

# Minutes

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<b>Meeting title:</b>	Council	
<b>Date:</b>	Wednesday 9 May 2018	<b>Time</b> 2.00pm
<b>Location:</b>	The Dean's Meeting Room, South Academic Block, Southampton General Hospital	
<b>Present:</b>	Ms F Barnes, Mr G Berruyer, Mr P Greenish (Vice Chair), Mr G Hobbs, Mr P Hollins, Dr B Lwaleed, Dame J Macgregor, Professor R Mills, Ms F Noble, Ms H Pawlby, Dr D Price, Mr A Reyes-Hughes, Professor P Reed, Professor Sir C Snowden, Professor M Spearing, Professor J Vickers and Dr A Vincent.	
	Dr G Rider via telephone	
<b>In attendance:</b>	Mr L Abraham (Clerk to the University Council & Senate), Ms C Day (Director of Health, Safety and Risk), Mr I Dunn (Chief Operating Officer), Professor A Neill (Vice President – Education), Ms S Pook (Executive Director, Finance & Planning) and Professor R Taylor (Pro Vice Chancellor and CEO – Malaysia)	

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## 76 Apologies

Council noted an apology for absence from Mr W Shannon.

As the chair, Dr Rider, was not able to attend in person, the Vice Chair, Mr Greenish, took the chair.

Council resolved accordingly.

---Mr Philip Greenish in the chair---

## 77 Minutes

**RESOLVED** that the minutes of the meeting held on 14 March 2018 be confirmed as a correct record and signed.

## 78 Actions and Matters Arising

Council noted the Annual Calendar of Business.

Council also noted that the four actions detailed at the end of the agenda would all be resolved via items on the agenda at this meeting.

## 79 Declarations of Interest

Ms Pook declared an interest in minute 84 as a Trustee of PASNAS.

## **80 Publication of unrestricted papers**

**RESOLVED** That the papers circulated that were not deemed “Commercial in Confidence” or Restricted be published on the open access SUSSED site.

## **81 President and Vice Chancellor’s Report**

The President & Vice Chancellor presented his report to Council highlighting the following:

- USS strike;
- Select Committee review of Freedom of Speech in Universities;
- Post 18 Education review;
- Office for Students – Student perception of value for money;
- UUK Policy priorities post Brexit;
- Increase in rankings in Complete University Guide and Reuters “Most Innovative Universities”;
- Academic staff members election to The Royal Society and a student success in being awarded “Best dissertation” by the Royal Geographical Society and supervisor also being recognised.
- An update on UEB activity.

Council wished that congratulations be passed to Nikolay Zheludev and David Richardson on the news of their election to the Royal Society and to Natasha Wallum on the news of her award of “Best Dissertation” from the Royal Geographical Society and to Julian Leyland as dissertation supervisor.

Council also noted a brief update on student recruitment. Applications were down overall by around 15% and conversions were down by 20% with variances between subjects. The overall pattern highlighted a decrease which would have an impact on University finances which would need to be addressed as Council considered future finances and business plans at the July meeting.

**RESOLVED** that the report be noted.

## **82 Report from the President of the Students’ Union**

Council considered a report by the President of the Students’ Union which reported on the following activity:

- SUSU Restructure
- Campaigns
- Elections
- Change of President and the year ahead.

**RESOLVED** that the report be noted.

## **83 USMC Update**

Council considered a report from the Pro Vice Chancellor (Malaysia CEO) which provided an update on the new CEO's plans to further develop and grow the campus in such a way that it would generate financial and reputational benefit to the University over the coming years. Council had previously asked for an update on progress at their meeting in May 2017.

The report updated on progress with the University of Southampton Malaysia Campus and to detail the work currently underway to address issues of strategy, planning, recruitment and growth.

Council welcomed Professor Rebecca Taylor who was attending her first Council meeting since her appointment. Professor Taylor made a presentation which first outlined the recruitment numbers for USMC over the past 5 years. Council then noted a new strategy and vision together with an outline of the programmes to be delivered on the campus; a combination of degrees, foundation years, research programmes and a portfolio of shorter courses. At Council in May 2017 it had been resolved that partnerships in the local area be explored and Council noted partnership activity over the past year that included amongst others:

- Rolls Royce
- The Academy of Esports
- Worldwide Universities Network
- Agensi Kelayakan Malaysia – The Malaysian Qualifications Agency
- Chartered Management Institute

Professor Taylor then highlighted some of the challenges that faced USMC:

- Estate
- EduCity management and student accommodation
- Marketing and Communication
- Networks and Influence
- Staff development
- Focus/Culture

Council also noted that there was a need to clarify the governance structure for USMC and to determine the appropriate level of autonomy required to provide the Campus with the agility to develop at speed. Understanding this was vital for both sides and Council requested a paper outlining the governance at the next meeting.

**ACTION: PVC (Malaysia)/COO/Director of Legal Services**

With regard to the finances and achieving the target of break even, Council noted that this could be achieved in the current premises but investment in the estate was required soon which would impact on future finances.

Council thanked Professor Taylor for her report, presentation and for the enthusiasm that had been brought to the USMC campus.

**RESOLVED** that the progress report be noted.

Council considered a report by the Director of Finance – Operations updating Council on the PASNAS project and providing an analysis of the options available alongside the recommendation from UEB and Finance Committee for decision.

Council was reminded of the discussion at the last meeting which centred around the consultation that had been carried out. A recommendation had then been drafted, approved by UEB and presented to the Finance Committee that proposed that PASNAS be closed to new starters from 2019 and a new “Defined Contributions” scheme be introduced. The new DC scheme would offer tiered contributions. PASNAS would remain for the current membership. Council noted that the new DC scheme would require 10% employer contributions and the tiered range of employee contributions. The tiered structure provided a flexible scheme that would benefit staff members on the lowest pay grades. Council considered the consultation feedback and reflected on how the proposals had been amended in a number of areas to take the consultation feedback onboard.

It was noted that the Unite, Unison and UCU unions had written collectively to the Council asking for various matters to be considered:

- Re-opening of PASNAS should finances improve
- Joint Panel is used to value the PASNAS fund
- Equalisation of pension benefits for staff across all levels of the University.

Council was mindful of the effect that changes to the scheme would have on staff but was also firm in its belief that an affordable and sustainable pension was vital in continuing to be a responsible and competitive employer.

Council also recognised that the University would need to review the contributions to PASNAS after the results of the triennial valuation were known (summer 2019) as part of the agreement of any deficit recovery plan. It was expected that this may lead to a further consultation to raise employee and employer contributions.

Council agreed that the recommendation from the Finance Committee be approved and asked the Executive to pay particular attention to the way the changes would be communicated to staff. It was also agreed that the collective communication from the Unions be replied to by the Chair of Council

**ACTION: Executive Director, Finance and Planning**

Council thanked the Finance Team for their excellent work on this matter.

**RESOLVED** that

- the closure of PASNAS to new starters on 1st January 2019 be approved;
- the creation of a new DC arrangement as set out in section 5.3 of the report, be approved;
- an amendment to the scheme rules to close to new members from PASNAS Trustees be requested.

Council received a report and presentation from the Director of Health, Safety and Risk on the work over the past 12 months on student and staff mental health.

Council noted the legislative position and then the actual sickness days lost through mental health issues. It was noted that mental health sickness was largely the same over the past 2 years, however, mental health issues were likely to result in longer absences. The process was then outlined for dealing with cases of mental health illness, including improved identification and escalation processes for both students and staff. The objectives for 2018 were then outlined, including:

- Further develop the mental health pages and toolkits on the H&S intranet site
- Work with HR to implement the six stage process for stress management:
  - Improve information sharing to enable H&S intervention and advice on suitable ill-health cases;
  - Recruit in-house OH Nurse to strengthen the Health & Wellbeing team and triage referrals;
  - Procure a new external OH contract with sufficient flexibility to innovate and act quickly;
  - Scope and develop an online OH referral form;
  - Scope options for a face-to-face Counselling service for staff;
- Explore online systems for enabling further self-help  
E.g. NHS based Silver Cloud which offers online CBT and self-awareness tools.
- Increase the number of wellbeing training sessions delivered to line managers

**RESOLVED** that the update be noted and approach be endorsed.

## **86 Risk Management**

Council received a report by the Director of Health, Safety and Risk which presented the latest version of the strategic risk register.

**RESOLVED** that the report and register be noted.

## **87 President & Vice Chancellor's Annual Report on Health & Safety**

Council received a report by the Director of Health, Safety and Risk which presented the President and Vice Chancellor Annual Report to Council on Health and Safety.

**RESOLVED** that the report be noted and approach endorsed.

## **88 Annual Report from the Health and Safety Audit and Assurance Committee**

Council received a report by the Chair of the Health & Safety Audit and Assurance Committee which reported to Council the Committee's findings following its meeting held March 2018.

Council noted that Deans took an active role in health and safety within their faculties and the Committee encouraged consistent record keeping. The Committee's conclusion was that the University was complying with health and safety legislation to an acceptable level. Improvements were suggested, such as:

- Better information systems;
- Senior management to “walk their patch”
- Clear action plans to be put in place where improvement is required.

Council thanked Mr Greenish and the committee for their excellent work.

**RESOLVED** that the report be noted.

## **89 Nominations Committee Matters**

Council received an oral update from the Chair on the Nominations Committee that had taken place earlier in the day.

Two Lay Member positions, Pro Chancellor extension and the role of Treasurer were due for renewal on 1 August. One Lay Member position was still to be recommended from the Committee pending further discussion.

**RESOLVED** that

(i) Mr William Shannon be appointed as a Class 2 Lay Member of Council for a second term from 1 August 2018 until 31 July 2021

(ii) Dr David Price be appointed as Class 1 Treasurer for a second and final term from 1 August 2018 until 31 July 2021

(iii) Dr Gill Rider be appointed as Pro Chancellor for an additional year from 1 August 2018 until 31 July 2019.

## **90 Treasury Management – Investment Decisions**

Council considered a report by the Executive Director, Finance and Planning which set out a recommendation from the Finance Committee in respect of new investment decisions, following its meeting of the 24th April.

**RESOLVED** that

(i) the recommendation from Finance Committee to appoint the following fund managers be approved as follows:

- Royal London Asset Managers (RLAM) to be appointed to manage a ‘fixed interest’ investment product utilising an enhanced cash & bond strategy. Initial investment of £200m, drawdown in line with cash requirements over the next 5 years. Return expected to be 2.25% pa, net of fees;
- Ruffer LLP to be appointed as fund manager for a diversified growth product. Investment of £35m, duration 39 years.

(ii) option 1 as set out in the report be approved for the level to be invested - to a maximum of £200m for the fixed income product and £35m for the diversified growth fund.

(iii) delegation be approved of the final placement decisions to the Executive Director, Finance & Planning with delegated authority being given to:

- Approve transfer of funds to the two fund managers above, being no higher than the amounts stated in (i) above;
- Approve a lower amount of investment if appropriate (for example if interest rates were to increase or new cash flow projections suggested increased cash holdings were required).

#### **91 Capital Estates**

Council received a report by the Executive Director of Estates and Facilities which provided an update based upon the submission to Council on 17th January 2018, which requested £96.6m release of funding to progress projects. The report also referred in part to the submission made to Council in 2017 in relation to the anticipated expenditure of Bond monies.

RESOLVED that the report be noted.

#### **92 Sealing of Documents**

Council received and noted a report detailing the documents sealed since the last report to Council.

#### **93 Chair's Action**

Council noted that Chair had approved the new Terms of Reference for the Audit Committee.

#### **94 Committee Minutes**

Council noted all the Committee minutes from meetings that had been held since the last meeting.

### **Restricted Items**

#### **95 HR Matters – Senior Appointments**

Council considered a restricted report by the President & Vice Chancellor which set out senior appointments for Council approval.

**RESOLVED** that

(i) Professor Mandy Fader be appointed as Head of School of Health Sciences and approval be given to extend both Dr Sara Demain as Head of Allied Health Professions for one month and Professor Jonathan Flynn as Head of Physics and Astronomy for six months.

(ii) the applications for the new Head of School posts for the School of Engineering and School of Humanities and the proposed recruitment plans be noted.

**96 HR Matters – Proposal for two Redundancies**

Council considered a restricted report by the Executive Director of Human Resources relating to two proposed redundancies.

RESOLVED the next stages of the redundancy procedure is initiated and the postholders identified in the report are placed “at risk” of dismissal by reason of redundancy as set out in Ordinance 3.4.

**97 HR Matters – Determination of Redundancy in Recruitment and Admissions**

Council considered a restricted report by the Chief Operating Officer which set out a restructure within Recruitment and Admissions.

RESOLVED That Stages 3 to 6 of the Redundancy Ordinance are initiated and the relevant members of staff are placed “at risk” of dismissal by reason of redundancy.

**98 Redundancy in Faculty of Social, Human and Mathematical Sciences**

Council considered a report by the Dean of the Faculty of Social, Human and Mathematical Sciences which sought to initiate Stages 3 to 6 of the Redundancy Ordinance (clause 17, Ordinance 3.4).

**RESOLVED** That the instigation of the next stages of the redundancy procedure be approved and it be agreed that, due to the early termination of the grant awarded from the Economic and Social Research Council (ESRC), the 10 posts currently funded by this grant are placed “at risk” of dismissal by reason of redundancy.

**99 Outcomes of Determination Between March 2015 and April 2018**

Council considered a restricted report by the Executive Director of Human Resources which provided an analysis of all the Stage 2 determinations considered by Council for the last three years including the departments in which they occurred and the gender balance of individuals affected.

Council requested a further report on this matter which provided a more in-depth analysis taking into account the size and shape of the various departments and teams where redundancies had occurred. Input from the Equality and Diversity team into the report conclusions would also be welcomed. Council asked for more time on the next Council agenda to discuss the matter so an item on the open (non confidential) part of the agenda was suggested. **ACTION: Executive Director of HR**

**RESOLVED** that

(i) the outcomes be noted;

(ii) an in-depth review of all the redundancy cases, equality impact assessments for the cases determined, is undertaken and that any findings and resulting actions are reported back to Council in July.

**The meeting concluded at 6.28pm**



**Actions**

<b>Minute No.</b>	<b>Minute Title</b>	<b>Action Summary</b>	<b>Owner</b>	<b>Report Back Date</b>
83	USMC Update	To report back to Council on USMC Governance	PVC (Malaysia/COO/Director of Legal Svs	July 2018
99	Outcomes from Redundancy Determinations	More in-depth report back to Council	Executive Director of HR	July 2018