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UNIVERSITY OF KENT

MEETING OF COUNCIL

**Minutes of the meeting held on 30 January 2024
Hybrid meeting: Darwin Boardroom & MS Teams**

Present: The Chair of Council, Mark Preston; The Deputy Chair of Council and Chair of Finance & Resources Committee, Andrew Newell; The Vice-Chancellor and President, Professor Karen Cox; Lay members Dame Ursula Brennan; Michael Crick; Dr Mark Downs; Mayuri Lakhani; Gabriel MacGregor; Dr Sam Parrett; Sarah Dance; Paul Pugh; Graham Razey; Thomas Hyner; Ben Bradley, Vice President Postgraduate Experience; Zaid Mahmood, President Kent Union; Josh Brooker, Student Representative; Alex Perkins, Non-Academic Staff Representative; Professor Georgina Randsley de Moura, Deputy Vice Chancellor Strategy and Performance (S&P); Professor Richard Reece, Deputy Vice Chancellor Education and Student Experience (ESE); Dr Balihar Sanghera, Academic Staff Representative; Chris Barron, Non-Academic Staff Representative.

In attendance: Chief Financial Officer (Jane Higham); Financial Sustainability Director (Peter Pentecost); Director of Finance (Frank Richardson); Director of Governance and Assurance (Secretary to the Council) (Dr Sinéad Critchley); Assistant Director (Governance) (Sarah Megson); Head of Secretariat (Lanre Folarin).

Apologies for absence: Lay members Dan Cook; Xian Chan; Kim Lowe; Professor Shane Weller, Deputy Vice Chancellor Research and Innovation (R&I).

5720 CHAIR'S INTRODUCTION

- a.** The Chair welcomed members and gave an overview of the matters for discussion and approval, with emphasis placed on the consideration of trustees' statutory and fiduciary duties throughout deliberations.
- b.** It was also mentioned that as required under the CUC Code of HE Governance, an effectiveness review of the Council and associated subcommittees would be undertaken this academic year, with a discussion re scope initiated at the March 2024 meeting. Thus, members were encouraged to participate in consultations to be undertaken in this regard and share suggestions in with the Chair and the Director of Governance and Assurance, prior to the matter being formally presented at a meeting of Council. The review will also assess overall governance culture.
- c.** There were no declarations of interest.

5721 MINUTES

Paper C2023-083, the minutes of the meeting held on 17 January 2024 were approved.

5722 MATTERS ARISING

The Action Log, **Paper C2023-084** was noted and items 5705, 5692(b) and 5670 were closed as recommended. Action 5706 due date was scheduled for the February 2024 meeting and action 5523 due date was scheduled for the May 2024 meeting.

5723 VICE CHANCELLOR AND PRESIDENT'S COMMUNICATIONS

The Vice Chancellor presented updates on the following which were **noted** by Council.

a. Internal Context

- The VC welcomed and thanked everyone for their support and hard work.
- **Class Action Letter - C2023-085:** Council was informed of a potential class action claim against the University. The pre-action letter dated 15 January 2024 issued purportedly on behalf of 386 student Claimants indications intention to claim damages for disrupted in-person teaching (impact on students' educational experience) as a result of UCU strikes during the 2017/18 academic year. This follows the pattern of claims initiated from 2022 against 19 (mainly Russell Group) universities which are yet to be determined or resolved.
- The University is one of 18 universities to have been issued a pre-action letter recently. The letter seeks the University's consent for a Standstill Agreement, the effect of which would be, if agreed on their terms, to extend the limitation period for students in the 2017/18 cohort to make claims in respect of UCU strikes up until 31 December 2026 (possibly earlier depending on the outcome of the UCL test case – *Harmon v UCL*). Ordinarily, the claim will become statute barred by February 2024.
- The University is unable to find records of the student list furnished but have replied with a holding letter and notified the insurers (RSA) of the potential claim. The University awaits feedback on the eligibility of the potential claim for insurance coverage, though from all indications, this appears unlikely. Also, the claim is currently unquantifiable due to the nature of the tort and the likelihood of success cannot yet be determined.

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- Legal Advisors (Kennedys) have recommended that the University should challenge the legitimacy of representation as well as the proposed Standstill Agreement whilst offering a 28 day extension of time only and requesting further information.
- The University Solicitor and DVC (ESE) are liaising with the legal advisor and aim to transmit a rebuttal letter by Monday, whilst staying informed of the sector response. Kennedys is being paid by the insurers.

Council noted the report and agreed that the matter should be handled carefully and strategically and lessons learned therefrom applied towards the improvement of student experience mitigation processes.

Action: *University Solicitor to transmit rebuttal letter in respect of the claim and keep Council updated.*

b. External Context

- **Sector News:** The VC highlighted the news articles published this week regarding alleged activities of pathway providers in UK higher education procuring admission for otherwise ineligible prospective students through the “back door”.
- It was clarified that the University was not referenced in the article, but has recently partnered with a pathway provider, Oxford International Education Group (OIEG). The VC stated that the University will continue to work with OIEG to ensure clarity of its entry criteria as well as adherence to same.
- **Kent Size and Shape (KSS):** The VC reported on the feedback received regarding the Kent Size and Shape presentation to the Committee for Change, noting that it was a difficult conversation, particularly in view of the people impact (but at the same time, a step necessary to take the University closer to the Kent 2030 Vision). It was stated that an Open Forum was scheduled with academic staff within the week to announce the subjects marked for closure and that every effort would be made to support the colleagues to be affected by the closures. Full detail was available in Paper **C2023/094**.
- An article by Kent Online on staff turnover in the University, and transfer of property in Medway, was also mentioned and it was noted that the University is liaising closely with the Kent and Medway Councils and other stakeholders to manage perceptions of the University’s commitment and reputation.

[minute confidential to Council]

Through discussion,

- Council acknowledged that it was indeed a difficult time for staff and agreed that ample support be provided. Clarification was sought regarding the expected cost savings and the realisation period and it was noted that the

savings which are dependent on several variables will be realised by the 2024/25 session.

- This step is crucial to moving the University to a more efficient operating cost that matches the current size.
- The course closure would be managed through 3 year teach out arrangements which will be set up working with the Heads of Schools to ensure that student experience is not adversely impacted.
- Council noted that communication around the KSS announcement should be clear and carefully worded as to avoid giving the impression that there will be immediate implementation of all aspects thereof, noting that it will be phased, with no adverse impact on student experience, it will accommodate staff redeployment, etc
- It was acknowledged that the KSS process has been well managed so far by the Executive Group, but also recommended that that the focus should go beyond the consequences intended into preparation for the unintended consequences.
- **Research Grants:** The VC reported that the University has been awarded over £450,000 for apprenticeships by the Office for Students (“OfS”) which will be put towards business development and consultancy in order to attract more people to the University’s apprenticeship programmes.
- It was also mentioned that the £8.3m grant obtained by the Durrell Institute of Conservation and Ecology (DICE) from Research England’s Expanding Excellence in England (E3) fund has now been formally announced. The project focuses on how to reconcile biodiversity protection through conservation areas with other land-uses and land values.

Action: VC to update Council on Kent Size and Shape

c. **OfS Update**

- The VC reported on the latest updates.

[minute confidential to Council]

5724 APPOINTMENT OF THE CHANCELLOR

- The VC presented the recommendation of the Joint Committee for the Appointment of a new Chancellor as prescribed by Statute 4. The VC outlined the steps taken in line with the University’s Statutes to arrive at the recommendation of Yolanda Brown OBE, musician, composer, broadcaster and philanthropist, as the next and 6th Chancellor of the University, from 1 February 2024 to 31 January 2029. The position is to be held for 5 years and it is expected that the next Chancellor will be installed by July 2024.

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- The Joint Committee, which consists of members from the Council and Senate, met in the summer and autumn of 2023, during which period the criteria for the role of Chancellor was reviewed and used as a basis for assessing and shortlisting nominations received for the position. The Joint Committee finalised its recommendation for the appointment at a meeting on 17 January 2024.
- It was reported that the Joint Committee's recommendation was presented to Senate at its extraordinary meeting held on 24th January 2024 and Senate endorsed it.
- Council noted Senate's endorsement of the recommendation of Yolanda Brown, OBE and in light of her commendable profile, strong links with the University, and her potential to inspire students, Council **approved** her appointment as the next Chancellor for a 5 year tenure. However, it was noted that her consent will be required to proceed with the appointment and that there will be need to speed up all post-appointment activities, including introducing her to the congregations team in order to ensure her participation in the next graduation ceremony in July.

***Action:** VC to formally notify Yolanda Brown of Council's Approval of her appointment as the next Chancellor and request formal acceptance.*

5725 STRATEGIC PLAN AND CURRENT PERFORMANCE

The Vice Chancellor, Deputy Vice Chancellor (S&P) presented and Council noted Paper **C2023-087**. The report outlined the implementation programme for the execution and monitoring of the Kent 2030 vision with highlights of key timelines on the various workstreams - Size and Shape; Academic Workforce; Education Modernisation; Continuous Improvement; Commercial Partnerships; People; Target Operating Model ("TOM"); and Funding.

- It was noted that much of the feedback on ongoing scoping or consultations will be received within this quarter and a Delivery Manager has been appointed to lead the work for the technical framework for the Academic Year Implementation Plan with the support of a working group. The WAF Business case was shared with JSNCC on 27 January.
- Good progress has been made with the project brief for consultancy support in relation to Commercial Services and Estates, including preparation of the business cases for minor organisational changes and consultation for continuous improvement of workstreams and TOM has been initiated.

[minute confidential to Council]

Through **discussions**, Council noted that:

- The implementation programme is still an early draft and will be further reviewed to reflect the model for Lenders Update, and updates on other key projects such as the Pathway to Green. The aim being to foster a better reporting system.

- EG should focus on minimum reporting to Council, taking care to not overly report on deliverables best overseen by EG or the Assurance Board, rather focusing on key matters/projects which require Council oversight and approval. Additionally, EG should not only engage Council for monitoring and accountability but also maximise the skills and expertise across board.
- Some of the more detailed oversight should be split and, where appropriate, delegated to the Council Sub-Committees without unduly complicating the governance process or losing oversight of the whole picture.
- Council will need reports when key deliverables move from red or amber to green as this will give an insight into the effectiveness of EG's monitoring.

[minute confidential to Council]

Action: Reports on the Business Case for the Academic Year to be presented to Council in February

5726 REPORT OF THE CHIEF FINANCIAL OFFICER (CFO)

The CFO, along with the Director of Finance and Financial Sustainability Director, reported on the University's financial performance and Annual Financial Returns, the status of the audit findings, as well as stakeholder updates as pertaining to the refinancing and funding negotiations.

[minute confidential to Council]

5727 ANNUAL FINANCIAL RETURNS (AFR)

The CFO presented Paper **C2023/088**, the AFR (initial workbook submitted to OfS) to Council stating that:

[minute confidential to Council]

Council **noted** the CFO's report on the AFR.

Action: CFO to present updated AFR with commentary for approval at the next meeting.

5728 EXTERNAL AUDIT – VERBAL UPDATE ON AUDIT FINDINGS

The CFO reported and Council **noted** that work was ongoing on the audit with the finance team providing all necessary support and taking necessary steps to remedy issues spotted.

5729 REFINANCING AND FUNDING UPDATES

It was further reported that finalising the Audit Report is at this point dependent on the completion of several of the refinancing conditions/agreements. Thus additional updates on these were given by the CFO and noted by Council.

[minute confidential to Council]

5730 DRAFT GOING CONCERN ASSESSMENT

The CFO presented Paper **C2023-089** on the status of the Going Concern assessment of the University to Council for discussion and approval.

[minute confidential to Council]

After due and careful consideration of the Going Concern assessment, taking into account their duties and obligations as charity trustees, financial reporting guidelines, the University's constitutional documents and considering the best interests of the University and its stakeholders, Council **agreed** that the University has sufficient certainty over the adequacy of its liquidity position and compliance with its covenant thresholds over the period to July 2025 and has demonstrated that it is a Going Concern without any material uncertainty. **Council therefore approved the Going Concern Assessment.**

Action: CFO and Finance Team to liaise with External Auditors to finalise Accounts and with oversight of Council Sub-group.

Tom Hyner left at the meeting 15:09hrs; Mayuri Lakhani left at 16:34hrs; Michael Crick left at 16:45hrs.

At 16:46hrs, the Secretary noted that given recent departures, Council was inquorate, and invited the Chair to adjourn the meeting in line with the provisions of Council Standing Order 3(x)(c). The members present agreed to hold the adjourned meeting immediately thereafter, and for the Secretary to seek written confirmation from those members not present of any items presented for approval. The meeting resumed at 16:47.

5731 SIEMENS PARTNERSHIP PROPOSAL

The Financial Sustainability Director presented **C2023/090**, previously reported as Paper C2023-032 and discussed at the Council meeting held on 28 November 2023. The report outlined the proposed partnership and the benefits to the University and requested **approval in principle**. The proposal is for a carbon reduction partnership for a series of operating leases to provide the University with solar lighting infrastructure.

Through discussions, Council noted that:

- The project has a potential to generate a positive cash flow of £840k over the next 5 years. Additionally, this will put the University on track to achieve net zero by 2040, significantly reducing energy costs.
- The cost to the University is limited, being about £69,000 only and service charge negotiated for a fixed term to avoid inflationary risk. Notwithstanding, Council was urged to reconsider the timing of the partnership in view of the various commitments of the University.
- It was eventually noted that the cost benefits of the project have incorporated into the account forecasts, so it is part of the projects that will deliver Kent 2030. Educational gains of the project were also noted, as well as the fact that the transaction will be off-balance sheet.
- It is expected that the lease will be executed, if approved in principle by Council at this meeting (and subsequently approved by Council Subgroup via delegated authority), sometime in March.

Upon careful consideration of the impact of the project on the interest of the University and its stakeholders and in view confirmation of FRC recommendation, Council **granted approval in principle** for the the Siemens Partnership Proposal.

Chris Barron left the meeting at 16:59. The Secretary advised Council that it was quorate once more.

5732 KENT2030 BUDGET REQUEST

The CFO presented Paper **C2023-091** for additional budget request to Council for approval.

[minute confidential to Council]

Council **approved** the request.

5733 GILES LANE – VERBAL UPDATE

The Director of Financial Sustainability presented an update on Giles Lane which Council **noted**.

[minute confidential to Council]

5734 PROJECT DARWIN WORKS AGREEMENT

The Director of Financial Sustainability presented Paper **C2023-092**.

[minute confidential to Council]

Council **approved** the works agreement.

5735 TRUSTEES' DUTIES – CONSIDERATION OF REASONABLE PROSPECT

Council **noted** Paper **C2023-093**

[minute confidential to Council]

ITEMS BELOW THE LINE

5736 DATES OF FUTURE MEETINGS

Council **noted** the following dates for forthcoming meetings in the academic session 2023/24:

- Tuesday, 27 February 2024, 2-5pm
- Friday, 22 March 2024, 2-5pm (Medway campus)
- Friday, 17 May 2024, 2-5pm
- Friday, 28 June 2024, 2-5pm

5737 REPORT OF THE MEETING OF THE REDUNDANCY REVIEW COMMITTEE OF 25 JANUARY 2024 - C2023/094

Council **noted** the report of the Redundancy Review Committee and the approval of Phase 1 of the proposed organisational change.

5738 REPORT OF THE SENATE MEETING OF 24 JANUARY 2024 - C2023-095

Council **noted** the report of the proceedings of Senate.

5739 Council **noted** the Forward Programme 2023/24.

5740 ANY OTHER BUSINESS

There being no other business, the Chair thanked Council members for their time and closed the meeting.

Notes

1. Papers

Copies are available on the Council e-board portal (Diligent Boards) or on request from the Secretary. Approved Minutes and many of the papers are published on the University SharePoint site at <https://livekentac.sharepoint.com/sites/council>.

2. Queries

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Any queries should be addressed to Dr Sinead Critchley, Director of Governance and Assurance (Secretary to Council), (email: S.Critchley-2002@kent.ac.uk).

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