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UNIVERSITY OF KENT

MEETING OF COUNCIL

Minutes of the meeting held on 27 February 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 Sam Parrett; Kim Lowe; Sarah Dance; Graham Razey; Dan Cook; 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 Human Resources and Organisational Development (Martin Atkinson); Director of Governance and Assurance (Secretary to the Council) (Dr Sinéad Critchley); Head of Secretariat (Lanre Folarin); Governance Officer (Clare Cockerell).

Apologies for absence: Lay members Dr Mark Downs; Mayuri Lakhani; Paul Pugh; Gabriel MacGregor; Professor Shane Weller, Deputy Vice Chancellor Research and Innovation (R&I).

Absent: Lay member Xian Chan

5741 CHAIR'S INTRODUCTION

- a. The Chair welcomed members, noted apologies, and the meeting being inquorate, called for the adjournment and reconvening of the meeting, as per Standing Order 3(x)(c).

The meeting was adjourned and reconvened at 14:10hrs.

- b. The Chair gave an overview of the matters for discussion and approval and expressed appreciation to the Executive Group (EG) for delivering the refinancing agreement which will pave the way for the transformation phase. Dan Cook also

commended the Council Subgroup members who had dedicatedly supported EG by committing their needed skills throughout the refinancing negotiations.

- c. The Chair updated Council regarding ongoing preparations for the planned governance effectiveness review, stating that facilitator review and selection was in progress.
- d. Sarah Dance declared and Council noted her involvement with the Medway Docking Station project in her capacity as Chair of Creative Estuary, but clarified that she has no personal or conflicting interest.

5742 MINUTES

Paper **C2023-097**, the minutes of the meeting held on 30 January 2024 were approved.

5743 MATTERS ARISING

The Action Log, Paper **C2023-098** was **noted** with the following items reported as follows:

- Item 5724: Yolanda Brown has formally accepted her appointment as Chancellor and was introduced to Council just before the meeting.
- Items 5723b, 5725, were presented as part of Kent 2030 Update.
- Items 5727 and 5730c were reported via papers noted below.
- Item 5723a: An update was provided regarding the potential class action law suit and Council **noted** Paper **C2023-099**. Council was informed that a limited extension of time has been granted to the potential claimants on the grounds that they provide specific particulars that will enable the University to identify them. The breakdown of settlement discussions in the forerunner UCL case was also noted.

***Action:** University Solicitor to continue to monitor and keep Council updated.*

5744 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, and restated EG's commitment to delivering for the University and for the region. The need to start looking toward the University's future as well as considering possible alliances to achieve transformation was also highlighted.

- **Staff Pay:** The reinstatement of the 2023 Cost of Living pay increase for staff was reported, with the VC noting that the increase for staff on grades 1-6 will take effect from 1 February 2024 onwards, while that of staff on grades 7-10 will take effect from 1 May 2024, and 1 July 2024 for staff on the Professorial and Senior Management scale. The increment will range from 2% - 8%.
- **Collective Lobbying:** Ongoing student and staff protests regarding the Size and Shape reforms were noted.
- **Pay Negotiations:** The University has opted to participate in the upcoming national pay bargaining rounds, as usual.

b. External Context

- **Sector News:** The VC noted that there had been somewhat balanced press coverage regarding the University's activities, only that positive initiatives being introduced are not being amplified. However, Council was assured that the University is engaging closely with all the relevant stakeholders, including local authorities.

c. OfS Update

- The VC reported that the University continues to meet with the OfS regularly.

Through discussion, Council noted that:

- EG meets weekly to monitor student numbers and track red flags and currently, although international recruitment remains challenging, home undergraduate numbers have improved for the 2024/25 session. Student retention numbers have also improved.
- The University needs to control the narrative regarding course cuts and clarify the messaging to prospective and existing students whilst highlighting the impact of the government's regulatory reforms. It was noted that Kent Union will work with the communications team to achieve this.
- The University must reposition the narrative to highlight the areas of growth and positive plans going forward.

Action: *DVC-ESE and DVC-S&P to provide regular report on student recruitment to Council as part of K2030.*

5745 STRATEGIC PLAN AND CURRENT PERFORMANCE

The Vice Chancellor, Deputy Vice Chancellor (S&P), Financial Sustainability Director and Director of Human Resources provided updates to Council on the University's strategic plan and performance with highlights as indicated below.

a. Kent 2030 Progress Update

Council **noted** Paper **C2023-100** which 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.

Council was informed that Kent 2030 is generally on track despite there being different parts to the programme, as well as a tight critical path. Further that effort was being made to ensure close monitoring and avoidance of key person risk, in the wake of the exit of some staff on the project team.

b. REG 18 Update

Council was informed and **noted** that significant progress had been made regarding planning permits on the Giles Lane project, with final approvals expected soon.

[minute confidential to Council]

c. Report from People Committee – Effectiveness and Efficiency Principles and Lessons Learned

It was reported that consultations were ongoing regarding the formative proposal to properly capture employee experience, people and culture strategy and wider support for workstreams with people impact. It was noted that Council leadership would be required to properly oversee the people aspect and that much work is needed to boost staff morale. Also, that given the impending radical change in the size and shape of the University, staff and students need to be prepared for that. Likewise, the University needs to be flexible and agile enough to make the required decisions.

Through discussions, Council **noted** and acknowledged that:

- Although difficult, the planned redundancies and size and shape changes are crucial to the University's cost savings target and eventual sustainable efficiency.
- The People Committee is ready and able to oversee the refreshing of the people and culture strategy, including how to best position the Board to support.
- The strategic culture review should precede the governance effectiveness review, in order to ensure a smooth transition into the transformation phase and properly incorporate the relevant learnings.
- A review of Project Topaz should be undertaken to properly determine the best design principles to underpin the selection of the best operational model as well as implementation of the proposed digital transformation.

[minute confidential to Council]

- There is need to ensure that the University resources the transformation properly this time and move execution to a project based environment for sustainability.

Action: Governance and Assurance to incorporate feedback into scoping of governance review.

5746 FINANCIAL REPORTS

The Chief Financial Officer (CFO) and Director of Finance provided updates on the annual accounts and audit findings as highlighted below.

a. Annual Financial Return C2023/101

The Annual Financial Return (AFR) was presented to Council, this time with commentary, and it was **noted** that there was no material change to this version, save the debt balance which had been refreshed.

Council **noted** that the previously approved AFR workbook had been submitted to the OfS on 29th January, ahead of the final submission, and the OfS' initial validation checks did not raise any substantive queries. Recommendations by the Finance and Resources Committee (FRC) on the need for inclusion of additional details of the financing arrangement in the AFR commentary was also noted.

[minute confidential to Council]

b. External Audit –Audit Findings Report

Council was informed and **noted** that the audit is still ongoing with certain aspects of the University's financing case and reverse stress test being thoroughly reviewed to ensure that there is sufficient headroom in a plausible worse-case scenario.

c. Going Concern Assessment

Council was informed and noted that alongside the audit, the Going Concern status statement is being reviewed at various levels within the external audit firm. It was further reported that the Finance team is working the Auditors to provide clarity as needed.

[minute confidential to Council]

d. Financial Statements and Annual Report

Council was informed and **noted** that the completion and publication of the Financial Statements and Annual Report was dependent on the completion of the Audit Report and approval of a positive Going Concern status.

e. Budget Request for Medway Docking Station

Council was informed and **noted** that work on the Docking Station Project is expected to proceed to the next gateway upon the disbursement of additional funding of £500,000 approved by the FRC at its earlier meeting. It was reiterated that the project is being funded externally.

5747 TRUSTEES' DUTIES: CONSIDERATION OF REASONABLE PROSPECT Council noted Paper **C2023-106**

[minute confidential to Council]

5748 ANY OTHER BUSINESS

Council agreed that since the next meeting is holding at Medway, a meet and greet session with staff and student representative should be planned, as well as a tour of the campus.

ITEMS BELOW THE LINE

5749 DATES OF FUTURE MEETINGS

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

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

5750 MINUTES OF THE AUDIT COMMITTEE MEETING OF 29 JANUARY 2024

Council **noted** the minutes of the Audit Committee Meeting, **C2023/107**.

5751 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING OF 30 JANUARY 2024

Council **noted** the minutes of the Finance Resources Committee Meeting, **C2023/108**.

5752 Council **noted** the Forward Programme 2023/24, **C2023-109**.

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

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