

**COUNCIL MINUTES
MEETING HELD ON 22nd NOVEMBER 2019**

Members		Meeting 1 04.10.19	Meeting 2 22.11.19	Meeting 3 07.02.20	Meeting 4 20.03.20	Meeting 5 15.05.20	Meeting 6 03.07.20
	Ms Julia Palca (Chair)	✓	✓				
	Professor Sir Paul Curran (President)	A	✓				
	Dame Lynne Brindley	✓	✓				
	Ms Kru Desai	✓	✓				
	Dr Paula Franklin	✓	✓				
	Mr Simon Harding-Roots	✓	A				
	Mr Adrian Haxby	✓	A				
	Ms Philippa Hird	✓	✓				
	Professor Chris Jenks	✓	A				
	Ms Janet Legrand	✓	✓				
	Sir John Low	✓	✓				
	Ms Hunada Nouss	✓	✓				
	Ms Jacky Wright	A	A				
	Mr Ron Zeghibe	✓	A				
Staff and Student Members	Ms Tuna Kunt	✓	✓				
	Ms Mary Luckiram	✓	✓				
	Ms Liz Rylatt	✓	✓				
	Professor Debra Salmon	A	✓				

Key: ✓ In Attendance A Apologies P Part Attendance N/M Not a Member S Sabbatical

In Attendance	Reason and Meeting Section
Professor David Bolton	Deputy President & Provost (DP&P)
Dr William Jordan	College Secretary
Ms Sarah Lawton	Governance Administrator
Ms Susannah Marsden	Director of Student and Academic Services, Item 9
Professor Stan Newman	Vice-President, International
Professor Zoe Radnor	Vice-President, Strategy and Planning
Professor Paolo Volpin	Interim Dean of Cass Business School

MINUTES SECTION A – OPEN FOR PUBLICATION

Part One – Preliminary Items

- 1. Highlighted Items**
Council **agreed** the highlighted items.
- 2. Minutes**
The minutes of the meeting held on 4th October 2019 were approved.
- 3. Matters Arising**
Council noted the table of actions arising from past meetings.

Matter Arising 1 USS Update – Industrial Action

The Director of HR provided a verbal update on USS latest developments and the following points were noted:

- Industrial Action would begin on Monday 25th November with eight days of continuous strike action, followed by a period of Action Short of a Strike (ASOS).
- UCEA had offered dialogue to UCU while noting that HEIs had indicated that the pay increase implemented in August 2019 by employers remained at the

limit of affordability. UCEA was meeting UCU next week to discuss the non-pay elements of the Trade Unions' joint claim, including gender pay, workloads and casualisation.

- UUK had offered dialogue to UCU in relation to USS. From the employer perspective, the adoption of Option 3 in October 2019 had provided a welcome period of stability in terms of contribution levels and will allow the JEP report, due out before Christmas, to be fully considered by all parties.
- Council received a tabled paper from the Director of Internal Audit outlining City's preparations and details of its approach to Industrial Action in relation to the four areas of: students, staff, business continuity and communications.

3.1 Review of the Relationship between Cass and the Wider University

The VP (S&P) provided an update to Council on the "next steps" in the review of the relationship between Cass and the wider University. The Dean of Cass confirmed that his colleagues in Cass welcomed the proposed way forward.

4. Conflicts of Interest

There were no conflicts of interest declared.

5. Items Specially Brought Forward by the Chair

Extension of Staff Membership of Council

Council **approved** Professor Debra Salmon's term of office as staff member to be extended for a further year.

Prevent Duty

Professor Chris Jenks had agreed to oversee an investigation and review of a past Prevent incident, assisted by the VP (R&E) and Yewande Akindele. The findings of the review were required to be reported to the OfS.

Civic Engagement

The VP (S&P) together with the Dean of SASS had been undertaking work on Civic Engagement and, following the meeting, the College Secretary would circulate an update paper on this work. **[Action]**

Senate Attendance

The Chair sought expressions of interest from Independent Members in attending Senate on 11th December. It would in general be helpful if members could aim to attend one meeting every other year. **[Action]**

Farewell

This was the last Council meeting for Dame Lynne Brindley and Sir John Low whose terms of office would come to an end on 30th January 2020, following 9 years of service and commitment to City. The Chair thanked Lynne for her work as Chair of Audit and Risk Committee and John for his work as Chair of Remuneration Committee. The Governance Team would invite both to attend the Council Dinner in July 2020 where a presentation would be made in recognition of their contributions to City. **[Action]**

6. Council Calendar

Council noted the calendar. It was noted that the agenda for the Away Day would include options for taking forward a strategy refresh across City.

7. President's Report

The President highlighted items from his report. In discussion the following points were noted:

- City's campaign to encourage its students to register to vote had started in October.
- All City 125 lectures had been a great success, the latest being by Sir Stelios Haji-Ioannou (Cass) on 4th November and the next being Lord Robert Mair (SMCSE) on 5th December. All members were welcome to attend.

- The latest student number data showed that in 2017/18 City had 19,780 students, placing it fourth in London after UCL, King's College and Queen Mary.
- Preparations for City's 2020 submission to REF 2020 were proceeding to plan.
- The Change Support Unit had been established under the leadership of Professor Zoe Radnor, (VP, S&P) and Kay Jones, (Director).
- After years of lobbying, the Government announced in September the welcome introduction of a two-year post-study work visa for students graduating from the summer of 2020 onwards.
- City had been shortlisted for Times Higher Awards in the categories of "Outstanding Entrepreneurial University" and "Outstanding Research Student Supervisor".
- Several City students had been on placement in Hong Kong and it was confirmed that all were safely brought home last week. City had not experienced any Hong Kong-related student conflict to date.
- Following the fire at the Bolton University student halls of residence, Council were assured that City had, as requested, sent confirmation to the Secretary of State for Education of its intention to undertake a review in 2020.
- The Main Library Expansion Project was now paused pending resolution of planning issues related to the Vodafone mast and commercial discussions with Vodafone. It was likely that the start of the project would be delayed by at least a year.

8. Students' Union Report

The Students' Union (SU) President highlighted items from her report. In discussion the following points were noted:

- Black History Month had been a great success and several exciting events and activities had taken place, including an exhibition in the Pavilion and a food and culture night.
- The Union's three-year operation plan was approved; it provides a clear direction of travel with activities to be delivered.
- The Union was pleased to announce that, after presenting a paper to the Space Management Committee meeting held on 24 October 2019, the space known as the Staff Common Room in the Tait Building would be repurposed as a Student Union space.
- The SU had opened a referendum asking students' opinion on the current industrial action. The question was: "Should City Students' Union support the 'strike' and 'action-short-of-a-strike' UCU industrial action on pensions and on pay & working conditions?" The referendum closes on Monday 24th November.

Part Two – Major Items for Discussion or Decision

9. Office for Students: Management and Governance of Compliance with Regulatory Framework

Council received the report and in discussion the following points were noted:

- It was important to have a clear institutional framework that documented responsibility for overseeing the conditions of registration with OfS, including those where Council has a function. The paper had set out very clearly those responsibilities against each of the OfS conditions. The paper also commented on "reportable events" in light of additional guidance from the OfS.
- The Director of S&AS noted that a risk assessment would need to be carried out with regard to how compliant City currently was with regard to the OfS framework. It was agreed that this work and its findings would be reported to Audit and Risk Committee. **[Action]**

10. Annual Returns to OfS

10.1 Annual Accountability Returns 2019

Council noted the letters from OfS to governing bodies dated 28th October and the returns to OfS for approval by Council.

10.2 2018/19 Annual Report and Financial Statements

Council considered the audited full Financial Statements that were compatible with the OfS Accounts Direction.

Decision

Council **approved** the 2018/19 Annual Report and Financial Statements

10.3 Audit and Risk Committee Annual Report

Council considered the report and in discussion the following points were noted:

- ARC had received highly articulate and thoughtful reports from the Deans who showed a real understanding for the key issues facing their respective Schools.
- Following the last meeting of ARC, the Chair decided that ARC needed to receive a VfM report to meet its obligations under its terms of reference. A VfM report had therefore been circulated, at short notice, by the VP (S&P) to ARC, together with a revised text of ARC's Annual Report to Council, which had then been approved by ARC by circulation.

Decision

Council **approved** the Audit and Risk Annual Report.

10.4 Financial and Student Number Tables and Financial Commentary (drawn from the Five-Year Plan)

Council reviewed the commentary and associated tables required by the OfS, noting that the return was built from more granular information than City's Financial Plan. In the main there was no difficulty in breaking the numbers down but OfS now required the student number projections to be built upon the HESA numbers for 2018/19. This meant that the resulting set of FTEs in the tables were not identical with City's planned student numbers. However, the FTEs and the corresponding income projections did exactly match the Financial Plan for 2019/20 – 2023/24.

Decision

Council **approved** the Financial and Student Number Tables and Financial Commentary to be submitted to OfS by the deadline of 2nd December 2019.

10.5 Annual Prevent Report

The Annual Prevent Report confirmed that City continued to have "due regard" to the implementation of the Prevent duty during the reporting year, 1st August to 31st July 2019.

In discussion, the SU President noted that SU Societies continued to be concerned about the length of time it took to process requests to hold events with external speakers. The President noted that this was inevitable given the nature of external speakers SU Societies wished to speak at City, the background checks that needed to be made and the consideration that needed to be given to those requests with external parties including, for example, Special Branch. The Chair asked that the VP (R&E) consider best practice at other HEIs and that CGNC consider the matter further, on behalf of Council, in the New Year. **[Action]**

Decision

Council **approved** the Prevent Report which would be submitted to OfS together with a signed declaration from the Chair of Council.

11. Annual Returns to OfS

11.1 Assurance Return

Council noted the assurance return which would be signed by the Accountable Officer and submitted to OfS.

11.2 Research Return

Council noted the Research Return which would be signed by the Accountable Officer and submitted to OfS along with the Research Integrity Annual Report, which Council also noted.

12. Annual Reports

12.1 Remuneration Committee Annual Report

Council noted the Remuneration Committee (RemCo) Annual Report on remuneration decisions and noted that the report formed part of the Annual Report and Financial Accounts (Item 10.2).

Council also received a verbal update from the Chair of RemCo on other aspects of the Committee's activities over the past year including that RemCo had:

- Met four times in 2018/19 (and once so far in 2019/20) to consider the remuneration and policies relating to the remuneration of senior staff. RemCo also considered equality, diversity and inclusion.
- Considered regular sector updates from Peter Smith, Hay KornFerry.
- Considered regular reports on the development of the Cass Remuneration Framework, receiving progress updates, a historical review of professorial salaries, approving principles and final recommendations for staff arising from the application of the Framework.

12.2 Modern Slavery Annual Statement 2019

Council considered the Annual Statement on Slavery and Human Trafficking which was a requirement derived from the Modern Slavery Act, section 54 and associated guidance issued by the Home Office. The Act required "every organisation carrying on a business in the UK with a total annual turnover of £36M or more.....to produce a slavery and human trafficking statement for each financial year of the organisation".

Decision

Council **approved** the Modern Slavery Annual Statement.

12.3 Annual Report on Academic Quality and Standards

Council noted the Annual Assurance Report on Academic Quality and Standards. This year, OfS did not require a return of any kind on academic quality and standards from governing bodies of HEIs. Nonetheless it was deemed appropriate that City continued to produce the report for consideration by Senate and Council. The report gave assurance that City was meeting OfS' ongoing conditions for registration B1-5.

13. Finance

13.1 Financial Performance Report Q4 31 July 2019

Council noted the Financial Performance Report and the following points were noted:

- The report provided information on City's financial performance for the year and compared actual records on SAP at period 12 to the profiled Revised Forecast and Budget for 2018/19 and Actuals for 2017/18.
- As previously flagged in the Q3 report, City was reporting a significant deficit for 2018/19 as a consequence of the accounting movements to create a liability for USS. The deficit on the Statement of Comprehensive Income and expenditure was £39.4M. This masked an underlying surplus of £10.9M compared to the RFC of £6M and budget of £6M. The significant upturn was

due to an adjustment to the Annual Leave accrual to reflect the changes now in place with the uniform annual leave year.

13.2 Student Recruitment 2019 Flash Financial Forecast

City's recruitment of UG students had been in line with its targets but there had been a shortfall in the recruitment of PG students, which would have a one-year impact on income. Schools had been asked to develop plans to address the financial shortfall.

13.3 Five-Year Financial Plan 2019/20 – 2023/24

Council considered the Five-Year Financial Plan and in discussion the following points were noted:

- Council had been asked to sign-off the plan in July but had decided to defer approval until there was greater certainty with regard to the Cass Estate and pensions position. The data on both had been updated with the USS employer pension adjusted down and the predicted costs for Cass included.
- It was important to note that City's costs were rising each year but its regulated fees were not uplifted for inflation, and so a programme to mitigate the resulting financial risks had been developed.
- Working groups would be established to establish a robust basis on which each of the elements of the proposed programme of work set out in the paper could be taken forward.

Decision

Council **approved** the Five-Year Financial Plan 2019/20 – 2023/24.

13.4 2018/19 UBS Annual Reports

Council noted the UBS Annual Reports. The CFO noted that UBS had offered to attend a future meeting of SIPCo to provide further clarity, if required, and the Chair accepted the offer on Adrian Haxby's behalf. **[Action]**

14. HR Matters

14.1 HR Annual Report

Council received the HR Annual Report for 2018/19 and in discussion the following points were noted:

- Formal grievances represented around 14% of the case work of the HR team in supporting the resolution of interpersonal, conduct, performance issues and organisational change projects including TUPE and redundancies. The statistics provided at appendix 1 only represented issues taken forward under the formal grievance procedure. HR sought to identify and address issues before formal grievances were raised.
- There had been a significant increase in the number of Employment Tribunal claims lodged in 2018/19. This increase was consistent with a national trend that followed the abolition of tribunal fees in July 2017.
- It was important that the management of staff grievances should not be owned solely by HR; but that managers across the institution should be trained and supported to be responsible for co-ordinating early interventions in potential grievance incidences, which are usually small actions but often successful. Further discussion of this topic could helpfully be taken forward by the Remuneration Committee on behalf of Council. **[Action]**
- A working group on Workload Allocation Models had been established earlier in 2019 with all Deans and School COOs as members. Recommendations were being developed for an improved University Framework with a review of local workload arrangements taking place in each School.

14.2 Health and Safety Annual Report

Council received the Health and Safety Report for 2018/19 which had previously been considered by Audit and Risk Committee. In discussion the following points were noted:

- The Chair of ARC reported that until an appropriate Health and Safety culture became the norm across all parts of City, the risk (on the Institutional Risk Register) would remain “red”.
- The Chair asked whether sufficient resource was devoted to the staff counselling service. The Director of HR would report back on this issue at a future meeting of Council. **[Action]**

15. Institutional and School KPIs and PIs Report

Council received the KPIs and PIs Report and in discussion the following points were noted:

- ExCo had recently approved a recommendation to limit the number of KPIs/PIs to twelve, to achieve greater focus and better fit with the *Vision & Strategy 2026*. Ten PIs were reported in the report with two International PIs to be defined and measured over the coming 6 months. The remainder of the previous PIs would be transferred, replaced or reformulated and added to one of five thematic scorecards based around Education and Student Experience, Research and Enterprise, Finance, Staff and International.
- Overall the report demonstrated disappointing performance and indicated that City was falling short of many of the student-related milestones set in 2015/16 in its *Vision & Strategy 2026*. SIPCo would continue to monitor progress.

16. Update on Student Satisfaction and NSS 2020

Council noted the update which was requested by SIPCo and in discussion the following points were noted:

- The paper provided an update on the expected impact of the work carried out to date in response to NSS 2019 and Your Voice results and trajectory ahead of NSS 2020. The paper also outlined the current risks at institutional and programme level for NSS 2020 and 2021 and mitigations in place.
- Industrial action was now set to take place ahead of the survey season, with consequent risks to NSS outcomes.
- The development of a more uniform Workload Allocation Model within Schools, and to an extent across City, might help address some of the staff engagement issues outlined in the paper, resulting in more positive outcomes in some areas.

17. Biannual Institutional Level Risk Review

Council received the Risk Register and in discussion the following points were noted:

- The new set of 12 institutional risks had been used for the first time in the Risk Register. The most significant post-control risks (red) concerned Risk 1: Student Experience, Risk 2: Student Recruitment and Quality, Risk 10: Corporate Governance (e.g., UKVI) and Risk 12: Health and Safety.
- ARC would be working further with the Executive on the Risk Register, to address the concerns of the Committee that the new Risk Register, by combining risks, had led to a lack of granularity in the descriptions of risks and their mitigations.
- The Director of SPPU would liaise with the Executive in order to review Risk 10 in more detail and its “red” rating. There was a case for removing any mention of “corporate governance” from the description of this risk as the corporate governance risk was not a ‘red’ risk; and for considering whether the pre and post control scores for this risk should still both rated “red”, now that the content of the OfS Regulatory Framework was known. **[Action]**

18. **Governance Matters: Honorary Award Nominations**
Council considered two recommendations from CGNC for Honorary Awards.
This item is continued in Section B of the Minutes, Closed Business.

19. **City of London Academy Islington (COLAI)**
Council noted a proposal from the Chair of the Governing Body, COLAI.
This item is continued in Section B of the Minutes, Closed Business.

Part Three – Other Items for Decision without Discussion

20. **Letter of Representation**
Council **approved** the Letter of Representation.
21. **External Auditors: Re-appointment**
Council **agreed** the re-appointment of PwC to act as External Auditors for the 2019/20 Financial Year.
22. **Intellectual Property Policy**
Council **approved** the revised Intellectual Property Policy.

Part Four – Items for Information

23. **Minutes for Note**
23.1 Audit and Risk Committee, 30th September 2019
23.2 Corporate Governance and Nominations Committee, 3rd October 2019
23.3 Senate, 16th October 2019
23.4 Remuneration Committee, 17th October 2019
23.5 Strategy, Implementation and Performance Committee, 31st October 2019
24. **Strategic Estates Projects Update**
Council noted the report.
25. **Register of Interests**
Council noted the register. Council Members and attendees would notify the Governance Team of any required changes, as and when they occur.
26. **Opportunities for further Engagement with City for Independent Members**
Council noted the table of events.
27. **FOI Review**
Council **agreed** that no changes were required.
28. **Date of Next Meeting**
Council Away Day Friday 7th February 2020.

Part Five – Meeting of Independent Members

There was a meeting of the Independent Members, which was not minuted.

Julia Palca
Chair of Council, November 2019