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| **Meeting title:** | | Council | | |
| **Date:** | | Wednesday 27 November 2019 | **Time** | 12.30pm |
| **Location:** | | The Mountbatten Seminar Room, Building 53, Highfield | | |
| **Present:** | | Mr P Greenish (Chair), Dame M Atkins, Ms F Barnes, Ms E Harrison, Mr G Hobbs, Mr P Hollins, Professor J Holloway, Dame J Macgregor (Vice-Chair), Ms H Pawlby, Mr A Reyes-Hughes, Professor P Reed, Mr W Shannon, Professor M E Smith, Professor M Spearing, Dr A Vincent and Mr S Young. | | |
| **In attendance:** | | Mr L Abraham (Clerk to the University Council & Senate), Mr I Dunn (Chief Operating Officer), Ms S Pook (Executive Director, Finance & Planning) Ms B Halliday (General Counsel & University Secretary) and Professor R Taylor (Pro-Vice-Chancellor Malaysia, for item 11). | | |
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| **20** | **Chair’s Introduction**  Chair of Council welcomed everyone to the meeting and extended a warm welcome to the President and Vice-Chancellor, Professor Mark E. Smith who was present for his first Council meeting. The Chair thanked the Dean and staff from the Faculty of Engineering and Physical Sciences following a very interesting and informative tour of the Faculty that had taken place for Council members that morning. | | | |
| **21** | **Apologies**  Apologies for absence were received from Mr R Cartwright, Professor R Mills and Dr D Price. | | | |
| **22** | **Minutes**  **RESOLVED** that the minutes of the meeting held on 25 September 2019 be confirmed as a correct record and signed. | | | |
| **23** | **Actions and Matters Arising**  Council noted the Annual Calendar of Business.  Council then noted a full update on the outstanding actions as follows:  (i) 64/1819 – Apprenticeships: The University Executive would keep a watching brief on this as the external environment was ever changing.  (ii) 88/1819 – USMC: On this agenda  (iii) 90/1819 – Council Operation: Would be considered at the January awayday  (iv) 109/1819 – International Strategy: In abeyance  (v) 111/1819 – Refurb of Monte A&B: Treasurer had approved the matter following review of costs and found to be within budget  (vi) 4/1920 – Calendar: Council Effectiveness Review outcomes had picked up the concerns about areas of business not covered by Council  (vii) 8/1920 – SUSU Report: Discussions had taken place between SUSU and Faculty of Medicine and unfortunately reached an impasse. Further mediation would take place offline to reach a conclusion  (viii) 15/1920 – Risk Register: Additional items now added to the register  (ix)16/1920 – Reference to Standing Committee now deleted. | | | |
| **24** | **Declarations of Interest**  University staff members declared interest in minute 34 as members of the pension scheme. | | | |
| **25** | **Publication of unrestricted papers**  RESOLVED That the papers circulated that were not deemed “Commercial in Confidence” or Restricted be made available for view by the University wider community. | | | |
| **26** | **President and Vice-Chancellor’s Report**  The President & Vice-Chancellor informed Council that his intention was not to issue a written report within the agenda, but to speak to the previous two monthly reports that had been issued from the Executive team separately.  Council then noted some highlights from the last two monthly Vice-Chancellor and Executive reports.  In addition, it was noted that the Secretary of State had written to all universities recently asking for assurance about fire safety of all university buildings following a fire at student accommodation in Bolton. The response to that letter was circulated to Council members for information and it was agreed to forward the letter to the members of the Health & Safety Audit & Assurance Committee. **ACTION: Clerk to the University Council**  Council noted that an interim Chief Operating Officer had been selected to cover a period of up to 9 months following the departure of the current post holder in late December.  The Vice-Chancellor also provided a brief update on his recent overseas trip.  **RESOLVED** that the update be noted. | | | |
| **27** | **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 including specific updates from each of the Sabbatical team members.  The report detailed recent discussions held with students regarding the strike currently taking place. A student vote had taken place regarding the strike. 259 votes were cast out of a potential entire student population resulting in 65% in favour of supporting the strikes. Council noted the activity around encouraging students to ensure they were registered to vote in the forthcoming General Election and it was further highlighted that political hustings would be held over the coming weeks in the run up to the election on 12th December.  SUSU had recently been involved in many activities to highlight sustainability. Students had formed a Sustainability Forum and had been on visits to other Universities to see what others were doing. Council noted that a petition was forthcoming to encourage the University to divert from fossil fuel companies and potentially boycott in other ways. It was noted with caution that many large companies such as BP and Shell were also pioneers and leading investors in renewable energy so any action would be considered extremely carefully.  **RESOLVED** that the report be noted. | | | |
| **28** | **Finance Report** | | | |
|  | Council considered a suite of reports by the Executive Director, Finance & Planning which comprised five parts:  i – Business Analysis and Financial Statements 2018/19  ii – OfS Annual Accountability Return – Financial Commentary  iii - Audit Committee Annual Report 2018/19  iv - Final Budget 2019/20  v – Management Accounts - September 2019  Together the reports set the picture of financial performance of the University for two years and set out the new format OfS financial return.The report also set out a summary update on the significant changes since the last OfS submission.  (i) Business Analysis and Financial Statements 2018/19  The financial statements for 2018/19 were presented for approval subject to the final opinion by the external auditor. Following the audit during September and October, the external auditor had produced an Audit Completion Report which was presented to the Audit Committee on 13 November 2019 alongside the draft financial statements. 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 would contain an unqualified audit opinion. The Letter of Representation to the external auditor would confirm responsibilities for the audit in line with previous years.  The report highlighted some of the main aspects of the financial performance and variations from budget.  The Finance team were congratulated on their excellent work in producing the budgetary reports. Council was pleased to note the increased surplus together with the reduction in operating costs. The resultant clean audit was also to be welcomed and thanks passed to the finance teams involved.  **RESOLVED** that  1. the financial statements for 2018/19 be approved;  2. the issuing of a letter of representation be approved  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 Innovations Ltd * Southampton Asset Management Ltd * USMC Sdn Bhd * Southampton International Singapore Ltd * University of Southampton Holdings Ltd   4. the financial performance for the year compared to budget be noted.  (ii) OfS Annual Accountability Return – Financial Commentary  The University was 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, by Monday 2 December, a five-year financial forecast incorporating in year student numbers and final budget data.  **RESOLVED** that the 2018/19 financial return, commentary and assumptions for submission to the OfS be approved.  (iii) Audit Committee Annual Report 2018/19  The Audit Committee had prepared an annual report on its work for the University Council for the period 1 August 2018 to 31 July 2019. The report would be submitted as part of the control documentation to OfS. While the report was based on work undertaken during 2018/19, it also covered the scrutiny of the University’s 2018/19 Financial Statements in November 2019.  The OfS Terms and conditions of funding for higher education institutions sets out the requirement for the report to Council.  The Audit Committee was 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 the Higher Education Statistics Agency, the Student Loans Company, HEFCE, the OfS, Research England and other bodies.    The final annual report to the Governing Body and the Accountable Officer must be shared with the OfS each year, and, on request, with Research England.  The Chair of the Audit Committee presented the annual report highlighting the following areas:  • Committee membership now showed a strong team in place  • The recent review of the Committee Terms of Reference and Committee Effectiveness Review  • Robust roadmap processes the Committee adopted in order to provide Council with the governance assurance it required.  Council thanked the Committee for its continued hard work.  **RESOLVED** that the Annual Report of the Audit Committee be endorsed for submission to the OfS.  (iv) Final Budget 2019/20  The report provided an update to the 2019/20 budget presented to Council in July 2019. The budget had been approved with the knowledge that a final budget would be submitted in November following confirmation of the results 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 2019/20 budgets, explained key variances to the original budget and provided an updated cash flow forecast.  **RESOLVED** that  (i) the final budget for 2019/20 be approved; and  (ii) the release of £5.6M from the capital programme for investment in Chemical Engineering facilities be approved.  (v) Management Accounts – September 2019  The report presented the management accounts for financial year 2019/20 as at September 2019. It was difficult to get a clear view of overall financial performance at this early stage of the year so the report focussed on the key aspects, including tuition fee income and staffing spend compared to the original budget, as well as reporting on cash flow monitoring for the University.  **RESOLVED** that the Management Accounts for September 2019 be noted. | | | |
| **29** | **Research Performance and Progress Against Strategy in 2018/19**  Council considered a report by the Vice-President (Research & Enterprise) which provided an overview of key elements of research and enterprise performance at the University of Southampton over the period August 1st 2018 to July 31st 2019 and progress against the Research and Enterprise Strategy.  The Vice-President (Research & Enterprise) made a detailed presentation to Council first outlining the strategy-on-a-page and how it linked with the overarching University Strategy and 10Year Plan. Council then noted a reminder of the importance of research to the university economy and reputation. Southampton’s performance was then outlined and the position of the University against seven other peer institutions for 2017/18 was noted. Southampton was mid-table with some slight improvement which was welcomed. For 2018/19 grant applications had exceeded target, grant success still required improvement. The drop in award success was not attributable to one singular factor and several reasons were suggested:   * + UoS funding applications were skewed to the second half of 2018/19   + There was a slight reduction in success rate overall (24% vs. 26% in 17/18) - More significant with some funders/categories: NIHR, Industry, Charities   + Gradual increase in time taken for evaluation by funders – partly due to fewer larger grants needing more approvals (160 days)   Enterprise activity was then outlined, in particular:   * + Enterprise Units (Wessex Institute, ECS partners, ISVR consulting)   + Consultancy (Individual members of staff, enterprise units)   + Access to facilities (wind tunnels, clean rooms, microscopes etc.)   + Continuing professional development (short courses, seminars)   + Incubation and acceleration (Science Park Catalyst, SetSquared, Future Worlds, ICURE.)   + Student enterprise (Enactus, Social Enterprise Lab, Fish on Toast, FutureWorlds   Enterprise funding was noted as being largely stable, but a slight decrease was noted as being as a result of more challenging trading conditions.  Council noted that the Vice-President would be delighted to make a deep dive presentation on the enterprise strategy sometime over the next 12 months for Council to see more of the detail. **ACTION: VP (Research & Enterprise)**  **RESOLVED** that the report be noted. | | | |
| **30** | **Research Excellence Framework (REF) 2021 – Progress Report**  Council considered a report by the Vice-President (Research & Enterprise) which presented the provisional results of the 2019 outputs assessment exercise and an overview of the University’s preparations for REF.  The Vice-President (Research & Enterprise) outlined the REF operation and some of the preparatory activity taking place at the University:   * Outputs were in good shape, but still room for improvement, cannot be complacent 97% “on track” has improved since census date * Identification of consistent gender bias in grading of papers, work was then undertaken with REF planning group to understand and address * Impact case studies generally on track, will have clearer picture by end January 2020 after 2nd expert review exercise * First drafts of all environment templates reviewed, next round due in February 2020 * Strong engagement from across University, there is no doubt that this was receiving required attention * Risk around reduction in staff numbers during last three years – compromises our ambition for an improvement in our ranking for REF “power”.   Council then noted the objectives for the coming year:   * REF preparation * Research funding – focus on quality applications * Continued enterprise strategy implementation * Interdisciplinary research review/strategy * Implementing R&E people plan as part of University ”People Vision and Strategy” * Research and enterprise sustainability – facilities, PGRs * Brexit outcome planning – may need to be agile – Smith report * Ensure continued successful implementation of RIS and Faculty restructuring * Above all need to continue progress on working as one team across the University – collegially, sustainably to achieve excellence (in conjunction with international ambitions)   **RESOLVED** that the report be noted. | | | |
| **31** | **University of Southampton - Malaysia Campus**  Council considered a report from the Pro Vice-Chancellor (ASEAN) and CEO Malaysia, which provided additional information on risk and contract-related issues requested at the meeting of Council on 25th September, 2019, and the rationale for the new programmes and projected student numbers as discussed at the meeting of Finance Committee on 6th November, 2019. The business case was updated with the risk and contract-related issues and with no further changes, was submitted to Council for final approval.  Council noted the ambitious plans for the Malaysia Campus with new collaborations, relationships and links with Taiwan. It was recognised that the Malaysian campus would support the University core business in many ways.  A new robust risk register was now in place and together with the opportunity to move to a new and unique location, the strategic vision was clear. The owners of the new premises were enthusiastic about hosting the campus and the quality of the student offer would be excellent. Expanding the programmes beyond engineering meant that the campus had a much improved chance of success with students able to complete programmes entirely in Malaysia. The Business School had signalled its willingness to become involved in developing business-based courses for the campus.  **RESOLVED** that the following be approved:  Option 2: Growth with EcoWorld – Phased Possession.  This option is considered the best means of securing the future of UoSM, a wholly owned company of the University of Southampton. Growing the University of Southampton’s presence in Malaysia (and across the wider ASEAN region) also supports the delivery of the University’s ambition to have a significant global presence and impact, as summarised in the ‘International Strategy on a Page’, with specific reference to Objectives 1 and 5, through:  • Diversifying the University of Southampton international student body;  • Attracting high quality students (as evidenced by the quality of students recruited since 2012/13 and the graduate outcomes to date);  • Offering the opportunity for international placements for UK based students;  • Expanding international partnerships, corporate connections and research collaborations;  • Engaging alumni in student experiences, philanthropy, placements, internships and employment opportunities;  • Enhancing the University of Southampton’s reputation as a global university. | | | |
| **32** | **Key Performance Indicators – Retrospective Report on 2018/19 Performance**  Council considered a report by the Chief Operating Officer which summarised the University’s Key Performance Indicators (KPIs) results for the academic year 2018/19. Council approved those KPIs and associated targets in November 2018, and resolved to make a retrospective assessment of performance in November 2019 to coincide with its approval of the end of year accounts.  Council agreed that the indicators should be examined more closely at the forthcoming strategic awayday to ensure they aligned with the strategy appropriately.  **RESOLVED** that the report be noted. | | | |
| **33** | **Annual Academic Quality Assurance Statement**  Council considered a report by the Academic Registrar which set out the requirement for Council to be assured that the university meets Conditions B1-B5 of the ongoing Conditions for Registration with the Office for Students. In past years it has allowed Council to sign the Annual Assurance Return to OfS.  Council noted that the assurance return had been through a rigorous process having been compiled and drafted by the Academic Quality and Standards Committee and presented to Senate. Senate had considered the return and endorsed it for final sign off by Council.  A question was raised regarding the University’s degree awarding. It was noted that there was a slight uplift in awarding top degrees but that could be the result of increasing the entry tariff and improvements to teaching, feedback and the teaching environment. For the report next year, it was noted that an explanation of the trends and reasons should be included. In addition, Council requested sight of any benchmarking and analysis undertaken in this area. **ACTION: Academic Registrar**  Discussion then focussed on academic integrity and raising awareness among students, particularly international students. It was noted that targeted support was available to ensure students did not breach integrity rules. SUSU also offered help and guidance in this area.  Other areas of the report were covered in brief:   * Student engagement with the assessment process * Decolonialisation of the curriculum * Adding academic professional recognition achievements to the report * Students using “ghost writers” for their assignments. Council requested further information on this last point **ACTION: Academic Registrar** | | | |
| **34** | **Pay, Pensions and Strike Action**  Council received a report from the Chief Operating Officer which provided an update on the dispute with unions on pay and pensions and the planned industrial action by UCU.  **RESOLVED** that the report be noted | | | |
| **35** | **Council Effectiveness Review**  Council considered a report by the Clerk to the University Council & Senate which set out the method and findings of the Council Effectiveness Review and proposed an action plan of improvements to be rolled out as soon as possible.  **RESOLVED** that the report be noted and the action plan be approved. | | | |
| **36** | **Effectiveness of the Chair Review**  Council considered a report by the University Treasurer which set out the conclusions and detailed feedback from the Review of Chair assessment that was carried out in Sept/Oct 2019.  **RESOLVED** that the report be noted. | | | |
| **37** | **Change to the University Charter – Second Reading**  Council considered a report by the Clerk to the University Council and Senate which set out a “special resolution” (a resolution passed from two separate readings at Council, September and November 2019) to propose a change to the University Charter. Changes to the Charter required approval by the Privy Council.  The proposed change was to remove the restriction that only allowed the University to appoint up to 3 Pro Chancellors. No maximum number would be prescribed.  **RESOLVED** that the second reading of the amendment be approved. | | | |
| **38** | **Senate Matter – Amendments to the Ordinances**  Council considered a report by the Clerk to the University Council & Senate which set out some proposed changes to the University Ordinances that had been endorsed by Senate.  RESOLVED that the proposed changes to the University Ordinances be approved. | | | |
| **39** | **Risk Register**  Council considered a report by the Chief Operating Officer which presented the latest version of the strategic risk register.  **RESOLVED** that the risk register be noted. | | | |
| **40** | **Annual Report from the 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 2019.  The report set out the University’s remuneration policy and the activities of the Committee over the past 12 months. The report also covered items of business that had been considered in between scheduled meetings together with details about the salary of the President & Vice-Chancellor.  **RESOLVED** that the report be noted. | | | |
| **41** | **Annual Update on PREVENT**  Council considered a report by the General Counsel & University Secretary which updated 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 was following these policies and processes in practice.  The report also set out for approval the Accountability and Data Return which demonstrated that the University had continued to have due regard to the Prevent Duty.  **RESOLVED** that on the basis of the evidence provided, Council made 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.* | | | |
| **42** | **Staff Engagement – Update**  Council considered a report by the Chief Operating Officer which provided an update on staff engagement activities following the July report to Council.  **RESOLVED** that the report be noted. | | | |
| **43** | **Sexual Harassment – Update** | | | |
|  | Council considered a report by the Chief Operating Officer which provided an update on the joint action being taken by the University and Student Union to identify, support and respond to incidents of sexual harassment, violence and rape on campus and within the University community.  Council welcomed the report and its action plan adding that great progress had been made to address this issue.  **RESOLVED** that the report be noted. | | | |
| 44 | **Nominations Committee Update**  Council received a verbal update on matters discussed by the Nominations Committee which had been held on the day prior to Council.  **RESOLVED** that the update be noted. | | | |
| **45** | **Sealing of Documents**  Council received and noted a report detailing the documents sealed since the last report to Council. | | | |
| **46** | **Committee Minutes**  Council received and noted all the Committee minutes from meetings that had been held since the last meeting.  At the close of unrestricted business, the Chair of Council thanked Mr Ian Dunn for his work and stewardship as Chief Operating Officer. Council wished Mr Dunn all the very best as he prepared to leave the University in late December. | | | |
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**Restricted Items**

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| **47** | **Restricted HR Matters**  (i) Proposed Redundancies  **RESOLVED** That the next stages of the redundancy procedure are initiated, and the post is placed “at risk” of dismissal by reason of redundancy (Ordinance 3.4). |
| **48** | **Restricted Senate Matters – Emeritus Professors**  Council considered a restricted report by the Chair of Senate which set out the proposed list of recipients of the title of Emeritus Professor.  **RESOLVED** that the list be approved. |

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| **49** | **Honorary Degree Recommendations**  Council considered a restricted report by the Honorary Degree Advisory Group which set out the proposed list of recipients of honorary degrees.  **RESOLVED** that the list be approved. |

**The meeting concluded at 4.01pm**

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**Actions**

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| **Min No./Year** | **Minute Title** | **Action Summary** | **Owner** | **Report Back Date** |
| 90/1819 | Council Operation | Review the new operation at the January awayday | Chair/Clerk to the University Council & Senate | Jan 2020 |
| 109/1819 | Int Strategy | Presentation of International Strategy with priority timeline | Vice-President (International) | ? 2019 |
| 26/1920 | VC Update | Response to Sec of State sent to HSAAC Members | Clerk to the University Council & Senate | Complete |
| 29/1920 | Research Strategy | Deep Dive on Enterprise in next 12 months | Vice-President (Research & Enterprise) | ? 2020 |
| 33/1920 | Annual Academic Assurance Report | Report back to Council on degree awarding analysis and assignment ghost writing | Academic Registrar | Nov 2020 |