuring that the Students' Union could contribute effectively to the delivery of the University Strategy would be explored;
- iii) expressed his disappointment that the University had not completed its response to the Student Voice 2016/17 report and it was not on the agenda for this meeting. Under the new governance arrangements the Student Voice report and the University's response would be discussed at the first meetings of the Academic Assurance Committee (AAC) of the Board of Governors and the Engage Committee which would take place on 20 October 2017.

98.2 The Board discussed the pace of progress of the Student Voice report in 2017 and process improvements were suggested to make the publication, communication and promulgation of it in the University more timely and effective in future. In accordance with the Articles of Government (12.4) the Board of Governors shall satisfy itself that students have the fullest opportunity to raise matters of proper concern to them at all levels in the University as may be appropriate and, at the conclusion of the discussion the Board was assured that:

- i) the University's response to previous Student Voice reports would be reviewed to ensure that all actions

had been addressed;

- Action:** President of the Students' Union and ULT
- ii) the ULT commitment to promulgate the reports in the University and ensure that outcomes were addressed was maintained;
- iii) the sequence of reporting to the AAC first and then the Board of Governors would continue. The Board would receive a report on the Student Voice at its meeting in November 2017.

Action: President of the Students' Union, Chair of the AAC and Clerk to the Board

BG/5/17/9.1
Confidential

BG/17/99

Annual Provider Review 2016-17 Outcomes for the University

99.1

The Board received and accepted the report including the letter from HEFCE.

BG/5/17/9.2

BG/17/100

Pay Award 2017

100.1

The Board noted the Chair's action taken to approve the implementation of the 2017 pay award.

BG/17/101

Chairs' Reports

101.1

Arrangements for the Chair of the Finance and Employment Committee (FEC) and the Chair of to Audit and Risk Committee (ARC) to attend each other's meetings as observers (minute FEC/17/40.2 refers) were in place. The Chair of the Board invited the Chairs of the committees of the Board to report on the business covered at their meetings. The Board received the reports in 101.2 to 101.4.

101.2

The Chair of the ARC reported that at its meeting held on 21 September 2017 the Committee had:

- i) appointed Chris Kenny as the deputy chair of the Committee;
- ii) undertook its annual review of effectiveness 2016/17 and concluded that it was operating effectively;
- iii) discussed a report on the implementation of the University's equality objectives which the ARC was monitoring (minutes A/17/39 and BG/17/92.2 refer). In due course, following implementation, the ARC's role would transfer to the Board;
- iv) discussed reports on the developing approach to risk management, the student recruitment corporate risk and the implementation of the General Data Protection Regulation. On the basis of these reports the ARC received reasonable assurances in relation to the University's approach to risk management (minutes ARC/17/40, 41 and 42 refer). The Board would receive the next report on risk management from the Chair ARC at its meeting in January 2018 (action 16 in BG/4/17/9.2 refers).

Action: Chair ARC

- v) approved the internal audit strategy and annual plan for 2017/18.

101.3 The Deputy Chair of the FEC reported that at its meeting on 20 September 2017 the Committee had:

- i) appointed Stephen Timothy as the deputy chair of the Committee;
- ii) discussed reports on the University's approach to and arrangements for the recovery of debt and the strategic objectives in connection with the Olympic Legacy Park. Other business discussed prior to reports being made to the October 2017 governors strategy event and the Board meeting were the developing People Plan and Estate Masterplan which supported the implementation and delivery of the University Strategy, the provisional outturn report for 2016/17 (minute BG/17/95 refers) and the acquisition of property (minute BG/17/105 refers).

101.4 The Chair of the Nominations Committee reported on the progress of the search for a potential new Chancellor which had been reported to the Nominations Committee at its meeting in September 2017. The Committee also reviewed potential new members of the Board against the brief for the expertise and experience sought in potential governors and arrangements for interviews would be made. The next meeting of the Committee would be held in February 2018.

BG/17/102 **Appointment of an academic member of staff to the Nominations Committee**

102.1 The Board resolved to approve the appointment of Kevin Taylor, academic member of staff on the Board, to the Nominations Committee from 1 August 2017 until 31 July 2019.

BG/17/103 **Appointment to the Academic Assurance Committee (AAC)**

103.1 The Board resolved to approve the appointment of Julie Morrissy as a member of the AAC from 1 August 2017.

BG/5/17/10.4i BG/17/104 **Minutes of the Committees of the Board**

BG/5/17/10.4ii

104.1 The Board received the unconfirmed minutes of the:

- i) Finance and Employment Committee meeting held on 20 September 2017;
- ii) Audit and Risk Committee meeting held on 21 September 2017.

BG/5/17/10.5 BG/17/105 **Acquisition of property**

Confidential

105.1 The Board received the report and noted the Chair's action taken in July 2017 in connection with the acquisition

of a property which the Board approved at its meeting in October 2015 (minute BG/15/109 refers).

BG/5/17/11 Confidential	BG/17/106	Honorary Awards 2017
	106.1	The Board <u>received</u> and <u>accepted</u> the report.
BG/5/17/12	BG/17/107	Annual report 2016/17 of the Universities of Sheffield Military Education Committee
	107.1	The Board <u>received</u> and <u>accepted</u> the report.
BG/5/17/13	BG/17/108	Schedule of Meetings and Outline Forward Planning Programme
	108.1	The Board <u>received</u> the forward planning programme and <u>noted</u> that the next Board meeting would be held from 4.00pm until 7.00pm on Tuesday 28 November 2017. The volume of business for the November meeting would be reviewed to ensure that it was manageable.
	108.2	<p>The following strategic topics for discussion would be included in the Board's forward programme of business for 2018:</p> <ul style="list-style-type: none"> • developing estate masterplan, following the discussion at the governors' October 2017 strategy event; • implementation of the equality objectives; • developing People Plan including values in the context of the University's culture (minute BG/17/92 refers) following the discussion at the governors' October 2017 strategy event; • research ambitions and investments; • health; • international recruitment. <p>Action: Clerk to the Board and the Board Officers</p>
	108.3	<p>Governors' roundtable discussions with students were to be held at least annually (minute BG/17/52 refers) and the 2018 date would be confirmed with governors in due course.</p> <p>Action: Clerk to the Board and PVC for Student Experience</p>
	108.4	<p>Governors' Update and Development Day on 30 January 2018</p> <p>Further details about the programme for the governors' update and development day, which was tabled, would be circulated to governors. The topics proposed were unconscious bias, mental health, risk management and appeals.</p> <p>Action: Clerk to the Board</p>