COUNCIL

Confirmed Minutes of the Meeting held on Wednesday 24 July 2019 at 1100-1730 hrs in Room H/G15 Heslington Hall, Campus West.

Members Present: Chris Thompson (Acting Chair), Professor Neil Audsley, Mr Sam Bayley, Philip Carpenter (a Pro-Chancellor), Ms Charlotte Chamberlain, Dr Rachel Curwen David Dickson (Treasurer) from Minute 18-19/106 onwards, Dr Karl Dittrich, Mrs Lindsey Fussell from Minute 18-19/106 onwards, Professor Caroline Hunter, Ms Samara Jones from Minute 18-19/110 onwards, Professor Duncan Petrie, Professor Deborah Smith, Mr Richard Sommers, Professor Saul Tendler (Acting Vice-Chancellor and President).

In attendance: Jo Horsburgh (Registrar and Secretary), Joan Concannon (Director of External Relations) for Minutes 18-19/139-148, Dr Adam Dawkins (Head of Governance and Assurance), Rebekah Desport for Minutes 18-19/139-142, Mary Haworth (Director of OPPA) for Minutes 18-19/146-148, Professor Charlie Jeffery (Vice-Chancellor and President Elect), Jeremy Lindley (Finance Director), Roxanne Pendlebury (Interim Director of Marketing, Recruitment, Admissions and Outreach) from Minute 18-19/139-18-19/145.

Apologies: Professor Christopher Dye, Mrs Nicola Inchbald, Ms Denise Jagger (Chair), Ms Sehrish Shafi.

PRELIMINARY STRATEGIC DISCUSSION

BioYork Initiative (Presentation)

18-19/105 Council considered a presentation from Professor Ian Graham (Biology) on the BioYork initiative. The presentation was not part of the formal meeting Agenda for Council, and a record of the discussion of the presentation would not therefore be minuted.

Annual Executive Report and Presentation on Research (C.18-19/92)


18-19/107 The Pro Vice-Chancellor for Research reported that:

i. since Council considered the previous Executive Report in May 2018, significant progress had been made in delivering Strategic Objective 1 – To be a world leader in Research - and the Research Strategy 2015-20 stemming from it. Key achievements included: ensuring a robust framework existed for York’s REF 2021 return;

ii. rising research income, amounting to a 30% increase over a four-year period and the strengthening of underpinning risk and assurance processes for research, including ethics and integrity oversight, development of more advanced due diligence processes to address complex, consortia-based grants, and the impact of the General Data Protection Regulations (GDPR) for research data management;

iii. the focus on REF has included development of the required Code of Practice submitted for approval by the REF 2021 Equality and Diversity Advisory Panel. All staff on Academic, Research and Teaching (ART) contracts would be returned to the REF, which fostered University-wide ownership for success in it. A Mock REF exercise undertaken had helped determine the next stages of institutional planning, including more work to systematically demonstrate research impact, but was too early to forecast possible outcomes, and was dependent on other providers’ outcomes. The recruitment of staff by other providers had been a less prevalent feature of the lead-up to REF 2021 than was the case with REF 2014 due to the changes in the treatment of research outputs;
iv. research infrastructure had been strengthened, including establishing Faculty Associate Deans for Research, who had been critical in joining up strategic and operational research support and working with the Research Theme Champions (a number of whom Council met at the previous evening’s dinner). The outcome of this had been improved horizontal interaction across the University, and the inter-disciplinary benefits and efficiencies this brought for research;

v. research performance constituted both the volume and quality of income generated from research. Recent significant successes, which were the outcome of excellence and distinctiveness which had evolved over several years. This included the Global Challenges Research Fund (GCRF) awards, the EPSRC Quantum Communications hub, the York Global Initiative for Safe Autonomy and the AHRC Industrial Strategy £15m funding in conjunction with the British Film Institute (BFI) and Screen Yorkshire;

vi. diversifying the University’s funding portfolio would be critical, in light of intensified competition, and possible contraction of, or reduced access to, EU research funding. A KPI for Knowledge Exchange (KE) had been developed to structure performance in this area and would be discussed later in the meeting;

vii. the Annual Statement of Research Integrity as required by Universities UK (UUK) was Item 12 on the Agenda, but would be considered under the current item. The statement provided a summary of 2018/19 work to support research integrity and manage academic and research misconduct.

18-19/108 Council observed the following:

i. it was interested in understanding future areas for investment, noting the postdoctoral and fellowship initiative underway, and how the accelerated pathway for Physical Sciences could be progressed further;

ii. the efforts made to diversify the funding portfolio were endorsed, noting areas where York had historically been less successful such as industry and third sector and philanthropic income, noting that the Gates Foundation was the second highest funder of research globally;

iii. data indicated that research income per academic staff member per FTE lagged behind competitors, particularly in the Sciences. However, it was clarified that KPI R1biii was based on average income per academic and did not therefore reflect significant variation in performance rate between departments. The performance underscored the importance of staff generating external research income to reduce institutional reliance on Quality Related (QR) funding;

iv. it was difficult at present to disaggregate how much research income was aligned to Industrial Strategy themes, and that the research income KPIs were lag indicators. It was confirmed that the indicators would be reviewed post-REF 2021 following an assessment of performance against them, and their continued fitness for purpose;

v. improved efficiency was evident in a more centralised and thus less silo-based approach to accessing research equipment and resources;

vi. the question of the compatibility of the REF 2021 methodology with interdisciplinary research was raised, although a move away from a sole focus on Units of Assessment (UoA) was encouraging;

vii. it was confirmed that the University was a signatory to the Declaration on Research Assessment (DORA), the intention of which was to improve the way scientific research was evaluated;

viii. the research communications strategy had developed, following the focus brought about by the Research Communications sub-group of University Research Committee in conjunction with External Relations, and efforts in this regard should be continued and further developed. This included ensuring disciplinary narratives and successes were communicated in areas where major research funding had not been secured, and/or was less available;

ix. the Assuring Autonomy International Programme (AAIP) aligned to public policy discourse, around the ethics of safe engagement in online environments;
x. several Humanities disciplines were genuinely world-leading at York and outperformed their Science and Social Sciences counterparts in global league table rankings. However, given that funding opportunities were not as great, an institutional narrative around the importance of the humanities in understanding the past, contemporary society and the future might be conveyed more clearly. The Research Themes and associated champions had helped foster the relevance of the humanities in disciplinary collaborations.

18-19/109 Resolved: To approve the Annual Statement of Research Integrity 2018/19 for publication.

Valedictions and Introductions (Oral Report)

18-19/110 The Acting Chair of Council reported thanks on behalf of the Council to:

i. David Dickson who was attending his final meeting as a member of Council as he reached his final four-year term on 31 July 2019, after a total of 17 years of association with the University including as Chair of the Audit Committee and subsequently 12 years as a member of Council and University Treasurer. A small gift was presented to David as a token of Council and UEB’s appreciation for his wise counsel and support to the University over many years;

ii. Dr Christopher Dye, who had decided to step down from Council after the initial two-year term of office due to competing professional commitments;

iii. Deian (Tex) Tecwyn who had a connection of over 15 years with the University, including as a member of Council and Pro-Chancellor, Deputy Treasurer and, latterly, co-opted Chair of Audit and Risk Committee and as an attendee of Subsidiaries Management Group. Tex’s contribution to the work of the University over this period had been significant, and Council and UEB’s thanks were formally recorded;

iv. James Durcan and Sehrish Shafi for their contribution to Council and a number of sub-committees, following the end of their respective terms of office as YUSU and GSA Presidents;

v. Professor Saul Tendler, who had shown great leadership in serving as Acting Vice-Chancellor since 01 November 2018, the outcomes of much of which was visible on the strategic projects and major achievements covered on the Agenda for the Council’s meeting. Professor Tendler would re-assume the position of Deputy Vice-Chancellor and Provost on 01 September 2019 upon the arrival of the incoming Vice-Chancellor;

vi. the Vice-Chancellor and President (Designate), Professor Charlie Jeffery CBE was welcomed as an observer of the Council meeting, pending commencement of his appointment to the role on 01 September 2019;

vii. Samara Jones was welcomed to her first formal meeting as a member of Council since being appointed YUSU President, as was interim GSA President, Charlotte Chamberlain (elected to the substantive role of GSA Vice-President, Academic), ahead of Purnur Altay taking up post at the start of the 2019/20 academic year;

viii. Dr Adam Dawkins was also greeted at his first meeting of Council, since taking up the new post of Head of Governance and Assurance in June 2019.

STANDING ITEMS

18-19/111 Council noted apologies for absence as recorded at the start of the Minutes (Oral Report).

18-19/112 Council noted the declarations of several members’ and attendees’ interest in relation to the item about the Universities Superannuation Scheme (USS) as members of it.

Council Unreserved Minutes: 22 May 2019 Meeting (C18-19/93)

18-19/113 Council approved the unreserved minutes of its meeting on 22 May 2019 as an accurate record, and noted the action schedule based on the Minutes.

18-19/114 The Registrar and Secretary reported the following actions, not covered elsewhere on the agenda:
i. Minute reference 17-18/55: a People Strategy progress report would be presented to the 12 November 2019 Council meeting;
ii. Minute reference 18-19/21: Work to instigate the new Governance and Ethics Committee would be undertaken now that the Head of Governance and Assurance was in post;
iii. Minute reference 18-19/49: Brexit Planning, an oversight group had been reconvened by the Registrar and Secretary;
iv. Minute reference 18-19/47: in line with many Russell Group universities, its draft Access and Participation Plan 2020/21-2024/25 had been the subject of further queries and points of clarification from the Office for Students (OfS), with the current queries centring on the level of ambition for several targets in relation to reducing the POLAR ratios between 1-5 and BAME attainment gaps. As previously agreed with Council, amendments to the Plan would be approved by Chair’s Action to enable submission to the OfS.

### Acting Vice-Chancellor’s Report (C18-19/95)

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<th>Ref</th>
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<tr>
<td>18-19/115</td>
<td>Council considered the Report from the Acting Vice-Chancellor.</td>
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#### 18-19/116

The Acting Vice-Chancellor reported that:

i. the 2019 National Student Survey (NSS) results were positive news for York which had improved its performance in all except two questions under Assessment and Feedback and the Students’ Union. Overall satisfaction had improved by four percentage points to 88.66% (from 84.61%) in 2018, against a sector average of 83.65%, and an increase in overall satisfaction across 28 subject areas, with the largest category improvement in ‘Teaching on my Course’. The University was ranked top of the Russell Group based on overall satisfaction. NSS overall satisfaction with Hull York Medical School (HYMS) had declined for the fourth consecutive year with areas for improvement being identified;

ii. the significant, recent research grant successes had already been addressed in detail in the report from the Pro Vice-Chancellor for Research;

iii. as well as the many other successes to be celebrated in the Report, such as the recent Festival of Ideas and the launch of York Unlimited, congratulations were extended to Professor Nicky Milner (Archaeology) and Professor Gregory Currie (Philosophy) for election as Fellows of the British Academy (FBA).

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<th>Ref</th>
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<tr>
<td>18-19/117</td>
<td>Council observed that:</td>
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i. the 2019 NSS outcomes were a major success, with congratulations offered to all involved in this collective effort. It was noted that ascertaining the factors and good practice which led to the outcome, was key to replicate the same degree of success across areas in future survey rounds. In conjunction with the Dean of HYMS, the governance and wider structure of HYMS was being reviewed but it was not felt that the performance of HYMS in the NSS was due to any disconnect in the founding partnership as the infrastructure from a student perspective was regarded as integrated;

ii. as noted previously the declining rankings in several national league tables was of reputational concern and this was the subject of further analysis and evaluation by UEB to understand the root causes and seek to influence positive change;

iii. should the Augar Review recommendations be adopted by government and implemented, York’s subject mix could mean that the financing of and investment in disciplines which were not laboratory based and could be adversely affected based on sensitivities in the top up payments relevant to higher fee charging STEM disciplines;

iv. the University and College Union (UCU) preparations to hold strike ballots for industrial action at USS employer institutions in September 2019 would necessitate clear and early communications with students to mitigate any adverse impact on the student experience.

### MATTERS ARISING

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<th>Ref</th>
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<td>18-19/118</td>
<td>Council considered several Appointments Committee related matters.</td>
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Chris Thompson left the room when Minute 18-19/119 iii was discussed and approved, as did Lindsay Fussell for Minute 18-19/121 iv.

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<tr>
<th>18-19/119</th>
<th>The Registrar and Secretary reported that:</th>
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<tr>
<td>i. the paper brought together a range of appointments related matters for Council consideration or note, as specified;</td>
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<td>ii. an Expression of Interest (EoI) had been sought from lay Council members in being considered for the role of Chair with effect from the 01 August 2020 until 31 July 2022, to immediately follow the end of the current Chair’s term of office. No expressions of interests were returned from members and as such Council were asked to approve the extension of the current Chair of Council’s term of office accordingly, noting that Denise Jagger had confirmed her willingness to serve;</td>
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<td>iii. a concise, draft role description for a Senior Independent Lay Member of Council had been developed and it was proposed that Chris Thompson assume this role with immediate effect, subject to Council approval of the role description;</td>
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<td>iv. the role description for Pro-Chancellor had been included for completeness which reflected the current headline duties set out in the Charter and Statutes. It was agreed to defer consideration of the role description pending further engagement with the Chancellor and noting the forthcoming review of the governing instruments which would afford an opportunity to reflect on the responsibilities;</td>
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<td>v. progress relating to the lay Council member recruitment campaign which was launched in conjunction with Perrett Laver in early July 2019. The skills profile being sought from the four (and up to five) new lay members was covered in the paper, along with an outline timeline. In order to seek a wide field, the timetable would need to be extended out to a later date which would delay appointments being made. The possibility of accelerating a recommendation to Council regarding one or two exceptional candidates arising from the Perrett Laver process was raised, in the event of sufficient risk that such candidates might withdraw interest or be appointed elsewhere;</td>
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<td>vi. as previously approved, ‘Appointments Committee’ would be re-named ‘Nominations Committee’ from the start of the 2019/20 and the currently titled committee of that name would become ‘Honorary Associations Committee’.</td>
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<th>18-19/120</th>
<th>Council observed that:</th>
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<td>i. whether there was a potential conflict between the role of Senior Independent Lay Member of Council in scenarios where they might simultaneously act as a source of confidential and trusted advice for the Chair and the person through which to raise material concerns where resolution through the Chair was not appropriate. It was noted that: [a] being a confidential source of advice for the Chair was not incompatible with receiving and responding to concerns from other Council members and [b] the route of raising concerns through the Secretary and Registrar meant that any conflicts could be appropriately managed. The role description would be subject to future review;</td>
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<td>ii. the size of the Council was quite large and whether as many four or five new lay Council member appointments were required. It was noted that the numbers being sought were required in order to comfortably maintain a lay member majority on Council.</td>
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<th>18-19/121</th>
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<td>To:</td>
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<td>i. approve the re-appointment of the current Chair of Council (Denise Jagger) as Chair from 01 August 2020 until 31 July 2022;</td>
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<td>ii. approve the draft role description for Senior Independent Lay Member and delegate authority to make minor changes;</td>
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<td>iii. subject to ii above, approve the appointment of Chris Thompson as the Senior Independent Lay Member with immediate effect;</td>
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<td>iv. approve the appointment of Lindsey Fussell as Deputy Treasurer with effect from 01 August 2019, and amendment of the Scheme of Delegation and Decision Making and the</td>
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Financial Regulations, to add the incoming Deputy Treasurer to the list of existing signatories to authorise use of the Common Seal, and wider signatory powers in line with the Financial Regulations.

**BUSINESS FOR DECISION**

**Budget for 2019/20 and medium-term plan to 2023/24 (C.18-19/98)**

18-19/122 Council considered the budget for 2019/20 and medium-term plan to 2023/24.

18-19/123 The Finance Director reported the following:

i. the budget for 2019/20 and medium-term plan (MTP) to 2023/24 for the period was cash generative but did not meet the targeted £40m per annum over the MTP period. The operating performance of the University, was being stretched over the MTP period and therefore not sufficient at present to generate the cash required to fully fund strategic cash needs of the University and in particular the capital programme identified in the Masterplan. The adjusted operating cash flow of £17.6m in 2019/20, was forecast to incrementally increase to £35.1m by 2023/24;

ii. contingency levels had been reduced and no provision had been made in the budget for any adverse impact of Brexit, noting the short term positive effect of its delay on exchange rates and therefore on international student recruitment). Growth in overseas student volumes due to lower exchange rates has not been factored into the budget. Modelling had been undertaken for Brexit and tuition fee reductions in the event that the review of post-18 review of funding education recommendations be adopted by government;

iii. the budget for 2019/20 was broadly considered to be realistic in terms of expenditure, income generation and the forecast decline in EU research income as a percentage of the total by 2023/24. It was also noted that significant work had been undertaken to deliver increased and diversified income and to generate efficiencies and savings. The former included a range of initiatives in place such as the targeted investment in international recruitment and marketing in order to generate significant additional revenue within and beyond the MTP period. A wider review of the size and shape of the University had not been factored into the budget or MTP. Savings and efficiency activities included savings generated through procurement of services and supplies, including in relation to IT, optimal ways of acquiring assets and Rapid Improvement Events to manage change and ensure continuous improvement of approaches and processes;

iv. staff expenditure as a percentage of income was high at around 60% of income, and forecast to increase over the MTP period by £44.3m, which included an estimate of the increased employer USS pension costs;

v. he was comfortable that the budget was realistic over the five year period with a reasonable element of stretch related to a £40m growth in overseas student income. The proposed MTP, by nature of its status as a forecast, will need to change as factors such as BREXIT, the post 18 review, pay claims and changes to USS crystallise. In addition the launch of a new University Strategy from January 2020 which would commence development through a period of intensive consultation following the arrival of the new Vice-Chancellor and President, will also likely lead to change;

vi. that the capital expenditure included in the budget at approaching £60m might need to be managed down in the event external or internal changes occurred in order to provide investment and risk management headroom.

18-19/124 Council observed that:

i. assurance was provided that there were sufficient resources over the MTP period for expenditure to ensure buildings remained fit for their current purpose. However, this would not amount to the investment required to ensure the long-term sustainability of all parts of the Estate;

ii. delivery of the MTP in its later years would be heavily reliant on the planned increase in overseas students. Council sought assurance that all means of diversifying and increasing income had been considered by UEB, noting the strategic interventions to boost
international student recruitment and plans to review the size and shape of the University;

iii. levels of contingency included within the Plan had been reduced, in line with the discussions of the savings and efficiency group. UEB would continue to undertake stress testing and assess the impact of major scenarios, the modelling of which was outlined in the paper. The Finance Director also confirmed than an annual review of contingency budgets would be undertaken;

iv. the pay award assumptions for each year of the Plan was subject to annual agreement through the National Pay Negotiations process between the Universities and Colleges Employers Association (UCEA) and Trades Unions, with the final offer lower than trade union requests to match the Retail Price Index (RPI) plus 3%, in the case of 2019/20. Staff expenditure was an area where the most impact could be made in reducing the cost base;

v. the budget and MTP could be improved when further KE and/or industrial income was included, which would be the focus of objectives and target setting through the proposed KE KPI. Any assumptions and forecasts for KE income would be allocated to research income given the crossover between aspects of KE and research and innovation activity. The budget and MTP excluded any matching costs to be borne by the University which might form a condition of future charitable grants;

vi. whilst Finance Committee had recommended the budget for 2019/20 and the MTP to 2023/24 for Council approval, the Committee also acknowledged the reservations set out in the paper that the adjusted operating cash flow would not meet the longer term strategic investment ambitions planned, specifically for the Estate;

vii. it was proposed that the paper as presented be amended to reinforce some of the observations about the MTP not meeting the requirements for investment in line with the Masterplan.

18-19/125 Resolved:
To approve the budget for 2019/20 and medium-term plan to 2022/2023, subject to the review and evaluation set out in the paper and discussed at the meeting.

Secretary’s Note:
Subsequent to the Council meeting, it was agreed that the Council Minute as above was the appropriate means to reflect the record of the observations made in relation to the budget and MTP, rather than revising the paper as presented to Council, and the potential implication of rescinding and re-submitting a paper brought to Council.

Student residences project financial close (C.18-19/99) – CONFIDENTIAL and COMMERCIALLY SENSITIVE

18-19/126 Council considered an update paper on the residences project and the Design, Build, Finance and Operate transaction (DBFO) between the University and Civitas Living.

18-19/127 The Finance Director reported that:
    i.  good progress had been made since the May 2019 Council meeting and the update provided to the June 2019 Finance Committee meeting;
    ii. central to this was agreement to remove of the restrictive covenants by Assured Guarantee (AG) as funder, with final changes almost ready;
    iii. the target completion date was the week commencing 19 August 2019;
    iv. the form of words for replication in the Minutes was provided in Appendix 1 to the paper, with the Pinsent Masons report on the legal documentation and the QMFP report on the transaction being provided on the Agenda as ‘Business for Information’.

18-19/128 Council observed that:
    i.  confirmation was sought on whether the constructor security performance bond costs to be incurred by Graham had been agreed by AG, which the Finance Director confirmed was
subject to ongoing negotiation to reduce the 13.7% level sought and to bring it closer to the anticipated 10%;

ii. assurance was provided from UEB in relation to provision of a diversity of rental price points for student accommodation rentals, with prices based on current comparable University accommodation with an annual RPI cap on increases. In relation to the query about rental costs, it was noted that the discussion between YUSU and the University senior management was a UEB rather than a Council matter and was overseen on behalf of UEB through the work of the Rents Group which comprised a range of stakeholders, including YUSU and GSA officers and staff.

Minutes 18-19/129-135 reflect the pre-agreed form of words required by the contracting parties, and therefore departs from the University’s protocols.

18-19/129 Council noted the contents and recommendations contained in the paper from the Finance Director (Paper reference C.18-19-99).

18-19/130 The Finance Director provided Council with an update on the current status of the Residences Project (the “Project”). It was explained that following the evaluation of the Final Tenders, a Preferred Bidder (the Civitas Consortium) had been identified and that the Project was now moving towards financial close, with financial close planned for August 2019.

18-19/131 It was explained that the Project Documents listed below:

i. would be entered into by or on behalf of the University (and/or any subsidiary entities it may create for the purposes of investing in and giving effect to the Project);

ii. were not yet in final form (and in some cases, would not be created until after the date of this meeting) and would be subject to further amendments in the light of further negotiations and final agreement between the parties thereto.

18-19/132 The Project Documents referred to above are as follows:

(a) Project Agreement to be entered into between: (1) the University; and (2) Civitas Living LLP (the "SHP");

(b) Headlease to be entered into between: (1) the University; and (2) SHP;

(c) Subleases to be entered into between: (1) SHP; and (2) the University;

(d) Lord Halifax License to Sublet to be entered into between: (1) the University; (2) the SHP; (3) the Service Provider (as defined in the Project Agreement); (4) the Senior Funder (as defined in the Project Agreement); and (5) the Trustees of The Third Earl of Halifax 2004 Discretionary Trust;

(e) Agreement for Leases to be entered into between: (1) the University; (2) the SHP; and (3) the Service Provider;

(f) Funders’ Direct Agreement to be entered into between: (1) the University; (2) the Security Trustee for the Senior Funder (or the Senior Funder); and (3) the SHP;

(g) Building Contractor Warranty Agreement to be entered into between: (1) the University; (2) the Building Contractor (as defined in the Project Agreement); and (3) the SHP;

(h) Service Provider Warranty Agreement to be entered into between: (1) the University; (2) the Service Provider; and (3) the SHP;

(i) Independent Tester Deed of Appointment to be entered into between: (1) the University; (2) the SHP; (3) the Senior Funder; and (4) the Independent Tester;

(j) Deeds of covenant to be entered into between (1) Landmatch Limited and (2) the University in relation to the subleases listed above;

(k) Agreement concerning the diversion of two public sewers at Field Lane, York to be entered into between (1) Yorkshire Water Services Limited (2) the University and (3) John Graham Construction Limited; and

(l) any other additional documentation whatsoever relating to the Project to which the University is required to be a party to and/or which is required to be executed by the University in order to complete the Project and/or allow the Project to reach financial
close, including (without limitation) collateral warranties in favour of the University by each of the members of the Professional Team and each Key Subcontractor in relation to the Works (as defined in the Project Agreement) and any further lease or property related documentation as may be required (including any variation to the agreement between the University and Landmatch Limited, any deed of covenant with Landmatch Limited, any deed of easement with Yorkshire Water and any deed of variation of lease with Yorkshire Water), (together being the "Project Documents").

18-19/133 The Council was invited to resolve to:
   i. complete the Project, subject to further final approval by an Urgent Decisions Group;
   ii. approve the execution of the Project Documents (and any additional documentation required in connection with the Project) and that in the case of:
       (a) documents other than deeds, any two signatories from Professor Saul Tendler, Mr Jeremy Lindley, Ms Jo Horsburgh, Mr Chris Thompson and Ms Lindsey Fussell and such other signatories as the Chair of the Council may nominate in writing; and
       (b) deeds, by application of the seal of the University any two signatories from Professor Saul Tendler, Mr Jeremy Lindley, Ms Jo Horsburgh, Mr Chris Thompson and Ms Lindsey Fussell, be authorised to sign on behalf of the University the Project Documents, in each case in the form approved by the Urgent Decisions Group and subject to any subsequent amendments as shall be agreed by the Finance Director (having considered the advice of the University's external advisors).

18-19/134 Council approved and authorised:
The Urgent Decisions Group to consider and, if acceptable to Urgent Decisions Group, approve the commercial and financial aspects of the Project as expressed in the final form Project Documents, and in particular the level of capital receipt to be paid to the University, the number of new student beds to be delivered for occupation in 2020, 2021 and 2022, the University's compliance with banking covenants under this transaction and the acceptability of the procurement risks.

18-19/135 Subject to the approval by the Urgent Decisions Group in accordance with paragraph 18-19/133, the entry into and completion of the Project and the execution of the Project Documents (and any additional documentation required in connection with the Project and do and execute all such acts, deeds, documents, certificates and notices as the Finance Director may consider expedient or desirable in connection with the completion, execution or performance by the University of the Project and/or the Project Documents) by signature of the relevant documents on behalf of the University by:
   (a) in the case of documents other than deeds, any two signatories from Professor Saul Tendler, Mr Jeremy Lindley, Ms Jo Horsburgh Mr Chris Thompson and Ms Lindsey Fussell and such other signatories as the Chair of Council may nominate in writing; or
   (b) in the case of deeds, any two signatories from Professor Saul Tendler, Mr Jeremy Lindley, Ms Jo Horsburgh Mr Chris Thompson and Ms Lindsey Fussell and by application of the seal of the University to the relevant deeds, In each case in accordance with the University Statutes and Regulations, in each case in the form approved by the Urgent Decisions Group and subject to any subsequent amendments as shall be agreed by Finance Director (having considered the advice of the University's external advisors).

Capital investment proposal for purchase and installation of an electron microscope (C.18-19/100)

18-19/136 Council considered the recommendation of Finance Committee (as endorsed by UEB and the Finance Committee) to purchase a new state-of-the art scanning transmission electron microscope for the York JEOL Nanocentre.

Resolved:

18-19/137 To approve the recommendation to proceed with the purchase of a new state-of-the art
scanning transmission electron microscope for the York JEOL Nanocentre.

**Annual research integrity statement** [agenda item 1 above also refers]

| 18-19/138 | See Minute 18-19/109. |

### BUSINESS TO NOTE

| **Council KPIs Paper (C.18-19/96)** |
| Council considered the report on KPI data as of 04 July 2019. |

| 18-19/140 | The Director of Planning reported that: |
| i. KPI T2 - NSS Overall satisfaction - had moved from an Amber RAG rating to Green, following the 2019 results; |
| ii. KPI M6 - Average entry tariff - remained a Red RAG rating. This represented a downward trend and would appear to be at odds with concerns about A-level or equivalent grade inflation |
| iii. KPI Est1 (i) - % GIA in condition categories A and B - Remains as an Amber RAG rating. |

| 18-19/141 | Council observed that: |
| i. the new core KPI for Knowledge Exchange and the Partnerships Area would be assessed using the HEBCIS criteria (minus the Facilities Income measure) and was therefore income-centred in its measurement bases. The rationale for this approach was the ability to benchmark against competitor groups, and the University’s new Partnership and Enterprise Committee (UPEC) should consider re-naming the KPI to reflect its focussed coverage; |
| ii. consideration should also be given to how performance against a wider range of University partnerships would be assessed, including those which were not income-generating, but which were strategically advantageous in other ways and helped build the reputation of the University and foster external engagement for teaching, learning and research purposes. It was recognised that a definition of, and criteria for, constituting a University ‘partnership’ required development, to distinguish between strategic and structured relationships and less formal relationships and interactions. |

| 18-19/142 | Resolved: |
| To approve the core KPI KEI, subject to the University Partnerships and Enterprise Committee (UPEC) considering the most effective way to address the observations made in relation to the income focus of the KPI and how to address the measurement of a wider range of partnerships where income generation was not the primary focus. This latter point may require incorporation as a measurement criterion in other KPIs and alternative measures in consultation with the Director of Planning and UEB, for consideration at the next Council meeting. |

| **Student recruitment update for September 2019 entry and overview of student numbers in relation to accommodation scenario planning (C.18-19/102)** |
| Council considered the Student recruitment update for September 2019 entry and an overview of student numbers in relation to accommodation scenario planning. |

| 18-19/144 | The Interim Director of Marketing, Recruitment, Admissions and Outreach and the Director of External Relations reported that: |
| i. Undergraduate Home (UGH) position was projected to be +50 to +100 (up to 2% above the budgeted position) which would provide a positive variance of c £1m, with Clearing expectations being in the region of 400-450. A highly competitive clearing season was expected as more universities compete to fill student places through this process, including within the Russell Group. The team had been working with a specialist |
advertising agency to strengthen marketing and aid conversion from offer to acceptance throughout the cycle. A full evaluation would take place after the cycle;

ii. Undergraduate Overseas (UGO) was projected to be down by between -10 to -20 (marginally below the budgeted position);

iii. Postgraduate taught Home (PGTH) was projected to be +100 (7% over the budgeted Position and Postgraduate taught Overseas (PGTO) and -100 below the budgeted target;

iv. the overall bedroom stock of 6044 was relative to different demand scenarios and factored in percentages for: [a] a drop in conditional firms [b] conversion of those with an insurance offer and overshoot against target. The current waiting list for University accommodation from Post-graduate students also bodied well for reaching maximum occupancy.

18-19/145 Council observed that:

i. there were positive indicators that the 2019/20 entry tariff score would increase;

ii. the applicant dropout rate figures appeared discrepant between datasets but that was accounted for through the multiple reasons for drop out and the fact that some students deferred;

iii. overseas student recruitment presented a mixed performance, and the current initiatives in train, including the regional offices and the recruitment of a Director of International were intended to advance the University’s international strategy;

iv. it looked forward to feedback on Confirmation and Clearing as the outcomes emerged.

Annual report to Council on philanthropy at York 2018/19 (C.18-19/103)

18-19/146 Council considered the annual report on philanthropy at York.

18-19/147 The Director of OPPA reported that:

i. the Philanthropy, Volunteering and Alumni Engagement Strategy strands were being delivered, including the campaign crystallised by the launch of York Unlimited, with £62m raised to date during the silent phase of the Campaign with a total target of £120m and 120,000 volunteering hours, performance against which was overseen by the Fundraising Campaign Steering Group. 60% of Council members, 73% of UEB and 8% of staff overall were donating to the campaign, thereby helping create a culture of giving;

ii. the Great York Walk would take place on 12 October 2019 to fundraise for York Futures, York Opportunity or Mental Health Nursing Scholarships;

iii. the College of Benefactors had also been launched by the Chancellor for donors who have donated, awarded or granted sums in excess of £100k;

iv. the University was not ranked at the upper levels of performance in the Ross-CASE Survey. However, given the journey philanthropy was on at York, it performed well relative to its competitors;

v. David Sainsbury (Baron Sainsbury of Turville) would be visiting the University in November 2019, who was recognised for his achievements in advancing philanthropy.

18-19/148 Council observed that:

i. congratulations were extended to the Director of OPPA and her team on the success of the York Unlimited launch, as well as the successful outcome in securing funding from the Lloyds Register to support the Assuring Safe Autonomy initiative outlined and celebrated earlier in the Council meeting;

ii. the role of Council in reviewing and engaging in the University’s top donor prospects should be developed. It was agreed that the Director of OPPA would compile the list for circulation to Council members, inviting members to assess if they had and connections which could be followed up.

In-year financial performance data for Period 10 2018/19 (C.18-19/104)

18-19/148 Council considered the in-year financial performance data.
The Finance Director reported that:
i. period 10 for 2018/19 would outturn broadly in line with the latest forecast;
ii. the outturn was expected to include a one off cost for a movement in the USS pension fund provision.

Council observed that disaggregation of staff costs would be beneficial, including separate sub-sets of this for the USS pension costs and the deficit provision.  

A report on the USS pension position (C.18-19/105)

Council considered a report on the USS pension position.

The Registrar and Secretary and the Finance Director reported that:
i. since approval by Council of Option 3 at its May 2019 meeting to set a 30.7% contribution fixed rate until October 2021 (21.1% employer and 9.6% for employees), a streamlined UDG (comprising the small sub-group of lay members agreed by Council ) had met on 12 July 2019 in response to a further consultation launched by UUK to seek sector views on the conditions the USS would expect to be implemented to agree to Option 3;
ii. UEB members who had an interest as members of USS had not participated in decision-making in relation to the UDG, with the standing group of lay Council members having delegated authority from Council to confirm the institutional response to the consultation;
iii. the institutional response registered that: [a] the University as an employer was comfortable with the principle of a moratorium on employers leaving USS before the March 2020 valuation or agreement of a rule changes; [b] a firm commitment to the USS trustee’s requirement for debt monitoring subject to further clarification and the exclusion of new and acquired project finance from the pari passu ranking of USS Liabilities;
iv. the institutional response to UUK was submitted on the 16 July 2019, as notified to Council members.

Council observed that UCU maintained and had strengthened its ‘no detriment’ position for USS members, and the strong likelihood of future industrial action as addressed in the Acting Vice-Chancellor’s Report.

Business from Committees (C.18-19/106)

Council noted business from Council sub-committees.

The new Chair of Audit and Risk Committee reported that:
i. further thought should be given to the how assurance was provided to Council, including via Audit and Risk Committee, in relation to academic risk. It was recognised that the need to avoid duplicating the assurance provided on academic and research controls through established academic governance frameworks up to Senate, but that ways in which high level assurance could be provided on what frameworks were in place for the management of academic quality and standards and research;
ii. the advisory senior pay governance internal audit had highlighted that the University had strong processes in place for senior pay governance;
iii. one Council member conveyed that he had received mixed feedback regarding the externally facilitated risk management workshops for staff. The Finance Director would follow up with the Council member to discuss any concerns raised.

JL
| 18-19/156 | **Senate Report on UG and PGT degree outcomes:** The Acting Chair reported that one Council member had raised the Senate item on undergraduate and PGT Degree outcomes (C.18-19-107) from the ‘Business for Information’ part of the discussion to the main Agenda. Given the complexity of this matter, analysis and commentary would be provided as part of the executive report to the November 2019 Council meeting from the Pro Vice-Chancellor for Teaching, Learning and Students. | JR |