

UNIVERSITY OF LEICESTER

COUNCIL

Minutes of a virtual meeting held on
Thursday 23 April 2020

'Present':

Gary Dixon (Chair)

Janet Arthur	Cathy Ellis
Craig Brown	Alison Goodall
Edmund Burke	Martin Hindle
Nishan Canagarajah	Ian Johnson
Martin Cullen	Azam Mamujee
Sophie Dale-Black	Andrew Morgan
Sarah Davies	Oge Obioha
Sandra Dudley	Vijay Sharma
Mehmooda Duke	Richard Tapp

'In attendance': Geoff Green (Registrar and Secretary); Martyn Riddleston (Chief Operating Officer); Kerry Law (Chief Marketing and Engagement Officer); Neil Cox (Assistant Council Secretary); Alex Erdlenbruch (Chief of Staff, President and Vice-Chancellor's Office); Graham Wynn (Pro-Vice-Chancellor, Education); and Neale Goff (Director of Health and Safety, for item 20/M23 only).

Apologies for 'absence' were received from Carole Thorogood.

20/M20 **DECLARATIONS OF INTEREST**

There were no declarations of personal interest in any of the items dealt with at this meeting.

20/M21 **MINUTES OF THE PREVIOUS MEETING**

Council considered the minutes of the meeting held by teleconference on 18 March 2020. **Council approved** them as a correct record. There were no matters arising that were not dealt with elsewhere on the agenda for this meeting.

20/M22 **COVID-19**

Council received and considered in detail a comprehensive set of updates from senior management on the HE sector's response, and that of the University, to the Covid-19 pandemic.

With regard to the national position, **Council noted** that Universities UK was working hard to support and promote the interests of the sector as a whole, and to emphasize the potential scale of the financial impact of Covid-19, with some indications that assistance measures in place were more favourable to the Russell Group universities. UUK had put forward to government a proposed support package but had not yet received a response. Certain external assessment processes, such as the REF and TEF, had been delayed possibly as far as spring 2021. UKRI, Research England and individual institutions were trying to ensure a consistent and joined-up approach across the sector.

At Leicester, **Council noted** that teaching would resume online at the due start of the summer term. Arrangements were in place to ensure that there would be no

detriment to students in terms of assessment and examinations. There would be a benchmark 'safety net' for finalists to ensure that no student would finish with a lower level of assessment than they had achieved by the start of the Covid-19 closure. The response from students on this and other matters, including accommodation costs, had been positive up to now but at this stage it was impossible to predict the impact on the NSS and other feedback metrics.

Looking further ahead, various strategic scenarios were currently being modelled, to assess the impact of a return to 'normal' campus-based activity in September 2020, January 2021 or even not until September 2021. The financial impact in the current year would see a loss of income of around £15 million, and cost savings were being implemented wherever possible. With regard to 2020-21, the impact would depend to a large extent on changes to student behaviour, recruitment and modes of teaching. Intensive recruitment activity was continuing on-line, and it was intended that 'Clearing' would go ahead as planned in August.

Council noted that a progress report on the scenario modelling and financial impact projections would be provided to both the Finance Committee and Council at their forthcoming meetings on 6 May and 13 May respectively. In the meantime, the Finance Committee had agreed that in the current climate cash and working capital management had become absolutely critical functions, and that the University should proceed to finalise the terms of a £20 million overdraft facility with Barclays until December 2020. This would replace the suggested revolving credit facility of up to £45 million that Council had endorsed in principle at its meeting in March. **Council noted** that subject to the finalisation of acceptable terms the Chair of Council might need to use Chair's Action on behalf of Council to expedite the overdraft facility and the relevant authorised signatories.

Council also noted that work was in hand for the University to apply for the government's Covid Corporate Financing Facility (CCFF). It was hoped that an additional £20-30 million of short term debt capacity might be put into place through this route. Alongside the overdraft facility it was judged that this would be sufficient to cover cash-flow needs in a severe down-side scenario, but this would need to be kept under very careful review.

Council recorded its appreciation for the work of senior management, and the wider University community, in their joint efforts to stabilise and protect the interests of the institution in the current unprecedented circumstances.

20/M23 **SAFETY SERVICES ANNUAL REPORT 201**

Council considered a report which provided an appraisal of the University's position in relation to health, safety and wellbeing management during 2019.

Council was pleased to note that, overall, significant progress was being made across the University in response to recommendations from an external review and resulting diagnostic report on the University's health and safety framework, conducted in early 2019. This had prompted a new approach to health and safety management, with greater focus and engagement, and a clearly defined strategy aligned with the requirements of ISO45001, to which the University was aspiring. This had already enabled a significant number of concerns identified in the report to be addressed or mitigated. However, against this background of a generally improving position a significant number of prominent challenges remained, particularly in relation to

statutory compliance (including water, gas and construction legislation), management of contractors, and staff training and resources at a local level.

Given the importance and associated risks of this issue, and the significance of Council's fundamental responsibilities in this area, **it was agreed** that Council should continue to closely monitor the progress that was being made, outside of the annual reporting cycle. An interim progress report would therefore be presented to Council in autumn 2020.

20/M24 **FINANCE COMMITTEE**

Council considered a report of a virtual meeting of the Finance Committee held on 7 April 2020. **Council noted** that the Committee had commended the work of the Executive Board and the Finance team on their work undertaken to date in response to the Covid-19 pandemic (minute 20/M22 also refers). The University's financial performance in 2019-20 was considered to be reasonable in the current exceptional and unprecedented circumstances, although clearly there were major challenges ahead for 2020-21. Progress on detailed scenario modelling and financial impact analyses would be reported to the Committee's next meeting, on 6th May 2020, and then Council on 13th May 2020.

With regard to the discussion at the last meeting of Council about a possible revolving credit facility, **Council noted** that the Finance Committee had subsequently agreed a preferred course of action to secure an overdraft facility instead (minute 20/M22 also refers).

With regard to the current status of key University construction projects, **Council noted** that their pace of progress and completion dates would obviously be impacted by current social distancing requirements, although Brookfield was now finished and handover was imminent. Appropriate legal advice and relationship management was in place to mitigate the associated risks.

20/M25 **DATES AND TIMES OF FUTURE MEETINGS**

Council noted the dates and times of:

- a. remaining Ordinary meetings and Awaydays in 2019-20, all at 4pm unless stated otherwise:

Wednesday 13 May 2020

Tuesday 9 June 2020 – Council/Executive Board Awayday (*under review*)

Wednesday 8 July 2020

- b. **provisional unconfirmed** dates of Ordinary meetings and Awaydays in 2020-21, all at 4pm unless stated otherwise:

Wednesday 30 September 2020 **ORIGINALLY TUESDAY 29 SEPTEMBER**

Wednesday 25 November 2020

Wednesday 17 March 2021

Monday 10 May 2021

Tuesday 8 June 2021 - Council/Executive Board Awayday (all day)

Tuesday 6 July 2021

Council noted, however, that consideration was being given to the possibility of bringing forward the start times of Ordinary meetings to earlier in the day, from the start of the 2021-22 academic year. Council would be consulted on any specific proposals in due course.

CHAIR

Total duration of meeting: 1 hour and 35 minutes

Note to these minutes: supporting papers for some of the business recorded under these minutes were presented to Council on a separate reserved section of the agenda for the meeting, due to the commercial and/or personal sensitivity of their detailed contents.