



University Council

Paper no: 2020-10-22-03a

Paper title: Minutes of previous meeting and matters arising

Minutes of the Council meeting held on 23 July 2020 at 16.00-18.30 by video conference

Present:

Ferguson, Iain (Chair)	Hynes, Alice
Atkinson, Helen	Lu, Lucy
Carter, Caroline	Mayhew, Maxine
Carey, Anthony	Rowlands, Simon
Chen Davison, Lesley	Saggu, Jaz
Day, Colin	Sparks, Emma
Fairweather, Paul	Thompson, Christine
Gregson, Sir Peter	Young, Barbara
Hill, James	

Attending:

Aspinall, Philip, Chief Operating Officer
Douglas, Gregor, University Secretary
Ellis, Gareth, Energy and Environment Manager (for item xxx)
Hare, Emma, Head of Research Excellence (for item 5)
Stephenson, Tom, Pro-Vice-Chancellor R&I (for items 4 and 5)
Sibbald, Ian, Director of Finance (for items 8 and 9)

1. Introduction

The Chair welcomed members and attendees.

2. Disclosure of interest

Declarations of interest were received from:

- Day, Colin re: item 9 Nominations Committee

3. Minutes of previous meeting and matters arising

Received: Paper 2020-07-23-03 being the minutes of the Council meeting held on 23 April 2020

Resolved: The minutes were approved.

4. Health & Safety and Environment

4.1 Health & Safety Quarterly Report

Professor Tom Stephenson joined Council for this item

Received: Paper 2020-07-23-04a being the quarterly health and safety report.

Noted: (a) Following completion of an audit in July 2020, the recommendation was for the University to migrate to the new ISO 45001 standard. The audit did not identify any weaknesses with the aspects of the management system that they reviewed although it did highlight opportunities for improvement. Final confirmation of the migration to ISO 45001 was awaited.

- (b) Focus on health and safety had been at the heart of the University's management of the Covid19 situation and a specific University wide Covid19 risk assessment had been developed. Currently the phased re-opening of facilities was being managed with information clearly set out in a site operating procedure which colleagues had to sign up to before returning to site.
- (c) As expected, there had been very few accident or near miss reports during the period due to the lower number of people on site.

Resolved: Council congratulated colleagues on the successful migration from ISO 18001 to ISO 45001; and for their continued contributions towards health & safety matters during the Covid19 situation.

4.2 Environmental Quarterly Report

Mr Gareth Ellis joined Council for this item

Received: Paper 2020-07-23-04b being the quarterly report from the Board of Energy and Environment.

Noted: The Energy and Environment Manager presented the report highlighting that:

- an ISO 14001 Environmental Management external audit had been conducted remotely during May to be followed up by an on-site audit to complete the process;
- an ISO 50001 Energy Management internal audit and external audit been conducted, to be followed by a conversion audit in August for the update to ISO 50001;
- the University's existing 2020/2021 targets for carbon reduction, waste, water etc. were due to be met by end of July 2021, although it was too early to determine the overall impact of Covid19.

Using modelling data to determine a proposed rise in costs, the Board for Energy and Environment was invited to propose new targets to Council later this year.

Received: Council thanked the Energy and Environment Manager for presenting the report and for his contributions to the University.

Mr Ellis withdrew from the meeting

5. **REF2021 - Draft Submission**

Dr Emma Hare joined Council for this item

Received: Paper 2020-07-23-05 setting out the draft submission to REF2021.

Noted: (a) The Pro-Vice-Chancellor Research and Innovation presented the paper highlighting: the REF2021 submission timetable; assessment criteria; Cranfield's projected submission; number of eligible staff; output profile; impact cases; overall predictions and next steps.

- (b) It was widely recognised that REF had a huge impact on the education sector. Council noted that prioritising research over the last few years had led to a cultural shift at Cranfield and had resulted in much sharper focus on driving REF forward for positive impact.
- (c) There was still a significant amount of work to be undertaken in some areas before the final submission to REF in March 2021 was made. It was important to encourage academic colleagues to maintain momentum, publish high quality research in the right places, not only for this submission, but going forward.

Resolved: Council thanked the Pro-Vice-Chancellor, Research and Innovation for the significant enhancements to the University's approach to REF, and scale of progress made to date. Council approved the staff submission to REF2021.

Professor Stephenson and Dr Hare withdrew from the meeting.

6. Chief Executive's Report

Received: Paper 2020-07-23-06 being the Chief Executive & Vice-Chancellor's report to Council - July 2020.

Noted: 6.1 Jet Zero
The Transport Secretary announced in June that the government aimed to drive down greenhouse gas emissions from aviation. Professor Iain Gray, Director of Aerospace, had been appointed to government's Jet Zero Council, a joint initiative between the Department for Transport and the Department for Business, Energy and Industrial Strategy. The Council aimed to bring together leading figures in industry, academia and government to drive forward sustainable aviation with the goal of having a transatlantic zero carbon flight within a generation.

6.2 Prospective students
Sector feedback from international students, was mainly concerned with the percentage of online content they would be prepared to accept. In response to the feedback, Cranfield had reviewed its new offer and, for MSc courses, adopted the message that at least 70% of the hours that would normally be face-to-face over the duration of a course would remain as face-to-face. Cranfield would continue to react swiftly to market demand to enable students to make informed choices.

Resolved: Council thanked the Chief Executive and Vice-Chancellor for his report.

7. Report from the University Executive

Received: Paper 2020-07-23-07 setting out a report detailing actions and decisions taken by the University Executive.

Noted: The report was taken as read.

Resolved: Council approved: the new Student Charter for publication and congratulated the President of the CSA and the Director of the Student Experience for this joint piece of work.

Council noted: the outcome of the OfS assessment of Prevent Duty compliance and thanked the colleagues for their continued contributions.

8. Operating Plan 2020/2021

Received: Paper 2020-07-23-08 setting out the Operating Plan for 2020/2021.

- Noted:
- (a) The Chief Executive and Vice-Chancellor introduced the 'Operating Plan 2020/2021' highlighting that it had been developed at an exceptionally challenging time as the University responded to the unprecedented challenges surrounding the Covid19 pandemic and the global 'lockdown'. Council had received the draft report for consultation at a briefing meeting on 19 June and this was the final plan for consideration.
 - (b) The three key priorities for 2020/2021 were optimising REF; student experience, particularly digital learning; and the green economic recovery.
 - (c) In discussion Council made the following suggestions to enhance the core text:
 - add clarity to text regarding the Beacon project to reflect that the project is on financial hold and the project design will be revised in the light of a post-Covid environment;
 - include reference to Cranfield's commitments as a 'Disability Confident' (Level 2) employer;
 - include reference to ensuring accessibility for all in the planning for new normal.

Resolved: Council approved the Operating Plan 2020/2021, subject to minor amendments; and recognised that the associated budget would be reviewed in November 2020 (see minute 9.1.2 below).

9. Report from Council Sub-committees

9.1 Finance Committee

9.1.1 Management Accounts to 30 April 2020

Received: Paper 2020-07-23-09a being the management accounts to 30 April 2020

- Noted:
- (a) In the first nine months, income was £4.47 million below budget due to decreased professional development, residential and research income.
 - (b) The bank balance was £14.74 million above budget. The variance reflecting receipt of the private bond which was above that forecast.
 - (c) The overall operating surplus was forecast to decrease to an operating deficit of £6.94m.

- (d) Income to April was £4,468,000 below budget and £4,987m above the previous year.
- (e) Forecasted income for the year was £10.92 million below budget.

Resolved: Council noted the management accounts for the period ended 30 April 2020.

9.1.2 Budget 2020/2021

Received: Paper 2020-07-23-09b being the budget for 2020/2021

Noted: (a) The Chair of Finance Committee presented the budget advising Council that three scenario budgets had been prepared by each of the budgetary units and one overarching draft budget presented based on the best knowledge available as at the end of May 2020. There was a high probability of significant variances from the draft budget given the uncertainties around Covid19 which would mean that a revised budget would be prepared in November 2020, once some of the uncertainties, particularly around international student registration, had become clearer.

(b) In discussion, Council acknowledged that with regard to the private bond placement, the University had no intention of breaching covenant and it had therefore not been sighted in the budget. Following advice by Council, the Director of Finance had met with the bond holders to discuss the key uncertainties around student numbers and potential risk to the University.

(c) Mindful that the University would not have clarity on student numbers until October 2020, Council members were reassured that the situation was constantly being monitored and would receive immediate attention as required.

(d) Members noted that there were other possible solutions for the University to consider if negotiation with the bond holders was required, for example placing 2 years worth of funds in escrow. University Executive would continue to liaise and seek guidance from Council members as appropriate.

Resolved: Council approved the budget 2020/2021 on the understanding that a revised budget would be prepared in November 2020.

9.1.3 Airport Update

Received: Oral report from the Director of Finance.

Noted: Discussion with the third party company continued and was progressing well. The University hoped to be in a position to provide a further update to Council in August/September 2020.

9.2 Audit Committee

Received: Oral report from the Chair of Audit Committee

Noted: Audit Committee's priorities had been focused on following up on: business critical recommendations and actions arising out of the Internal Audit on Cranfield Aerospace and Solutions Ltd; University's strategic risk management and the University's response to Covid19 pandemic. Audit Committee recognised that there was still work to be done to the company and a review of the University's strategic risks was pending.

9.3 Joint Finance and Audit Committee

Received: Oral report from the Chair of Finance Committee

Noted: The Chair summarised the position to date with regard to the MK:U programme noting that Green Book was ready for submission to government and would be sponsored by the MHCLG. The best indications were that the Comprehensive Spending Review would take place in the late-autumn 2020 at which point JFAC would be convened to consider the stage gate and make its recommendations to Council.

9.4 Nominations Committee

Received: Paper 2020-07-23-06 setting out recommendations for independent membership of Council and Sub-Committees.

Noted: The interviews for independent members of Council had taken place and two members were being recommended for appointment. Council members raised the potential conflict of interest between the University's current External Auditors and one of the recommended appointees. Nominations Committee reassured members that they had spent much time debating this point. The candidate had had no previous engagement with Cranfield and would have been retired from the Audit firm for one year. Bearing in mind her areas of expertise, the Committee felt it entirely appropriate for the appointment to be confirmed.

Resolved: University Council agreed the appointments of:

- Colin Day for a further three year period from 1 August 2020 to 31 August 2023 and to membership of Finance Committee for the same period;
- Ian Hart from 1 August 2020 to 31 July 2023 and to membership of Audit Committee for the same period;
- Claire Stokes from 1 January 2021 to 31 July 2023 and to membership of Audit Committee for the same period.

9.5 Remuneration Committee

Received: Oral report from the Remuneration Committee

Noted: Remuneration Committee had met earlier on 23 July 2020 with the focus being targets for 2020/2021. Due to uncertainties around the numbers several matters would be held over until the October 2020 meeting.

10. Council Effectiveness Review - Implementation Schedule

Received: Paper 2020-07-23-10 setting out the proposed schedule for implementing recommendations from the Council Effectiveness Review held in January 2020.

Resolved: Council approved the schedule.

11. Any other business

11.1 Capital Expenditure project - Outdoor Spaces

Received: A presentation from the Chief Executive and Vice-Chancellor.

Noted: As the Site Activities Group continued with its phased approach to re-opening the Cranfield site, it had become clear that the University needed to develop appropriate outdoor breakout spaces for staff and students. Council was invited to approve capital expenditure up to £500k to enable work to be undertaken during August 2020 to create facilities in University Square and Stafford Cripps Square.

Resolved: Council approved capital expenditure of up to £500k.

11.2 Chancellor and Chair of Audit Committee

This was the last meeting of Council for Baroness Barbara Young and Anthony Carey. Council thanked them both for their tremendous contributions to Council and to the University; and in their respective roles as Chancellor and Chair of Audit Committee.

Julie Morris
Governance Officer
July 2020