

The University of Leeds

THE COUNCIL

27 January 2022

(via MS Teams)

MINUTES

Present:

The Pro-Chancellor (Chair), the Vice-Chancellor, Mr E Anderson, Ms A Burton, Mr S Elsworth, Ms H Grantham, Dr K Guantai, Ms M Hodgkinson, Professors Jimack and Kelsall, Mr I Moffatt, Dr Y Oade, Professor O'Grady, Ms L Okhai, Dr C Rogerson, Mrs J Sheriff, Mr T Smith, Mr S Thompson;

In attendance:

The Pro-Chancellor-elect, Professors Grabill, Plant and Yu (Deputy Vice-Chancellors), the Secretary, the Chief Financial Officer, the interim Chief Operating Officer, the Director of Communications and Ms C Cho.

Welcome

- 21/173 The Pro-Chancellor welcomed Ms Jennifer Sewel to her first formal meeting of the Council as University Secretary. He also welcomed Mr Alastair Da Costa, the Pro-Chancellor-elect, who would be attending all Council meetings as an observer in advance of taking up the Chair from August 2022.

2022 New Year Honours list

- 21/174 Members joined the Pro-Chancellor in congratulating Mr Ed Anderson and Mr Tim Smith, both of whom had been awarded a CBE in the 2022 New Year Honours list in recognition of their wide-ranging achievements and service at regional, national and international levels.

Chief Financial Officer

- 21/175 Congratulations were also extended to the Chief Financial Officer, Ms Jane Madeley, on her appointment as the next Chair of the Confederation of British Industry Yorkshire and Humber Council.

Report from the Nominating and Governance Committee (CL/21/29)

- 21/176 The Council considered a report (CL/21/29) from the Nominating and Governance Committee (NGC) on the outcome of the recent recruitment exercise to fill the vacancies on the Council following the expiry of the terms of office of three faculty staff Council members at the end of 2021. The paper also reported the Committee's consideration of the nomination from the Clothworkers' Company for its representative on the Council of Dr Cordelia Rogerson. Both appointment exercises were undertaken in accordance with the new process ratified by the Council in November.
- 21/177 The Council approved the recommendations of the NGC that Dr Kendi Guantai, Professor Peter Jimack, Professor Alice O'Grady and Dr Cordelia

Rogerson be appointed as members of Council with immediate effect for a period of three years in the first instance.

- 21/178 The four new members joined the meeting and were warmly welcomed by the Pro-Chancellor.

Minutes

- 21/179 The Minutes of the meetings held on 25 November and 1 December 2021 were confirmed.

Matters arising

Amendments to Statutes I and II

- 21/180 Arising on CLM 21/101, members were advised that the Privy Council had approved the amendments to Statutes I and II on 15 December 2021.

Vice-Chancellor's report (CL/21/30)

- 21/181 The Council received a report (CL/21/30) from the Vice-Chancellor, which updated members on matters of higher education policy and reported on issues of interest to the life and work of the University. The following items were highlighted.

Social mobility

- 21/182 The Government had announced proposals under which universities would be required to do more to improve social mobility both on and off campus, with progress to be monitored by the Office for Students (OfS). A member welcomed the focus on access and widening participation, noting the University's commitment to this agenda and its engagement within the Yorkshire region and beyond.

Industrial action

- 21/183 The Vice-Chancellor put on record her appreciation to colleagues for their efforts in supporting students during the period of strike action, and restated the University's priorities during the continuing industrial action (action short of a strike): to protect the interests of students, to retain the cohesion of the community, and to protect the standards of Leeds awards.
- 21/184 Members were advised that the University and College Union had tabled a proposal late in the day to the Universities Superannuation Scheme's Joint Negotiating Committee (JNC) in respect of changes to be made to the Scheme. A decision by the JNC on the matter was expected in February; and the Council would be kept apprised of any new developments.
- 21/185 It was too early to assess the impact of the ongoing action short of a strike on the student educational experience. In respect of the strike action which had concluded before Christmas the indications were that the impact had been minimal. Nonetheless, University officers were monitoring the situation and mitigations were in train to respond to any emerging concerns.

OfS consultations

- 21/186 The OfS had launched three consultations: (i) on plans designed to improve educational standards in the sector, (ii) a reintroduction of the Teaching Excellence Framework (TEF) on a compulsory basis for all universities in England, and (iii) on ways to construct, present and interpret the data which would be used to form the evidence base for regulating student outcomes and TEF assessments. Careful consideration was being given to the University's responses.

Other national matters

- 21/187 The report also highlighted the launch of the 2022 National Student Survey; a warning issued by the Government to universities against the inclusion of oversubscription clauses when making offers to students, which the Competition and Markets Authority had warned could breach consumer law; and plans for a pilot survey for taught postgraduate (PGT) students to assess their educational experience. The University had opted not to participate in the PGT survey pilot, having concluded that its questions were similar to the University's PGT Programme Survey.

University matters

- 21/188 The Council noted the appointments of Professor Paul Johnson, as Executive Dean of the Faculty of Social Sciences, and Professor Selina Stead, as Executive Dean of the Faculty of Environment. It also noted the appointment of Mr Paul Boustead as the University's inaugural Chief People and Culture Officer.

Minutes of the meetings of the Audit and Risk Committee on 10 January 2022 (CL/21/31(a)) and 20 January 2022 (CL/21/31(b))

- 21/189 The Council received the minutes of the meetings of the Audit and Risk Committee on 10 and 20 January 2022 (CL/21/31(a) and (b) respectively), the substantive points from which were covered in the Committee's Annual Report to the Council, including its commendation of the 2020-21 Annual Report and Accounts.
- 21/190 As part of its review of the financial statements, the Committee had endorsed the rationale provided by the management on the adoption of the going concern assumption for those statements.
- 21/191 Further, the Committee had received an update on the University's approach to managing fire safety risks (which had been initiated following a Government directive about compliance with fire safety legislation); had noted details of the accounting treatment to be adopted for the projected fire remediation costs; and had been provided with assurances around building safety and other areas of estates compliance. While content with the University's approach, it had agreed to keep the matter under review.

Annual report of the Audit and Risk Committee (CL/21/32)

- 21/192 The Council considered the Annual Report of the Audit and Risk Committee (CL/21/32), which covered the Committee's work in the 2020-21 financial year and up to its consideration of the draft Annual Report and Accounts.

- 21/193 In particular, the report provided assurances for the Council on the system of internal control; corporate governance; risk management; value for money; sustainability; the discharge of the Council's own responsibilities; the control and quality assurance of data returned to external authorities and for meeting the compliance demands to support research integrity and of various agencies; and compliance with the OfS's ongoing conditions of registration and terms and conditions of funding. The Committee had also endorsed the corporate governance statement and the statement on internal control included in the draft University Annual Report and Accounts for 2020-21. The Committee commended the Annual Report and Accounts for 2020-21 to the Council for approval.
- 21/194 The Committee had considered the report of the internal auditors (PricewaterhouseCoopers LLP) in relation to the financial year 2020-21 (a copy of which had been included as an annex to CL/21/32). The internal auditors had made a number of high, medium and low risk recommendations for improvement to the University's governance, risk management, control and value for money processes. The Committee was satisfied that, in all cases, University managers had taken, or were taking, appropriate action to address the issues raised. On the basis of the work they had carried out during 2020-21, the internal auditors were of the opinion that the University's arrangements were generally satisfactory with some improvements required (the same opinion was provided in 2019-20).
- 21/195 Having reflected on the outcome of the internal auditors' work, and taking into consideration the University's response to matters raised by the auditors, the Committee had been satisfied that there were no issues which required inclusion in the statements on corporate governance and internal control in the Annual Report and Accounts.
- 21/196 The Committee had also reviewed the Audit Report and Management Letter issued by the University's external auditors (Deloitte LLP). No substantive concerns had been raised.
- 21/197 A member sought, and received, clarification about the way in which the Committee's own annual effectiveness review was undertaken.
- 21/198 The Council approved the Annual Report of the Audit and Risk Committee for 2020-21. In doing so, it thanked the Committee for its work over the previous session, especially given the extra number of meetings held that year. The Council also expressed its gratitude to the Chair of the Committee for his diligence and commitment to the role. Thanks were also conveyed to the Chief Financial Officer, the Director of Finance and their teams for their outstanding work in such a challenging year.

Draft Annual Report and Accounts 2019-20 and draft Letter of Representation to the external auditors (CL/21/33)

- 21/199 The Council considered the draft Annual Report and Accounts (ARA) for the year to 31 July 2021 (CL/21/33), which included reports from the Vice-Chancellor and the Chief Financial Officer that together comprised the statutory Strategic Report; on public benefit and accountability (incorporating reporting requirements on charitable purposes and the public benefit); corporate governance; the report of the external auditors; and the Annual Accounts themselves. The paper also included the draft Letter of

Representation to be provided to the external auditors by the University. As noted earlier in the meeting (CLM 21/193), the ARC had agreed to commend the draft ARA for approval by the Council.

21/200 The Council was advised that since circulation of the draft ARA to members, some additional changes had been made to the financial statements, none of which was material and which would not alter the overall financial position. It was also reported that the draft Letter of Representation had been updated to include reference to an uncorrected mis-statement in respect of a Covid-related adjustment to research grant income, the effect of which was immaterial on its own, and in aggregate, to the financial statements as a whole. Members were advised that the Chair of ARC had been consulted and was content with the changes.

21/201 The Council approved the draft Annual Report and Accounts for 2020-21; and authorised the Chief Financial Officer to sign the draft Letter of Representation to the external auditors on behalf of the Council.

Five-year financial forecasts (CL/21/34)

21/202 CLMM 21/202-208 are confidential to members of the Council.

University Values (CL/21/35)

21/209 The Council considered a paper (CL/21/35) which set out the University's four new values (Integrity, Inclusivity, Compassion and Collaboration), which had been informed by the findings of 'The Big Leeds Conversation'; and the draft mission and vision statements (derived from the University strategy). Details were also provided about the accompanying behaviours that underpinned each value, and the plans to embed the values across the University.

21/210 Members welcomed the new University values and expressed the hope that their launch would generate a sense of excitement with staff and students, and that they would become a lived reality for all concerned. During discussion, observations were made about the possible challenges that might arise in their implementation and the plan to overcome such issues; the importance of identifying visible icons of those values to bring them to life; and the way in which the values could be communicated to partners within the city region and beyond.

21/211 In recognising the considerable engagement in, and the scale and scope of ideas and comments generated by 'The Big Leeds Conversation', it was noted that consideration was being given to how these might help inform the implementation work already under way or could be directed to other particular areas of activity.

21/212 Council was also advised that the University's overall approach to communications was being reviewed to ensure that the new values were embedded. Work would also be undertaken on the University's overall brand reflecting the new strategy vision and values.

21/213 The Council endorsed the new University values and approved the mission and vision statements, as set out in Annex A to CL/21/35.

Research statistics (CL/21/36)

- 21/214 The Council considered an overview of research income, new awards and applications performance for 2020-21 and a review of publications and citation performance compared to other Russell Group universities (CL/21/36) .
- 21/215 Introducing the paper, the Deputy Vice-Chancellor: Research and Innovation highlighted that the data included reflected the ongoing impact of the Covid-19 pandemic on the University's research performance, although recent trends in applications and award rates suggested that the situation was recovering and now moving in the right direction. Nonetheless, there were a number of underlying issues which needed to be addressed, including EDI-related challenges faced by different staff cohorts, and the re-prioritising of research grant applications by staff whose focus had been on delivering student education as the University emerged from the pandemic. The Research Transformed strategy would play an important part addressing these challenges.
- 21/216 In response to a question, assurance was reiterated as to the degree of confidence of the University's research performance in the context of the financial forecasts and in meeting its strategic goals, and the steps being taken to help achieve its mission.
- 21/217 Members commented on the achievements of the 'Top Performers' appointments and the University Academic Fellows (UAF), and the key part played by the support arrangements provided to them. It was noted that consideration was being given, as part of the research culture and environment workstream of the Research Transformed initiative, of ways in which the UAF model could be adopted to support all academic staff.
- 21/218 The Council noted the ways in which the University was removing barriers to address the gender imbalance in research performance, and to mitigate any issues affecting female researchers in particular.

Report from the Strategy and Investment Committee (CL/21/37)

- 21/219 The Council considered a report of the meeting of the Strategy and Investment Committee held on 17 January 2022 (CL/21/37). The report also included details of the Post-Investment Review of the refurbishment of the Leeds University Union (LUU) building.
- 21/220 As noted above (CLM 21/205), the Committee had considered and endorsed the approach and content set out in the five-year financial forecasts.
- 21/221 The Committee had engaged in good discussion with the LUU Chief Executive about the lessons learnt from the LUU building refurbishment, which would inform future developments of a similar nature.

Senate (19 January 2022)

- 21/222 The Council received the Minutes of the meetings of the Senate on 19 January 2022.

University Executive Group

- 21/223 The Senate had noted that the UEG had approved a number of proposals including the refinement of the process and timeline for the Integrated Planning Exercise (IPE) 2021-22; and the delivery of a single network of informal study spaces on campus.

Research and Innovation Board

- 21/224 It had been noted that the Research and Innovation Board had approved a proposal to upgrade the system currently used to identify research funding opportunities; a proposal to establish a Research Equality, Diversity, and Inclusion Group; and the principles for best practice in research value/expectation.

Taught Student Education Board

- 21/225 The Taught Student Education Board had approved guidance on the recovery of learning opportunities lost through industrial action; the Remote and Online Proctoring of Assessment at Leeds; a revised approach for undertaking standards reviews; and a joint MA Programme in Disability Studies in the School of Sociology and Social Policy, with the University of Malta.

Retirement of the University Secretary

- 21/226 The Council was delighted to note the Senate's resolution marking the retirement of Mr Roger Gair as University Secretary and approved the conferment of the title of Emeritus Secretary upon him.

Annual report from the Remuneration Committee, 2020-21 (CL/21/38)

- 21/227 The Council considered the annual report of the Remuneration Committee (CL/21/38). The work undertaken during 2020-21 reflected the Committee on University Chairs (CUC) Code on Senior Staff Remuneration and guidance on the operation of Remuneration Committees and annual reporting to governing bodies.
- 21/228 The Council approved the changes to the Committee's terms of reference as set out in paragraph 2 (of CL/21/38) which responded to the updated CUC guidance.
- 21/229 In respect of the remuneration of members of the UEG, the Committee had been mindful of the progress made by the University during 2020-21 against the backdrop of the Covid pandemic and the launch of the new University strategy, the financial challenges the University faced, and the need to maintain the motivation levels of senior staff. The Committee had agreed that, save in one case, the existing UEG salary levels remained appropriate and competitive, and that no annual award should be applied. Members of the UEG with a contractual entitlement to receive the nationally negotiated annual award would be asked to agree to a change in their contractual terms to remove this.
- 21/230 The Committee had noted a number of key ratios to show the relationship between the remuneration of the Vice-Chancellor and that of staff within the

institution which was required as part of the presentation of the Annual Accounts.

- 21/231 The Committee had also noted data on external income accrued by members of the UEG during the reporting period, and had been reassured that this complied with the University's current policy on such matters. The Committee had also approved the UEG Reward Framework and Principles, which had been developed with input from an external reward consultant.
- 21/232 Other activities undertaken by the Committee during 2020-21 included reviewing the recruitment and salary increases of packages over £100,000; reviewing and noting any severance payments made to staff earning in excess of £100,000; reviewing the Gender Pay Gap figures, noting that a full report would not be prepared for the 2020-21 reporting period due to the impact of the pandemic on priorities and resources; noting the progress against completion of the recommendations arising from the internal auditors' review of the University's compliance with the Committee of University Chairs HE Senior Staff Remuneration Code, and the related Office for Students Accounts Direction; agreeing to receive an annual update on any non-disclosure agreements; receiving updates on the progress pertaining to new appointments to the University executive team, and giving consideration to the formal terms and conditions relating to those appointments; and receiving an update on the University's continued use of the Government's Coronavirus Job Retention Scheme (the Furlough Scheme) and of the decision to maintain the pay of affected staff during the initial round of furloughing at 100 per cent.
- 21/233 The Council approved the Annual Report of the Remuneration Committee for 2020-21.

Report from the Trustees of the University of Leeds Pension and Assurance Scheme (CL/21/39)

- 21/234 The Council received a report from the Trustees of the University of Leeds Pension and Assurance Scheme (PAS), the Defined Benefit pension scheme for University support staff (CL/21/39). As at 31 March 2021 (the financial year-end for the Scheme), active employees in PAS totalled 1,947, with 2,420 deferred members and 1,814 pensioners. Life assurance benefits were also provided to 1,355 members of staff in the Defined Contribution Pension Plan.
- 21/235 The market value of the pension fund at 31 March 2021 was £563m (£454m in 2020), with investments as indicated. The increase in value from 2020 reflected the improvement in markets following the initial impact of Covid-19. A valuation of the fund at 31 March 2020 showed a deficit of £66.2m. Following discussions with the University, it had been agreed that the employer contribution rate would remain unchanged as the outperformance of the Scheme assets was expected to meet the deficit by the end of the recovery period in 2026.

Trust corporation annual report 2020-21 (CL/21/40)

- 21/236 The Council received the report for the year ended 31 July 2021 on the financial position and activity of the Charterhouse Rheumatism Trust, a charity of which the University is Corporate Trustee (CL/21/40).

Treasury report (CL/21/41)

21/237 CLMM 21/237-239 are confidential to the Council.

Committees of the Council (CL/21/42)

21/240 The Council reviewed, and ratified, the constitutions of its committees, as set out in CL/21/42.

Common Seal (CL/21/43)

21/241 The Council approved that the use of the Common Seal be attested by:

- (a) two members of the Council; and
- (b) the University Secretary (Jennifer Ann Sewel) or, in her absence, by David Robert Wardle (Deputy Secretary) or Catherine Li Lin Cho (Head of Governance Support).

Matters for report (CL/21/44)

21/242 The Council received a paper (CL/21/44) setting out a number of matters for report including those summarised at CLMM 21/243-246 below.

Obituaries

21/243 The Council recorded its sadness at the deaths which were reported in CL/21/44.1.

Distinctions; Professorial and senior appointments

21/244 Warm congratulations were offered to the recipients of honours and distinctions reported in CL/21/44.2; and details of recent professorial and senior appointments were provided in CL/21/44.3-4.

Chair's action

21/245 Action had been taken on behalf of the Council to approve the purchase of founder shares in a new company, CalTIC, to commercialise a series of therapeutic compounds for the treatment of Metabolic Syndrome (diabetes, hypertension and obesity); and to approve a £300k loan to enable the Northern Gritstone Investment Company to fund costs to 31 December 2022 whilst the company raised further investment.

Authority to use the Common Seal

21/246 The Council endorsed the use of the Common Seal since the last meeting of the Council, as detailed in CL/21/44.11.

Any other business

Pro-Chancellor-elect

21/247 The Pro-Chancellor-elect was enthused by the various matters that had been discussed at the meeting, in particular the University's work around social mobility; the embedding of the University's new values in its activities; and the use of the University's new vision and strategy to help advance its philanthropic fundraising activities.

Audit and Risk Committee

21/248 The Chair of the Audit and Risk Committee extended an invitation to new Council members to attend and observe a meeting of the Committee should they wish to do so.