



COUNCIL

MINUTES AND ACTIONS - APPROVED

13 OCTOBER 2022- 09:00-12:30 COUNCIL CHAMBER, NORTHCOTE HOUSE

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ACTIONS

Item	Action	Owner	Deadline
2	To provide an assurance report to the meeting of the Council in December 2022 on student welfare support for the cost-of-living crisis, to include details of the impact of inflation upon the student body and the financial support available to international students and Exeter students based in Penryn.	Registrar and Secretary/ CFO	
3	The Climate Change Group to collate all the energy saving measures to help create an overarching delivery plan.	Provost	
3	CFO to provide assurance to Council on the impact of hedging strategies on our energy suppliers.	CFO	

DECISIONS

Item	Decision	Paper No.
1	The minutes of the meeting on 07 July 2022 were AGREED .	CNL/22/93
2	Closed Minute.	
5	Closed Minute.	CNL/22/99
6	Closed Minute.	CNL/22/102
10	Council APPROVED the appointment of the University's internal auditors.	CNL/22/103
12	Council APPROVED the changes proposed following the annual review for of the Powers and Responsibilities of Council, subject – with regard to section 9 of the Statutes – to the approval of the Privy Council.	CNL/22/94
13	Council APPROVED the proposal to create an Audit and Risk Committee and discontinue Risk Dual Assurance.	CNL/22/104
14	Council APPROVED the appointment of the University's external auditors.	CNL/22/105

MEMBERS PRESENT

Quentin Woodley	Pro-Chancellor and Chair
Professor Lisa Roberts	Vice-Chancellor
Sir Richard Atkins	Pro-Chancellor
Jo Binding	Independent Member
Sarah Buck	Pro-Chancellor
Nicholas Cheffings	Independent Member
Graham Cole	Independent Member
Professor Barrie Cooper	Senate Representative
Lounette Dyer	Independent Member (via Teams)
Professor Mark Goodwin	Deputy Vice-Chancellor (Global Engagement)
Andrew Greenway	Independent Member
Salam Katbi	Independent Member
Professor Janice Kay	Provost
Amoetsoe Mkwena	Independent Member
Lily Margaroli	President, Exeter Students' Guild
Georgi Griškevičienė	President, Falmouth and Exeter Students' Union
Professor Sue Prince	Senate Representative
Alison Reed	Independent Member
Malcom Skingle	Independent Member
Glenn Woodcock	Independent Member
Shades Chaudhary	Professional Services Representative

SECRETARY

Mike Shore-Nye	Registrar and Secretary
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MEMBERS APOLOGIES

Professor Alex Gerbasi	Senate Member
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STAFF IN ATTENDANCE

Ali Chambers	CEO Student Guild
Professor Tim Quine	DVC Education and Student Experience
Professor Rich Smith	DVC Strategy Integration and Resources
Andrew Connolly	Chief Financial Officer (CFO) and Executive Divisional Director of Finance, Infrastructure and Commercial Services
Jane Chafer	Executive Divisional Director of External Engagement & Global
Imelda Rogers	Executive Divisional Director of Human Resource (via Teams)
Chris Lindsay	Future Structures Project Lead for Compliance, Governance & Risk
Katy Griffiths	University Corporate Services Business Manager (minutes)
Chrysten Cole	General Counsel (item 6 only via Teams)
Hugh McCann	Director of Estate Service (item 6 only via Teams)
Dr Michael Wykes	Divisional Director of University Corporate Services (item 7 only)
Linda Peka	Deputy Registrar (item 8 only)
Jo Hamilton	Head of Admissions (item 9 only)

1. Chair's Introduction, minutes from the meeting of 07 July 2022 (CNL/22/93) and Matters Arising, including Chair's Actions

- 1.1 The Chair welcomed all Council members to the meeting and asked members to declare any conflicts of interest related to items under discussion. None were declared.
- 1.2 The Chair noted apologies from Professor Alex Gerbasi and welcomed Lounette Dyer and Imelda Rogers who joined remotely.
- 1.3 The minutes of the meeting held on 7 July 2020 were **APPROVED**.
- 1.4 The Chair reported the following Chair's Action since the last meeting of Council: On 8 August 2022, the Chair granted approval for Neil Gow, DVC Research and Impact, to sign the following contract (income to the University):

Closed Minute

- 1.5 The Chair reported the following Chair's Action since the last meeting of Council: On 21 September 2022, the Chair granted approval for Neil Gow, DVC Research and Impact, to sign the following contract (income to the University):

Closed Minute

2. Vice Chancellor's Briefing (CNL/22/96)

- 2.1 The Vice-Chancellor (VC) provided further updates to the briefing set out in paper CNL/22/96, as follows:
 - The VC noted that the University had won 2 KTP awards, one for the best Impact and Transformation and one for Technical Excellence. The VC congratulated the teams involved and particularly noted the excellent work of colleagues in the Innovation, Impact and Business team.
 - The Times Higher Education World University Rankings result – Exeter was now ranked 137th in the world, up from 143rd in 2021/22 (and from 174th in 2020). There were improvements to the University's Research and Citations and International Outlook metrics in particular. The University was now in a good position within the global top 150 in this very influential rankings table.
 - Natural England Partnership – The VC noted that an MOU for 3 years was signed this week, which is a new strategic partnership. The University has been involved with more than 60 joint research projects over the last decade, including the £10m RENEW Project, which is tackling biodiversity loss.
 - NIHR Biomedical Research Centre – the University's first NIHR Biomedical Research Centre, which is supported by £15M of government funding, is a partnership between the University of Exeter and the Royal Devon University Healthcare NHS Foundation Trust. The partnership also includes the Royal Cornwall Hospitals NHS Trust, Devon Partnership NHS Trust, Cornwall Partnership NHS Foundation Trust, and Somerset NHS Foundation Trust, working with St George's University Hospitals NHS Foundation Trust. The Centre will translate emerging science into new treatments, diagnostics and medical technologies and will focus on five themes: Neurodegeneration; Rehabilitation; Diabetes; Genetics; and Clinical Mycology.
 - Economic Impact Report – The VC noted the most recent report by Oxford Economics due to be published on 24 October 2022, showing that our university contributes £1.5billion to the UK economy and supports 15,500 jobs through our economic activities and also through the

impact of student and visitor spending. In the South-West, the generation of Gross Value Added (GVA) is equivalent to 9% of Exeter's GDP, supporting around 3% of Devon's workforce, making the University the third largest employer in the county. In Cornwall, the University creates more than £125 million in output for Cornwall's economy.

Closed Minute.

2.2 Closed Minute.

2.3 Closed Minute.

2.4 The Registrar and Secretary gave an update on the University's response to the cost-of-living crisis and support in place for students and staff. The update on student support covered the 22/23 agreed investment to date of £2.2m, noted the increased hardship provision for students and the uplift on PhD stipends in line with the UKRI stipend to ensure parity.

2.5 The Registrar and Secretary asked Council to note the proposed cost of living additional investment of £0.87m in order to cover:

- One off Winter Support Bursary for all undergraduate home students with household income of less than £30k p.a.
- Success for All hardship contingency, including additional provision for self-funded PhD students
- Meal deals, hot food, and the extension of the free sanitary products initiative

2.6 Council raised the following issues with regard to the cost-of-living proposals:

- The level of financial support for international students, given that they are not categorised in the same way for the assessment of bursaries.
- That, while the financial support was available at Exeter campuses, it was not available on the Penryn campus. The Registrar and Secretary agreed to consider this issue.
- The need to get a better understanding of the ways in which the University monitors and reports on students accessing cost of living and related support.
- The need to understand the impact of the cost-of-living crisis on students in houses in multiple occupation (HMOs), and to establish what level of assistance is required.

2.7 The Registrar and Secretary then detailed the proposed support for staff but noted that this was prior to approval at UEB and also discussion with the trade unions. The Registrar asked Council to support the cost-of-living additional investment of £4.6m in order to cover:

- PSLT and UEB consideration of options to amend University grades B to F to increase competitiveness, aid recruitment and retention and address cost of living concerns. The cost in Year 1 would be £2.5M (if backdated to August 2022), rising to £4.6M in Year 2.
- Consideration of discretionary increments to colleagues in Grades E to H (approximately 1400 members of staff) who did not receive an increment in August 2022.

2.8 Council discussed the staff cost of living proposals for staff and raised the following points and observations:

- The ability to attract staff is putting strain on our current workforce, in-particular those in student facing roles.
- There was a discussion about what other Russell Group universities were doing to address staffing challenges and the VC noted that most were putting in place similar mitigations. She assured Council that the proposals would therefore bring the University in line with its peer group.

- The proposals were welcomed, but it was advised that budgeting for inflation in future years would be prudent.
- The proposals needed to take account of the time lag in payments for causal claims staff.
- A point was raised in the discussion about whether data from exit interviews could be utilised to understand if pay or other factors were informing decisions to leave. The Director of HR noted that, while exit interviews were held on a voluntary basis, there was evidence that workload and pay had played a role in decisions to leave the University.
- That there was a particular need to support staff on grades E and F, especially given that many in these grades were women and members of ethnic minorities. The University was asked to consider ways to predict attrition so that mitigating actions could be put in place earlier.
- It was agreed that there was a need for more detailed factual information to assist Council in understanding the scale of the challenges posed by the cost-of-living crisis and that this should form part of future reporting.

2.9 Closed Minute.

ACTION: To provide an assurance report on student welfare support in relation to the cost-of-living crisis for the December meeting of the Council.

ACTION: Details of the financial guidance and support for students on Penryn campus and international students to be included in the assurance report, as well as detail on how inflation will impact our students, including those in HMOs.

Finance and Investment Matters

3. 2021-2022 Out-turn Report (CNL/22/97)

- 3.1 The Chief Financial Officer (CFO) summarised the financial out-turn for 2021/22 and noted that there might be further adjustments following on from the report of the external auditors. It was noted that the University's overall performance was exceptional in terms of research and teaching income and also the level of EBITDA generated, all of which reflected the rapid growth of the University. It was also noted that the University's capital spend was low and that the technical deficit (c.100m) was the same as other institutions that were exposed to the USS pensions valuation.
- 3.2 There was discussion about energy costs and understanding the University's risk exposure given rising costs. The CFO assured Council of the University's strong position due to previous establishing a fixed tariff in years 21/22 and 22/23, but there could be significant exposure in future years.
- 3.3 There was discussion of the measures in place for saving energy and reducing cost, including the development of a strengthened communication strategy covering areas such as efficient use of heating and lighting. Council also wished to understand the potential impact of hedging strategies on our energy suppliers. The CFO agreed to provide an impact analysis for a future meeting of Council. It was also agreed that the Climate Change Group would undertake a detailed analysis of the proposed energy saving measures to help create an overarching delivery plan.

ACTION: Climate Change Group to collate all the energy saving measures to help create an overarching delivery plan.

ACTION: CFO to provide assurance on the impact of hedging strategies on our energy companies.

4. Draft Financial Statements (CNL/22/98)

4.1 The CFO noted the financial statements were in an early draft form and that the final version would be provided to the December meeting of the Council and to the late October meeting of the Audit Committee. Council members were invited to send queries/edits to the CFO directly.

4.2 It was agreed that the narrative section would be reviewed by the CFO to ensure there was a positive tone reflecting the significant financial achievements of the University during 2021/22

5. Guarantee of INTO student residences lease (CNL/22/99)

Closed Minute

6. West Park Student Residences Project (formally referred to as Residences Phase 2)

Closed Minute

Strategy Matters

7. Strategy 2030: Delivery Plan (CNL/22/100)

7.1 The DVC Strategy Integration and Resources (DVC SIR) and the Divisional Director of Corporate Services updated Council on the 2022/23 Strategy 2030 delivery plan and noted that the Council Away Day on 24 November 2030 would be focused on longer term delivery plan.

7.2 Council discussed the 2022/23 delivery plan and the following points were raised:

- The importance of ensuring there was a clear delivery plan/road map for all the strategic initiatives to provide assurance to Council. It was noted that each business case would need a detailed benefits analysis (cash and non-cash) underpinned by strong and clear KPIs.
- That there was a need for Council to understand what the University would stop doing in order to enable focus on the medium-and-longer-term Strategy delivery plans and this should be discussed at the Council Away Day in November.

Assurance Matters

8. National Student Survey (CNL/22/101)

8.1 The DVC (Education) provided an overview of the report (set out in paper CNL/22/101) and the University's success in the 2022 National Student Survey (NSS). The work of the NSS Gold Group was noted as a significant contributing factor to the pan-University efforts to improve performance in the NSS.

8.2 Council members discussed the NSS and noted the following:

- That the University be congratulated on its 2022 NSS performance.
- The Presidents of the Guild and the Students' Union (SU) thanked the University for the support they had received with the NSS. They were keen to use any further data and insights arising from the survey to drive improvement within the Guild & SU. They noted the investment from the University to support key areas identified in the survey, including web and social media communications to students.
- There was discussion of the responses to the student voice questions in the survey, where there remained some concerns, and the DVC Education gave an in-depth account of the metric and how it had been impacted by events such as Covid and the related no-detriment policy.
- A Senate representative noted the challenges of working with large cohorts of students and ensuring effective engagement, and how important it was to work with student representatives to mitigate the potential negative impacts of size. The proposals on the staging of work and assessment throughout the year to relieve pressure on students was also welcomed.
- The importance of management information in gaining detailed understanding of student needs and concerns was stressed. Council was keen to get a better understanding of the available data/information, key metrics and how these were used.
- The importance of sharing good practice amongst departments in terms of assessment and feedback was discussed. The DVC Education noted the work to empower departments by giving them – via the Faculty Associate Pro-Vice-Chancellors Education- delegated responsibility for leadership in this area. The importance of the student-staff liaison committees and other forms of student engagement to enable departments to deliver the outcomes required to improve the NSS was also noted.

9. Admissions- Update on Admissions and Enrolments (CNL/22/95)

- 9.1 The DVC Global Engagement provided an update on the current admissions and enrolments position of the University.
- 9.2 It was noted that the student numbers presented to Council were subject to change and still moving each day, with 50 additional international registrations in the last 24 hours.
- 9.3 It was noted that there was less pressure on home undergraduate (UG) numbers compared to the previous two years, which had been significantly impacted during the Covid pandemic by the use of centre and teacher assessed grades.
- 9.4 International recruitment was the strongest the University had seen, with over 4,000 students this year. The DVC Global Engagement noted, in the context of internal student recruitment, that the Cohort Rebalancing Project was making good progress and that the international proportion of total student intake for this year stood at 39%.
- 9.5 It was noted that the University was becoming a more selective institution, with reduced reliance on softening this year. Tariff remained important, and whilst there had been an average national reduction in grades, Exeter's tariff estimates showed an increase year-on-year
- 9.6 There remained some areas of concern, with on-going sensitivities around recruiting students from Hong Kong, and evidence of fraudulent Indian applicants, which had consequently reduced the intake from India.

9.7 Council congratulated the University on the successful student recruitment round. It also noted the following:

- That it would be important to ensure to sustain the impressive levels of international recruitment seen into future years and therefore there was a need to ensure a high-quality international student experience.
- That in response to concerns raised by members of Council about the India fraud, the Executive Divisional Director of External Engagement & Global assured Council that the University had taken detailed advice and that steps were in place for next year to mitigate against this happening again.
- That it would be important, while focusing on growth in international student numbers, not to lose focus on the University's widening participation targets and the need to sustain tariff.

10. Report from Audit Committee (CNL/22/103)

10.1 The Chair of Audit Committee provided Council with a report on the meeting of the Committee held on 26 September 2022, noting consideration of:

- The Objectives of Audit Committee for 2022/23.
- The impact of the University restructure on compliance, governance and risk activity, and how this would be managed within the new Division of University Corporate Services.
- Concerns raised in the annual report of the internal auditors and the subsequent opinion of "improvement required", noting that these issues had previously been flagged to the Committee and that in detailed discussions at the meeting with the members of the Audit Committee and the executive managers had given assurance that strong mitigations were in place around the areas of concern (IT and HR).
- The report of the external auditors.
- A recommendation to Council that, following a Direct Award procurement process, PwC be appointed as the University's internal auditors for the period 1 August 2022 to 31 July 2025.

10.2 Council noted the report of the Chair of Audit Committee and **APPROVED** the appointment of PwC as the University's internal auditors.

11. Dual Assurance (CNL/22/116)

11.1 It was noted that Independent Member representatives on Dual Assurance groups had received general assurance of the effectiveness and efficiency of their particular areas and that risks were being appropriately documented and mitigated during meetings of the groups over the last academic year.

11.2 The Dual Assurance independent member for Digital provided further assurance on the Digital Strategy following the presentation from the Chief Digital Officer at the Council Briefing Day on 12 October 2022. He noted that the University was entering a delivery phase and this would involve new ways of working and culture change.

Governance Matters

12. Annual Review of the Powers and Responsibilities of Council (CNL/22/94)

12.1 The Chair noted the four changes set out in the report (CNL/22/94), involving minor amendments to the Council Standing Orders and also to the Statutes, and asked Council to

approve these changes, it being noted that changes to the University Statutes would also require the approval of the Privy Council.

- 12.2 Council **APPROVED** the changes set out following the annual review of the powers and responsibilities of Council, noting the need for the proposed changes to the University statutes to receive final approval by the Privy Council.

13. Proposal to create an Audit and Risk Committee (CNL/22/104)

- 13.1 The Chair of Audit Committee noted that the proposal as set out in paper CNL/22/104 had been discussed at Audit Committee and was being recommended to the Council for approval.
- 13.2 It was confirmed in subsequent discussion that the assurance of risk management would rest with the proposed Audit and Risk Committee and that Dual Assurance Risk would be discontinued. However, the remaining dual assurance groups would continue to play a key role in the assurance of the management of risks relevant to their particular areas.
- 13.3 A concern was raised about the workload impact of risk management assurance upon members of the Audit Committee. In response, the Registrar and Secretary assured Council members that the workload impact of the proposals would be monitored.
- 13.4 It was also noted that the proposals included a simplification of the executive management of risk, with core operational responsibility resting with the Compliance Committee and management oversight the responsibility of the University Executive Board.
- 13.5 Council **APPROVED** the proposal to create and Audit and Risk Committee and to discontinue the Risk Dual Assurance group with immediate effect.

14. Matters brought forward from Part II: Appointment of the External Auditors (CNL/22/105)

- 14.1 The Chair of Audit Committee presented paper CNL/22/105 on the process followed to reach a recommendation to Council on the appointment of external auditors.
- 14.2 Council **APPROVED** the appointment of KMPG as the University's external auditors for the period 31 July 2022 to 1 August 2026, noting the option to extend for up to 3 years.

15. Chair's Closing Remarks

- 15.1 The Chair thanked those who had presented at both the Council Briefing Day (12 October 2022) and at the meeting today and all those involved in writing and submitting paperwork for the meeting.
- 15.2 The Chair offered particular thanks to Susan Fallon, Interim Deputy Secretary to Council, for all the support she had provided to him since his arrival at the University and also for the preparation work for this meeting and the Briefing Day.

- 15.3 It was reported that the next meeting of Council would be the Away day and held from 12 noon on the 24 November 2022. The main topic of discussion would be the longer-term delivery plan for the 2030 Strategy. The Chair confirmed that this would be an in-person event.
- 15.4 The next formal meeting of Council would be held at in the Council Chamber from 9.00am on 8th December 2022.