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| **CONFIRMED MINUTES OF THE MEETING HELD ON 16 NOVEMBER 2023** | | |
| PRESENT: | | |
| John Cowling (Chair) | Professor Sir Chris Husbands | |
| Carol Bernard | Janet Onyia | |
| Gabrielle Berring | Giles Searby | |
| IN ATTENDANCE: | | AGENDA ITEM |
| Michaela Boryslawskyj, University Secretary | | All |
| Richard Calvert, Deputy Vice-Chancellor, Strategy and Operations (DVCSO) | | All |
| Professor Sally Jackson, Chief People Officer/Pro Vice-Chancellor (Diversity & Inclusion) (CPO/PVCDI) | | All |
| Ryan Keyworth, Chief Finance Officer (CFO) | | All |
| Tracey Taylor, Committee Secretary | | All |
| Gary Tideswell, Head of Health and Safety | | Item 6 |
| APOLOGIES: There were no apologies. | | |

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| Minute Ref | Item of Business | Paper Ref |
| FEC\_2023\_11\_16\_1 | DECLARATIONS OF INTEREST |  |
| 1.1 | There were no declarations of interest. | |
| FEC\_2023\_11\_16\_2 | CHAIR’S BUSINESS |  |
| 2.1 | The Chair has no specific items to raise. | |
| The following agenda items were taken out of order. | | |
| FEC\_2023\_11\_16\_3 | PAY GAP REPORT 2022/23 | FEC\_2023\_11\_16\_P8 |
| 3.1 | The CPO/PVCDI presented the University’s seventh pay gap report which extended to other protected characteristics. It was noted that, whilst overall pay gaps for gender, ethnicity, disability and sexual orientation were reported, the University did not have any equal pay issues when looking at these groups within grades. FEC considered the following highlights from the report:   * the lowest gender pay gap since reporting had begun; over the past year, the proportion of males in the lower quartile had increased which had positively impacted the pay gap; * the bonus pay gap and ethnicity pay gaps which were relatively static on last year; there had been an increase in the overall numbers of staff from minority backgrounds across all quartiles though the biggest increases were in the lower quartiles; * a reduction in the disability pay gap, largely due to an increase in disability reporting across the three lower quartiles; * an increase in the sexual orientation pay gap, noting that this continued to be the least robust reporting of the pay gaps due to a significant minority of staff who had not declared their sexual orientation.   In response to a query on whether equality and diversity information was only collected on appointment, it was reported that this data was collected annually and small bespoke campaigns were also used to encourage disclosure. | |
| 3.2 | Members noted the introduction of a new Equity, Equality, Diversity and Inclusion (EEDI) team which would undertake increased monitoring and evaluation of the action plan aimed at reducing pay gaps.  The CPO/PVCDI updated FEC on a query raised earlier in the year on how the University ensured women returning to work from maternity leave were not disadvantaged in this area. It was reported that the University’s approach to flexible, and particularly part-time, working facilitated maternity leavers returning to work on the same grade. It was noted that the University had recently launched a Parental Returners hub on the intranet following feedback from the Parents and Carers network and that a number of development programmes aimed specifically at women, such as the AdvanceHE Aurora programme, were available. | |
| 3.3 | **Resolution**: to **recommend** the Annual Pay Gap Report to the Board of Governors. | |
| FEC\_2023\_11\_16\_4 | PEOPLE PLAN REPORT | FEC\_2023\_11\_16\_P7 |
| 4.1 | **Industrial action:**  it was reported that UCU had failed to reach the required threshold in its recent ballot and consequently had no mandate for industrial action at this time. However, UCU remained in dispute and may call a further national (or local) ballot. It was noted that Unison was also in dispute over the 2023/24 pay award and that the local branch had opted to join the national action. | |
| 4.2 | The CPO/PVCDI reported on the following items which had been approved by the University Executive Board (UEB) earlier in November.  **Revised Academic Career Framework (ACF):** key changes to the Professor/Associate Professor application/review process including the addition of expectations around demonstrable impact on the student experience, enhancement of EEDI and performance in securing external funding. In response to a member’s query, it was noted that following appointment, performance was monitored through the PDR process and that a more detailed briefing for Governors would be taking place in early 2024. | |
| 4.3 | **Temporary flexible working arrangements:** UEB had approved a temporary change to the flexible working arrangements. All staff would be able to request a reduction in their working hours (in agreement with their Line Manager) with effect from 15 November 2023 to July 2024. Line Managers would need to ensure other staff were not adversely affected by any such arrangements but, with effective local management, it was noted that this should be achievable. Members suggested that this initiative would need to be accompanied by efforts to stop/pause non-critical activity to mitigate the impact across the University and, on the assumption that women were more likely to take up the offer, that this should not impact future career prospects. FEC noted that the Human Resource and Organisational Development (HROD) Business Partners were working closely with Line Managers to monitor and mitigate this as far as possible. | |
| 4.4 | **Academic Career Pathway:** UEB approved the implementation of a new Grade 6 Teaching and Scholarship post from January 2024 and to reinstate the full progression criteria in relation to Lecturer progression from Grade 7 to 8. | |
| 4.5 | **A simplified Academic Work Planning (AWP) model:** the new model, the principles of which had been agreed with the Deans, signalled a less granular approach to academic work planning. It was noted that the model contained three broad categories of activity with a strong emphasis on increasing time spent on the core activities of teaching and research, together with a significant reduction in management and administrative sub-categories. The model aimed to provide greater flexibility for Colleges to meet their annual planning and departmental priorities. It was noted that the proposals would be discussed with UCU the following week with an intention to implement the new model from February 2024. | |
| 4.6 | **Universities’ Superannuation Scheme (USS) Salary Sacrifice:** FEC was briefed on UEB’s decision to implement salary sacrifice arrangements in relation to the USS including the benefits for both the employee and the University and that this was established practice in the HE sector. | |
| FEC\_2023\_11\_16\_5 | HEALTH, SAFETY AND WELLBEING ANNUAL REPORT | FEC\_2023\_11\_16\_P6 |
| 5.1 | The University Secretary introduced the Health, Safety and Wellbeing (HSW) Annual Report, noting the significant work undertaken since the Head of Health and Safety joined the University 12 months ago, including an assessment of baseline health and safety performance across the Institution.  The Head of Health and Safety reported that the documentation established an enhanced framework for HSW performance, key elements of which included:   * the Integrated five-year Occupational HSW Plan which had been approved by UEB. The plan was broken down into three key areas containing two workstreams. Each of the six areas had both five-year aims and annual objectives; and * two key enablers– the revised Terms of Reference for the Health, Safety and Wellbeing Committee (HSWC) and the updated Health and Safety Policy. | |
| 5.2 | Members commented on the well-prepared documentation and intention to deliver improvements through a clear and measurable framework.  Members raised the following queries/comments:   * Completion levels for mandatory training – the Health and Safety Team was working with Directorates and Colleges on what constituted mandatory training and how to encourage engagement. It was noted that completion of mandatory training was discussed as part of the PDR process. * Resourcing to deliver the plan – it was noted that a mix of dedicated roles and more effective use of existing resource was envisaged, including a review of the Health and Safety Coordinators across the University. The University Operations Board (UOB) would be taking on some elements of the decision-making outside of the HSWC including operational delivery aspects. * How occupational HSW had adapted to changes in working practices – noted that awareness raising amongst staff was key and that IT guidance had been enhanced to include working from home, together with the provision of equipment and the availability of virtual DSE assessments for the home environment. * The degree of confidence in delivery – the key enablers outlined above were crucial to delivery. It was also important to acknowledge the risks to delivery, including the potential delay in moving to a single platform IT system. | |
| FEC\_2023\_11\_16\_6 | MINUTES OF THE PREVIOUS MEETINGS | FEC\_2023\_11\_16\_P3 |
| 6.1 | The Committee **approved** the minutes (including the confidential minutes) of the meeting held on 28 September 2023 as an accurate record. | |
| FEC\_2023\_11\_16\_7 | MATTERS ARISING AND ACTION TRACKER | FEC\_2023\_11\_16\_P4 |
| 7.1 | The University Secretary briefed FEC on the dissolution of SHU Law Ltd, noting that the Company’s Board of Directors had met earlier that day and had received assurance around the timeline for de-registration with the Solicitors Regulation Authority (SRA) and dissolution by 29 February 2024. | |
| FEC\_2023\_11\_16\_8 | FINANCIAL MATTERS |  |
|  | **Draft 5-Year Financial Forecast** | FEC\_2023\_11\_16\_P5.1 |
| 8.1 | RK presented the five-year financial forecast for 2023/24 to 2027/28, noting that the first two years were fundamental to the external auditors’ assessment of the University’s ‘going concern’ status and their audit opinion on the 2022/23 Annual Report and Financial Statements which FEC had considered earlier in the day jointly with the Audit and Risk Committee.  It was noted that, whilst compliant with the Office for Students (OfS) requirements, the Forecast differed significantly from last year’s submission in terms of considerable movements in income and expenditure. The Forecast was underpinned by the Medium-Term Financial Strategy (MTFS) which set out the underlying financial parameters within which the University would need to operate to remain sustainable. The Forecast moved the University from a position of relatively low cash generation in 2023/24 to a more sustainable financial position by 2027/28 with steady improvement in bank covenant headroom.  FEC considered the underlying assumptions for the Forecast including:   * the completion of the Howard Street Development (Blocks A-D); * provision for the London Campus and Online Project; * Home undergraduate growth of 3% p.a.; and * a further £30m investment capacity p.a. from 2024/25, increasing to £50m p.a. from 2026/27.   Members debated an alternative investment approach of £30m investment capacity p.a. for the duration of the Forecast which would mean challenges for further campus development and the University’s net zero ambitions. It was noted that a decision to defer the London Campus did not make a transformative difference to the savings challenge ahead, but that the Campus had a positive impact on the University’s financial position in later years. The University Secretary reminded members of the provisions of the OfS’s Reportable Events guidance in relation to the Financial Forecast. | |
| 8.2 | Members agreed on the importance of being mindful of the long-term and the risk of making short-term decisions that could potentially have a negative long-term impact. FEC acknowledged that the Forecast identified action was needed to address growth in Home undergraduate students and noted the positive impact London and the Online Project could have on recruitment in Sheffield since both extended the brand beyond South Yorkshire. Action was also welcomed on expenditure.  FEC commented on the net zero challenge for the sector, noting that investment capacity to construct new buildings would help achieve the University’s ambitions in this important area.  Members noted that the savings identified in the Forecast achieved headroom on banking covenants (notwithstanding the variables of the January and September 2024 recruitment performance) and the need for the University to move swiftly and robustly on implementing these savings,  Following further detailed discussion, FEC agreed that the Financial Forecast as presented offered a credible articulation of the University’s long-term ambitions, whilst recognising the savings challenge and choices ahead. | |
| 8.3 | **Resolution**: to **recommend** the OfS Annual Financial Return and supporting commentary to the Board for **approval** at its meeting on 28 November 2023. | |
|  | **Students’ Union (SU) Financial Statements** | FEC\_2023\_11\_16\_P5.2 |
| 8.4 | Members considered the SU Financial Statements for onward presentation to the Board of Governors at its meeting on 28 November. | |
|  | **Orders and Contracts above Threshold** | FEC\_2023\_11\_16\_P5.3 |
| 8.5 | FEC noted the contract awards over threshold since the previous meeting and **resolved** to **approve** the release of an open tender for Legal Services with an estimated value of up to £2m (the combined value across five Lots). | |
| FEC\_2023\_11\_16\_9 | 2023/24 SEVERANCE SCHEMES | FEC\_2023\_11\_16\_P9 |
| 9.1 | It was noted that UEB had approved a targeted voluntary severance scheme (VSS) within the College of Business, Technology and Engineering (BTE) with effect from November 2023 and a second VSS, to commence in January 2024, across all academic areas (teaching and research) as a means of achieving further staff cost savings. An increase in the number of months’ pay offered from eight to ten would be offered to enhance the attractiveness of the schemes. | |
| FEC\_2023\_11\_16\_10 | **ESTATES DEVELOPMENT REPORT** | FEC\_2023\_11\_16\_P10 |
| 10.1 | Members received an update on estates developments since the previous meeting, together with the bi-annual update on the Hallam Alliance Framework. | |
| FEC\_2023\_11\_16\_11 | **ANNUAL DONATIONS REPORT AND REGISTER** | FEC\_2023\_11\_16\_P11 |
| 11.1 | FEC reviewed the annual report from the Development and Alumni Relations Office (DARO) with particular reference to the Donations Register in line with FEC’s oversight of the University’s decision-making processes and due diligence around donations.  The benefits of the DARO team over and above the management of donation income were noted including liaison with alumni on placements and other student initiatives, such as mentoring, related to student outcomes. The benefits of receiving a more detailed annual report on DARO activity were mooted, and the University Secretary suggested that a briefing for the Board would be more appropriate since FEC’s remit related more specifically to the Donations Register. | |
|  | **Action: University Secretary to arrange a briefing for the Board on DARO activity.** | |
| FEC\_2023\_11\_16\_12 | **SU FINANCIAL MONITORING REPORT INCLUDING THE LATEST REVIEW OF SU KPI PERFORMANCE** | FEC\_2023\_11\_16\_P12 |
| 12.1 | FEC noted an update on the Students' Union (SU) financial position as at end October 2023, together with the latest review of its KPI performance. | |
| FEC\_2023\_11\_16\_13 | **INVESTMENTS SUMMARY** | FEC\_2023\_11\_16\_P13 |
| 13.1 | Members noted the cash investment summary. | |
| FEC\_2023\_11\_16\_14 | ANNUAL CYCLE OF BUSINESS 2023/24 | FEC\_2023\_11\_16\_P14 |
| 14.1 | FEC noted the cycle of Committee business for the remainder of the 2023/24 academic year. | |
| FEC\_2023\_11\_16\_15 | ANY URGENT BUSINESS |  |
| 15.1 | The Chair, on behalf of the Committee, expressed his thanks to the Vice-Chancellor for his outstanding contribution to the University and wished him well in the future. | |
| FEC\_2023\_11\_16\_16 | DATE OF THE NEXT MEETINGS |  |
| 16.1 | Wednesday, 6 March 2024, 15.00-18.00 | |