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| **Meeting title:** | | | Council | | |
| **Date:** | | | Wednesday 25th November 2020 | **Time** | 12.30pm |
| **Location:** | | | Via Microsoft Teams | | |
| **Present:** | | | Mr P Greenish (Chair), Prof. Dame M Atkins, Ms F Barnes, Mr R Cartwright, Mr G Hobbs, Mr P Hollins, Professor J Holloway, Dame J Macgregor (Vice-Chair), Professor R Mills, Ms H Pawlby, President & Vice-Chancellor, Dr D Price, Professor P Reed, Mr W Shannon, SUSU President, Vice-President (Education), Dr A Vincent, Mr T Whitmore and Mr S Young. | | |
| **In attendance:** | | | Clerk to the University Council & Senate, Chief Operating Officer, Executive Director - Finance & Planning, Vice-President (Research & Enterprise) and Executive Director of HR. | | |
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| **17** | **Apologies**  There were no apologies. | | | | |
| **18** | **Minutes**  RESOLVED That the minutes of the meeting held on 29th September 2020 be confirmed as a correct record and signed, and the notes of the extraordinary meeting held on 23rd October 2020 be confirmed as a correct record. | | | | |
| **19** | **Actions and Matters Arising**  Council noted the Annual Calendar of Business.  A full update on the outstanding actions was then noted as follows:  (i) 74/1920 – Sustainability to be reported back in March 2021.  (ii) 79/1920 – Awayday Outcomes - Executive to consider developing a dashboard of key info for Council – Ongoing Action. The Chair stated that Council should consider whether the Bridging Strategy KPI dashboard was sufficient.  (iii) 2/2021 – International Strategy – The Vice-Chancellor updated Council that the action had now been split into two distinct areas of international operation; (i) International strategy for the Asia-Pacific region, and  (ii) Developing the Southampton approach to transnational education. These better reflected the work being undertaken by the interim VP International and would then feed into the fuller International Strategy when a permanent post holder was in place. | | | | |
| **20** | **Declarations of Interest**  It was noted that with regard to the USS pension, a number of staff members present were members of the scheme. | | | | |
| **21** | **Publication of unrestricted papers**  RESOLVED That only papers deemed not commercial in confidence be released. | | | | |
| **22** | **President and Vice-Chancellor’s Report**  Council noted highlights from the last two monthly Vice-Chancellor and Executive reports.  The Vice-Chancellor stated that the coronavirus situation was continuing to prove the resilience of the organisation. UEB continued to meet as Gold Command to consider the university’s tier status, which remained at tier 1. Cases remained low which was probably down to a range of factors including the successful testing programme and also the generally excellent behaviour of both staff and students. It was also noted that while non-continuation rates had risen slightly, they remained well below the KPI target.  The Vice-Chancellor also highlighted:   * A-level delay for 2021 * The Comprehensive spending review * Low Value Courses – UUK forming a Task Force to develop thinking. The Vice-Chancellor had been asked to participate * The appointment of Professor Michael Butler as the next Dean of the Faculty of Physical Sciences and Engineering * Recent University success in the Queen’s Birthday Honours   Prior to the Council meeting, members had engaged in discussion with a group of students about how they had transitioned into blended/online learning and also how successful the COVID secure campus measures had been. Students had reported a range of issues to Council, but had appreciated the online teaching and blended learning provision, much of which was very good, and the COVID-secure campus activity had been clear and thorough. The Executive team were congratulated for their guidance of this excellent work that had produced the successful outcome.  The content of the monthly Executive report was discussed. It was requested that thought be given the large amount of change and the rapid pace of that change, for example in national policy that mechanisms might be developed to keep Council up to date.  **ACTION: Vice-Chancellor and Clerk**  **RESOLVED** that the update be noted. | | | | |
| **23** | **Report from the President of the Students’ Union** | | | | |
|  | Council considered a report by the President of the Students’ Union which provided an update on recent SUSU activity.  The President highlighted:   * October Welcome Week and positive feedback received * The feasibility study into the development of the Union building * Changes and improvements to democracy and governance with the Union * Good budgetary position of the Union * Recording lectures – lack consistency across the University * Special considerations in assessment to be made clearer * Work continued on student mental health and wellbeing * Continuing work to improve the sports offer at Wide Lane   Council reiterated its thanks for the excellent behaviour of students during this difficult time in helping to keep the infection rates down.  It was noted that all lectures were now recorded and available to students, but other activity such as tutorials, seminars and lab demonstrations were more complex to capture and offer. The University was working closely with SUSU to improve this.  **RESOLVED** that the report be noted. | | | | |
| **24** | **COVID-19 Update**  Council received an update on activity in and around the University with regard to COVID. The small increase in cases among the students reflected the slight rises in the wider community. The testing programme continued to work well and was, additionally, identifying cases from asymptomatic testing. Work was underway to support students leaving for the winter break as well as supporting those remaining in halls over the holiday period. Plans were also being developed to organise the return of students in January, including testing upon arrival.  With regard to campus activity, an increased number of students were arriving for their teaching, however the catering offer had not been fully used and so would be scaled back in the New Year.  The University had been involved in the vaccine testing work undertaken at Oxford and would also be a vaccination site, working with the local health authority.  Staff wellbeing was being monitored and addressed with line managers being encouraged to keep in close contact with their teams and to offer the various sources of help available to any members of staff finding their work/life balance difficult.  It was stated that the University Health & Safety Audit & Assurance Committee, which included health and safety professionals from industry, at its recent meeting had commented that the work and plans undertaken recently to secure the campus and look after staff and students were the best they had encountered and offered congratulations to the teams involved. Council reiterated its thanks to the Executive team for this achievement and also asked that the thanks be cascaded down throughout all the teams and staff members and all those involved in the magnificent work that had been undertaken.  **RESOLVED** that the update be noted. | | | | |
| **25** | **Finance Report**  Council considered a suite of reports by the Executive Director, Finance & Planning which comprised six parts:  i – Business Analysis and Financial Statements 2019/20  ii – OfS Annual Accountability Return – Financial Commentary  iii - Audit Committee Annual Report 2019/20  iv – Key Performance Indicators – Retrospective report on 2019/20 performance  v - Final Budget 2020/21  vi – Management Accounts - September 2020  The reports provided information on the prior year performance and set the budget framework for the current year. The OfS financial return contained two years of historic performance information and five years of forecast data (including the current year).  (i) Business Analysis and Financial Statements 2019/20  The financial statements for 2019/20 had been presented to Finance Committee on 4 November 2020 and were presented to University Council for approval.  Following the audit during September and October, the external auditor produced a management letter which was presented to the Audit Committee alongside the draft financial statements on 11 November 2020. The Audit Committee was satisfied with the content of the letter and the presentation of the external auditor. The audit went well, no significant issues were identified and the financial statements contained an unqualified audit opinion.  Our Letter of Representation to the external auditor confirmed our responsibilities for the audit in line with previous years.  The financial statement surplus of £102.7m is after the impact of a large exceptional item following the completion of the 2018 Universities Superannuation Scheme (USS) valuation. The underlying surplus to 31 July 2020, before actuarial losses from pension schemes and without the USS accrual, was £38.3m (6.6% of income) which compares to an underlying surplus of £22.2 million for 2018/19. The increase year on year in the underlying surplus was primarily due to higher levels of international student fee income and a strong focus on expenditure control in the last five months of the year. Both Finance Committee and Audit Committee had scrutinised the financial statements and were content and stated in particular that the finance team had worked incredibly hard under difficult circumstances this year to not only produce excellent accounts, but also a successful audit.  It was agreed that the strong level of surplus generated in the year, and the complications of a large USS accrual adjustment, make this a challenging performance to communicate to our stakeholders.  The Executive Director and Finance team were congratulated on their excellent work in producing the budgetary reports.  RESOLVED that   1. the Financial Statements for 2019/20 be approved 2. the financial performance for the year compared to budget be noted 3. the issuing of a letter of support from the University of Southampton committing the University’s financial support for a period of 12 months from signing the accounts to the following subsidiaries:  * Southampton Asset Management Ltd * USMC Sdn Bhd * University of Southampton Holdings Ltd   (ii) OfS Annual Accountability Return – Financial Commentary  The University is required by the OfS terms and conditions of funding to provide certain data returns and forecasts which together enable the OfS to form a judgement on the risk profile of the University. For the December returns, institutions were required to submit a five-year financial forecast incorporating in-year student numbers and final budget data.  RESOLVED that the 2019/20 financial return, commentary and assumptions for submission to the OfS be approved.  (iii) Audit Committee Annual Report 2019/20  The Audit Committee had prepared its annual report on its work for the University Council for the period 1 August 2019 to 31 July 2020. While the report was based on work undertaken during 2019/20, it also covered the scrutiny of the University’s 2019/20 Financial Statements in November 2020.  The Audit Committee is responsible for assuring the Governing Body about the adequacy and effectiveness of:  • risk management, control and governance  • Value for Money  • the management and quality assurance of data.  The Committee produced the annual report for the Governing Body and the Accountable Officer. The report covered the financial year and included all significant issues up to the date of signing the report and its consideration of the financial statements for the year. The report was presented to and reviewed by the Governing Body before the audited financial statements were signed. The report included the Committee’s opinion on the adequacy and effectiveness of the HEI’s arrangements for:   * risk management, control and governance * economy, efficiency and effectiveness (VFM) * management and quality assurance of data submitted to regulatory bodies.     The Chair of the Audit Committee presented the annual report highlighting the following areas:   * The work of the internal auditor and the wide remit of audits for the year * The annual assurance map * the opinion of the Committee that assurances were in place   Council thanked the finance team and the Audit Committee for its continued hard work in the way it carries out the assurance role.  RESOLVED that the Annual Report of the Audit Committee be noted.  (iv) KPI Retrospective Report on 2019/20 Performance  The report summarised the University’s Key Performance Indicators (KPIs) results for the academic year 2019/20.  The University’s career prospects compared to competitors and teaching income per full time equivalent (per FTE) although above the set strategic target, fared less well when compared to competitors. It was noted that the University historically performed well with research per FTE, but less so on teaching per FTE. The Executive continued to look at the productivity of the University and the deployment of staff to make improvements to this. With regard to career prospects and employability, the comparator group was closely bunched together in the table and the University was placed in 23rd position out of 130. It was agreed that further information on improving our position in this table should be presented to Council at a future meeting. **ACTION: VP Education/Executive Director Student Experience**  RESOLVED that the report be noted.  (v) Final Budget 2020/21  The report provided an update to the 2020/21 budget presented to Council in July 2020. The budget had been approved with the knowledge that a final budget would be submitted in November following confirmation of student recruitment in October. The volatility of student recruitment results in material impacts on the income levels of the University. The final budget incorporated the impact of actual recruitment on tuition and accommodation fee receipts, together with additional investment income and a number of other changes.  The report presented the final 2020/21 budgets, explained key variances to the original budget and provided an updated cash flow forecast. An improved position since July was noted together with savings targets for the coming year. There would be additional clarity in February when outcomes would be known regarding returning students, international PGT students and halls income.  The £30m of savings have been allocated to faculties and Professional Services and  incorporated into their final budgets as staff and non-staff expenditure reductions.  RESOLVED that the final budget for 2020/21 be approved; and  (v) Management Accounts – September 2020  The report presented the management accounts for financial year 2020/21 as at September 2020. For September, we have focused on a short management update on the key areas of financial activity at this early stage of the year. The final budget in November will provide an update on expected levels of tuition fee income, trading income and required staff and non-staff savings. Staff costs appear to be below the original budget in all faculties and Professional Services, indicating that the required savings may be achievable. General funds ‘other expenditure’ is also below the original budget, indicating that savings are being made, however, close  monitoring will be needed to achieve the budgeted outturn.  RESOLVED that the Management Accounts for September 2020 be noted. | | | | |
| **26** | **Equality, Diversity and Inclusion Strategy**  Council considered a report by the Vice-President (Research and Enterprise) which set out the Equality, Diversity and Inclusion Strategy for approval.  The report set out the content and rationale for a new five-year Equality, Diversity and Inclusion Strategy (EDI Strategy), as well as explaining how the proposed strategy had been developed and the plans for implementing it. The report had been agreed by the University EDI committee and presented and discussed at University Executive Board. The strategy had a close alignment with other university strategies: The overarching Bridging Strategy; the Widening Participation Strategy, the People Strategy, and the Education, International and Research and Enterprise Strategies.  The mission was to create an inclusive university community. The vision was that this was a place where, from the perspective of an individual student or member of staff:  • you feel welcomed for who you are and where you feel that you can influence the way we do things now and, in the future;  • you feel included and supported to reach your true potential; and  • you are intellectually stretched and challenged.  From a collective perspective, it was a community in which:  • we intentionally create space and time to truly engage, listen and learn from each other;  • we all actively take steps to understand the impact of our own actions and behaviours;  • we engage with each other by utilizing our differences in order to create high quality work, research, enterprise and education;  • we intentionally lead and influence social change at both a local and national level; and  • we are seen as innovative, bold leaders  • By working in this way, we change the world for the better.  Implementing the EDI strategy would enable us to fulfil our duties under the Equality Act 2010 to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between people for protected characteristics (age, disability, race, sex, gender reassignment, sexual orientation, religion or belief, civil partnership and marriage, pregnancy and maternity- as set out in the Equality Act 2010).  To date the University had largely focused its EDI work on securing equality charter marks and raising awareness of different events that have been focused on protected characteristics. This has brought some positive changes in some areas, but has not moved us to a position where EDI was sufficiently deeply embedded into the way we work across the full spectrum of our mission.    The new EDI strategy consciously took a different approach to working with EDI. It started from a position that EDI is about all of us, and was relevant to all areas of the University. It recognised that inclusion is broader than just the legally protected characteristics. It was focused on creating an inclusive university community and recognises that an inclusive, diverse institution delivered higher quality outputs and fosters talent more effectively.  The strategy would be brought to life using a five point model of cultural change and areas of work were aligned to the different stages of the model. It set out how work around EDI was taking place in many different parts of the University and linked these areas to the relevant parts of the model for embedding cultural change.  In response to a query about measuring success, it was confirmed that the strategy did contain metrics that will be used to formulate some KPIs that would be included in the annual report to Council. Staff pulse surveys undertaken regularly will also check the progress of the implementation of the strategy.  One member outlined the efforts of the Hospital Trust in this area. The Trust had assembled a group of EDI champions known as the “One Voice Group”. The group then had regular direct interactions with the Board and was encouraged to be forthright. This senior level dialogue had the effect of helping the Board and executive to fully understand the issues. Members of the Board also had a BAME mentor to highlight the day to day issues that affected people within the organisation. This approach was welcomed.  The primary intention would be to move toward a holistic treatment of EDI, including intersectionality, and reducing the specific focus on Equality Charters. It was important to encompass all of the protected groups as well as other non-protected groups that were recognised on campus.  It was suggested that Council revisit this matter more than once a year, and that papers submitted for consideration fully state EDI implications. There would be a further opportunity to discuss key actions and the role of Council in EDI leadership at the Away Day to be held in January 2021.  The communication of the strategy was highlighted, adding that the recent sustainability strategy launch had been a great success. Engagement with students as well as staff and other stakeholders using short and easy-to-read documents on social channels was noted.  Much EDI data already existed as part of other charter mark work and could be used to help inform decision making. It was confirmed that individual dashboards would be provided to faculties to provide real-time information as the strategy embedded.  It was agreed that the various practical suggestions made at the meeting be noted formally and used to measure progress when the matter came to Council in future update reports.  RESOLVED that the proposed EDI Strategy be endorsed. | | | | |
| **27** | **Bridging Strategy – Key Performance Indicators**  Council considered a report by the Vice-Chancellor. Council agreed Key Performance Indicators (KPIs) and targets to monitor the progress of the Bridging Strategy at its 9th September 2020 meeting. It was agreed regular reporting would flag to members key data contextualised against the evolving external environment, which now included the impact of a second ‘lockdown’ starting in early November. A flagging system had been introduced to highlight the KPIs that required particular attention. There were currently no red flags that could indicate a need to consider major alterations to our planned mitigations to the pandemic. The situation would continue to be monitored very closely.  **RESOLVED** that the update be noted. | | | | |
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| **28** | **Pensions Report**  Council considered a report by the Executive Director, Finance and Planning which updated Council on the response to the technical provisions consultation along with the progress of the USS 2020 valuation and the potential next steps.  It was noted that a further report will come to Council in January 2021 setting out the expected timeline to progress the valuation.  **RESOLVED** that the report be noted. | | | | |
| **29** | **Academic Matters**  (i) Annual Academic Assurance Summary  Council received a report by Vice-President (Education).  Council required assurance of the quality and standards of education provided by the University as part of the Ongoing Conditions for Registration with the Office for Students. The report contained information about work in this area and was a summary of the Annual Assurance Report, which had been produced for Council in the past few years.  There were no major areas of concern in this area, although the planned work for 2019-20 was significantly impacted by COVID-19.  AQSC, on behalf of Senate, was confident that the standard of the University’s awards has been maintained throughout the 2019-20 academic year. It was noted that the report had been endorsed by Senate.  **RESOLVED** that it be noted and agreed that the University remains in line with quality and standards issues relating to the Ongoing Conditions for Registrations B1-B5 for the Office for Students.  (ii) Degree Outcomes Statement  Council received a report by Vice-President (Education).  The Degree Outcomes Statement had been produced after a recommendation from the UK Standing Committee for Quality Assessment. The report set out a Checklist for Considering and Validating Degree Outcomes Statements for review.  It was noted that any special consideration implemented as a result of COVID would remain in place for those students for the entire length of their course, resulting in those considerations potentially extending over many future years.  It was agreed that a deep dive be held into degree outcomes, looking at in particular   * special considerations * the correlation between special considerations and degree outcomes * comparative data from the Russell Group and our own comparator group analysing how assessment has been carried out during the pandemic including perceived grade inflation * the gaps in student attainment within ethnic groupings. **ACTION: Academic Registrar**   **RESOLVED** that the University’s Degree Outcomes Statement be approved. | | | | |
| **30** | **Annual Report from Remuneration Committee**  Council considered a report by the Chair of the Remuneration Committee which set out the Annual Report for the year that ended on 31 July 2020.  The report set out the University’s remuneration policy for senior staff and the activities of the Committee over the past 12 months including:  - 2019/20 senior Pay Review  - Pay Parameters for new appointments and  - a self assessment of the Committee.  The Chair of Remco noted that the Committee had asked for a full report on gender and diversity pay gaps for its March meeting.  **RESOLVED** that the report be noted. | | | | |
| **31** | **Annual Update on PREVENT**  Council considered a report from the General Counsel and University Secretary which updated Council on the forthcoming submission of the University’s accountability and data return to the Office for Students (‘OfS’) confirming that the University had appropriate policies and processes in place in response to the Prevent statutory guidance and is following these policies and processes in practice.  The report also sought to consider and approve the Accountability and Data Return demonstrating that the University had continued to have due regard to the Prevent Duty and to provide the declarations.  The issue of monitoring outside guest speakers participating in online meetings and seminars. **ACTION: Chief Operating Officer**  **RESOLVED** that on the basis of the evidence provided, Council makes the following declarations for the annual report to the OfS:  Throughout the academic year up to the date of approval, the University of Southampton  • has had due regard to the need to prevent people being drawn into terrorism (the Prevent duty);  • has provided to the OfS all required information about its implementation of the Prevent duty;  • has reported to the OfS all serious issues related to the Prevent duty;  • has reviewed and where necessary, updated its risk assessment and action plan. | | | | |
| **32** | **HR Matters**   1. Senior Appointments   Council considered a report which set out the requests for senior appointments to be confirmed:  **RESOLVED** the appointments of Professor Emily Reid and Professor Werner Scholtz as Heads of Law, in the Faculty of Social Sciences be approved. Professor Reid will undertake the role for a period of four months from 1st October 2020 to 31st January 2021. Professor Scholtz will commence employment at the University from 1st February 2021 and undertake the role of Head of School for an initial period of three years until 31st January 2024.   1. Proposal for Redundancies   Council considered a report which requested to determine whether proposed redundancies set out in the report should proceed to Stages 3 to 6 of Part IV of the redundancy procedure (Ordinance 3.4).  **RESOLVED** that the next stage of the redundancy procedure is approved and initiated and that three members of staff, currently employed in the Centre for Implementation Science (CIS), are placed “at risk” of dismissal by reason of redundancy, as set out in Ordinance 3.4.   1. Level 7 Promotions   Equality and diversity issues were noted.  **RESOLVED** that the promotions be approved.   1. Emeritus Professors and Fellows   **RESOLVED** that the list be approved.   1. VS Scheme   Council considered a report by the Executive Director of HR which provided an update on the implementation of the Voluntary Severance (VS) Scheme offered recently by the University. The Scheme formed one strand of the University’s response to financial pressures caused by the current global pandemic.  **RESOLVED** that the report be noted | | | | |
| **33** | **Sealing of Documents**  Council received and noted a report detailing the documents sealed since the last report to Council. | | | | |
| **34** | **Nominations Committee – Update**  The Chair updated Council on the recent meeting of the Nominations Committee highlighting:   * The consideration of candidates to fill lay membership vacancies in 2021 * The updated skills matrix * The possibility of selecting a lay member candidate with close connections with Westminster * Work to continue to improve the diversity of Council membership * Planning for the re-appointment of Council chair and vice-chair.   **RESOLVED** that the update be noted | | | | |
| **35** | **Chair’s Actions**  (i) 9th September 2020 – Approval of the extension of Professor Peter Smith’s appointment as Associate Vice-President (International Projects) until 30th September 2021;  (ii) 22nd September 2020 – Approval of the interim appointment of Professor Brenda Hannigan, as Head of School – Law until 30th September 2020;  (iii) 30th October 2020 – Approval of the Terms of Reference for Finance Committee;  (iv) 3rd November 2020 – Approval that Deloitte are appointed as external auditors for 2019/20  **RESOLVED** that the actions be noted. | | | | |
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| **36** | | **Committee Minutes**  **RESOLVED** that the minutes be noted. | | | | |
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**The meeting concluded at 3.58pm**

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**Actions**

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| **Min No./Year** | **Minute Title** | **Action Summary** | **Owner** | **Report Back Date** |
| 22/2021 | VC & Executive Report | Examine mechanisms for keep Council up to date with the rapidly changing environment for HE | VC and Clerk | January 2021 |
| 25(iv)/2021 | KPIs Retrospective | Report back/deep dive on career outcomes comparator | VP (Education), Executive Director of Student Experience | March 2021 |
| 29(ii)/2021 | Degree Outcomes | Deep Dive on Degree Outcomes matters for Spring 2021 | Academic Registrar | May 2021 |
| 31/2021 | Annual update on PREVENT | Report back on measures to monitor guests invited to virtual meetings and seminars | Chief Operating Officer | January 2021 |

