

MINUTES

SUSTAINABILITY AND RESOURCES COMMITTEE, SR-22

Date: Thurs 16 November 2023

Time: 1300

Location: CA306 The Catalyst

Notes:

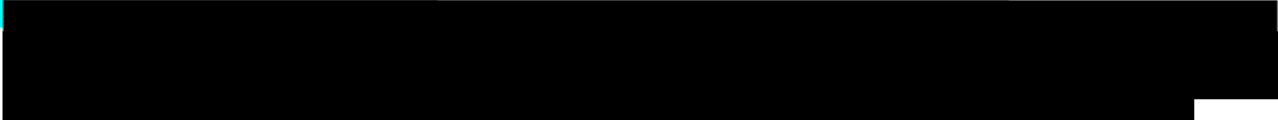
1. This Agenda is divided into three headings: Estates; Financials; and Human Resources / Employment. Each of these headings has a section 2 (For Discussion and/or Approval) and a section 3 (For Information).
2. Items marked with an asterisk (starred items) are for information only or regarded as noncontentious. Starred items will not be discussed and will be assumed to have been noted or approved unless a request to unstar a named item is received from a Board member in advance, or at the commencement, of the meeting.
3. Items classified as Confidential, and their subsequent minutes, will be redacted before publication of the agenda and minutes on the University's public website.

Members		
Mike Herbert	Co-opted Committee Member	P
Martin Pugh (Deputy Chair)	External Member	P
Kevin Gould (Chair)	External Member	A
Saima Hussain	Professional Support Staff Governor	P
Colin Hughes	External Member	P
Ian Jenkinson	Co-opted Committee Member	P
Professor Martin Jones	Vice Chancellor	P
Kim Newell Chebator	External Member	P
Leonard Stuart	Student Governor	P
In attendance		
Ian Blachford	Chief Operating Officer and Clerk to the Board of Governors	IA
Professor Kevin Hetherington	Deputy Vice Chancellor	IA
Sally McGill	Chief Financial Officer & Deputy Chief Executive	IA
Professor Raheel Nawaz	Pro Vice Chancellor – Digital Transformation	IA

P = Present (via Teams); A = Apologies; Ab = Absent; L = Late; IA = In Attendance (via Teams)

1 MEETING MANAGEMENT

571	Apologies for absence were received from Kevin Gould.	
572	There were no new declarations of interest .	
573	Constitution	MEMBERSHIP
	External Members	Kevin Gould (Chair) Colin Hughes Kim Newell Chebator Martin Pugh (Deputy Chair)
	Student Governor	Leonard Stuart (Vice-President, Students' Union)
	Staff Governor	Saima Hussain (Professional Services Staff Governor)
	Co-opted Members	Mike Herbert

	<p>Ian Jenkinson</p> <p>Vice Chancellor Professor Martin Jones</p> <p>In attendance Ian Blachford, Chief Operating Officer & Clerk to the Board Professor Kevin Hetherington, Deputy Vice Chancellor Sally McGill, Chief Financial Officer and Deputy Chief Executive Professor Raheel Nawaz, Pro Vice Chancellor – Digital Transformation</p>
574	The Minutes of the last meeting of the Committee , 13 June 2023 SR/22/01 were confirmed as a true and accurate record.
575	<p>Matters arising:</p> <ul style="list-style-type: none"> • Minute 528 - Cultural Change Programme – a full update was provided at the Board of Governors meeting on 12 October 2023. • Minute 548 – RAAC Update – An update on the potential use of RAAC was circulated to committee members on 6th September 2023. •  • Minute 559 – Student Village – Preferred Bidder Letter – to note that this had been considered and approved at UEB on 7 August 2023 following completion of the procurement exercise. • Minute 565 – Cost of Living pay award – to note that the Cost of Living pay award had been implemented from 1 August 2023 to all staff as per the outcome of the national pay negotiation process.
576	The *Overview of annual business 2023-24* SR/22/02 was noted.
577	<p>The Terms of Reference for the Committee for 2023-24 (APPROVAL) SR/22/03 were presented to the Committee for annual approval. The changes to the terms of reference had been minor, however the this would later be updated to reflect the new risk appetites.</p> <p>The Committee approved the Terms of Reference for the Committee.</p>
ESTATES AND INFRASTRUCTURE (E)	
E2 FOR DISCUSSION AND/OR APPROVAL (marked below accordingly)	
578	<p>The Estates update report (DISCUSSION) SR/22/04 was introduced by Pro Vice Chancellor, Digital Transformation, Raheel Nawaz. The report provided an update on:</p> <ul style="list-style-type: none"> • Progress on the conversion of the former Cadman Library to office accommodation, updates on the creation of a Simulation "Simmersive" Suite in Ashley 2 • Alterations to the Staffordshire University London campus • Creation of an Esports arena in the Beacon Building • New Student Village, Student Hub and Bridge Link • Acquisition of the Squires View site • Completion of the highways works at the Centre of Health and Innovation at Stafford • Proposed connection to the Stoke District Heating Network • Disposal of an ex-sports field off Newcastle Road in Cotes Heath • Update on the use of RAAC in University buildings. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> • Raheel Nawaz updated the committee that the conversion of the former Cadman Library into office accommodation was now complete. • It was agreed that a programme document be made available for the Student Village Project containing milestone dates and key points to assist with monitoring the progress of the project, by the committee, and decision points. Sally McGill agreed to this. • Mike Herbert asked about the implications of using the Squires View site as a compound for the duration of the Student Village project. Raheel Nawaz clarified that there would be no adverse implications for the University in the approach outlined. • Mike Herbert also stated that it would be helpful in the future if the report could be remodelled so that there was a clear reference to if the projects were on time, and within budget whilst underway, and a full summary on project completion. This was agreed and the report would be amended for future meetings.

	<ul style="list-style-type: none"> • Discussion ensued on the Stoke District Heat Network project, and whether this would be a viable route for the University in the future, given the source of the heat in the network remained unproven. Sally McGill responded that the involvement is non-binding at this stage. It was noted that the University was keen to be involved in this project, however, this had to meet baseline requirements for the university including costs and sustainability credentials. • With regard to the Student Village, Colin Hughes requested more information about future risk – specifically that if the proposal went ahead, and student numbers could not fill the accommodation, what the risk of underwriting was for the University. It was agreed that a discussion on the scale of future potential risk is required before March 2024. • Ian Jenkinson asked about the ownership of the Intellectual Property for the Student Village. Sally McGill confirmed that the University had negotiated a figure of £1m with the contractor in the eventuality that the proposal for the Student Village did not proceed and that this had already been agreed by the Board. This did not include the intellectual property, and had it done so the figure would have been closer to £2.6m. <p>There were no further comments and the report was noted.</p>
579	<p>The Digital Transformation Plan (DISCUSSION) SR/22/05 was introduced by Pro Vice Chancellor – Digital Transformation, Raheel Nawaz.</p> <p>It was noted that the transformation plan has been refocussed and reprioritised to provide maximum impact to the highest priority projects, and an overview on the progress of the Digital Transformation Programme was provided to the Committee as follows:</p> <ul style="list-style-type: none"> • The highest priority project, Enhanced UG/PG recruitment, is currently in the business case approval stage. • The other two priority projects, Ashley 2 Simmersive and Enterprise Service Management, are already in flight and are on budget and on target for their agreed timelines. • The planned restructure of Digital & Technical Services continues, albeit realigned in the context of the current required pay savings. • The new streamlined structure will enable delivery of the priority projects in a timely manner, with additional external resource (built into business cases) planned for where necessary. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> • Kim Newell Chebator asked about the timeline of the prioritised projects and Raheel Nawaz confirmed that the timeline had been significantly brought forward to ensure that this project was delivered at pace. Martin Jones noted that the appointment of Ian Waterhouse, Executive Director of Digital and Technical Services, had helped by providing greater visibility on digital projects and their impact. The UG/PG project would proceed to Board directly for approval. • Kim Newell Chebator asked about whether the focus on a few key projects would be at the detriment of quick wins on others. Raheel Nawaz confirmed that where quick wins were identified in other projects, subject to them not being resource intensive these would still proceed, however the priority was to make step change difference on these larger projects. • Martin Pugh asked about the cumulative effect of not progressing lower priority projects. Raheel Nawaz confirmed that this did not significantly affect the University’s digital ambition as the highest priority projects have been carefully selected and closely align with the overall strategy. Additionally, innovative approaches have been considered that may not necessarily be costly to deploy. • Leonard Stuart asked about the delivery of the paused projects and whether these can be delivered in-house. Raheel Nawaz confirmed that the projects that align with the business plan will be delivered by a combination of both internal and external resources. • Colin Hughes commended the overall programme. <p>There were no further comments and the report was noted.</p>
580	<p>The Sustainability update (DISCUSSION) SR/22/06 was introduced by Chief Financial Officer and Deputy Chief Executive, Sally McGill, for approval.</p> <p>Following the relaunch of the Sustainability webpages, SMART targets have been set for key areas. Progress to date (2022-23) and future SMART targets are shown in Appendix A.</p> <p>The University has two Strategic KPIs related to Sustainability with annual milestones to track achievement of the overall goals.</p> <ul style="list-style-type: none"> • Delivery of Carbon Net Zero (Scopes 1 and 2) by 2030 The milestone target for 2022-23 was 4056 (tCO₂e) and the actual figure achieved was 4007 (tCO₂e), so the milestone was achieved. Actions within the Carbon Reduction Plan for Scopes 1 and 2 continue. Progress on joining the Stoke-on-Trent District Heat Network (DHN) is covered elsewhere in the agenda.

	<ul style="list-style-type: none"> 20% of all impactable spend to be spent in the Staffordshire postcode area by 2027 - 30% was achieved in 2022-23, which exceeded the milestone target of 12%. The smart targets for the next two years have been set at 30%, ie to maintain this level. <p>In addition, the University has a further Strategic KPI related to Sustainability:</p> <ul style="list-style-type: none"> Delivery of Carbon Net Zero (Scope 3) by 2050 - To assist with the collection of data for 2022-23, the University will be using the new sector specific Streamlined Energy & Carbon Reporting (SECR) tool. This will provide a much more accurate assessment of the University's Scope 3 emissions than has previously been achieved. The full data set will be available in December 2023 (some of which is supplied by an external body) and will be reported at the next Committee meeting. Two new specific areas of activity related to Scope 3 will be introduced to the existing Sustainability Strategic Framework for 2023-24, namely Digital and Technical, to cover the specifics of our purchased digital and technical services and equipment. SMART targets will be set for these areas. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> The Committee members commended the report and the excellent progress that has been made in this arena. Ian Jenkinson commented that other local organisations could learn from this approach, and it should be communicated more widely. <p>There were no further comments and the update was noted.</p>
E3 FOR INFORMATION	
581	<p>The *Estate statutory compliance update* SR/22/07 was introduced by Pro Vice Chancellor – Digital Transformation, Raheel Nawaz.</p> <ul style="list-style-type: none"> This report provides assurance on the University's statutory and mandatory compliance position with an overview of the compliance strategy and principles with a summary of the University's overall compliance position included within Appendix A which evidences a 91% compliance score for the reporting period. Subsequent identified remedial actions are managed in line with the University's risk appetite and suitable control measures are implemented where necessary whilst these works are managed. In line with our methodology, we measure against the reporting of inspections and testing from our contractors. There are regular meetings with contractors to discuss performance and provide feedback. Whilst it does not sit within this report reporting period (up to 31st August), a water hygiene audit has been completed by KPMG during September, due for submission to the Audit & Risk Committee at its meeting on 25th October. The audit identified some improvements that will require actioning, and these will be addressed (with an action plan provided to the Audit & Risk Committee at the above meeting) with an update provided at the next meeting of this Committee. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> Ian Jenkinson noted that it was important that the University focused upon ensuring planned maintenance was properly funded so that this did not create issues with reactive maintenance workloads and costs. This was noted. Ian Jenkinson asked whether the faults with the lifts in the Catalyst Building had been rectified by the contractor. Raheel Nawaz confirmed that the defects were covered by the contractor and no costs were incurred by the University. <p>There were no further comments, and the report was noted.</p>
582	<p>The Cross referral of internal audit report – Estates Statutory Compliance: Water Safety Internal Audit Report SR/22/08 was introduced by Pro Vice Chancellor -Digital Transformation, Raheel Nawaz. The report provides a summary of the key findings and recommendations for the recent Water Safety audit undertaken by KPMG. An overall rating of "partial assurance with improvements required" has been provided, which is not in line with the University's expectations.</p> <ul style="list-style-type: none"> The auditor has identified that the University has taken steps to improve water safety controls and processes over the last 12 months, including a change in the contractor used to complete water risk assessments and water safety maintenance during 2022/23. Additionally, the auditors highlighted that a new staff post was recruited to support the management of water hygiene and the service provided by the new contractor, and a Compliance Overview Tracker has been introduced to improve reporting capabilities. KPMG also acknowledged that the University has a clear policy in place for the management of water safety, however improvements were needed around the timely delivery, monitoring and reporting of subsequent planned and reactive maintenance, details of which have been included within this paper. From the identified recommendations, one high risk was highlighted involving 2 high risk remedials raised by a specialist service provider conducting our water risk assessments in May and June 2022. Both items were challenged at the time by the management team as being high risk as there were either other measures in place to mitigate the risk or the recommendations were best practice as opposed to a requirement. However, whilst the audit did not challenge this decision taken at the time to not conduct the works, the audit did identify that the decision was not recorded in the

	<p>correct way to support the audit process. Both of these actions will be reviewed as a priority with a documented record of the steps taken placed on file and recorded on the risk management system.</p> <ul style="list-style-type: none"> In addition, a number of the other issues identified in the audit included incomplete remedials and overdue planned maintenance. This was in part due to the poor performance of the specialist contractor who has subsequently been replaced but also due to the absence of an effective tracking system to monitor timely completion of both remedials and planned maintenance schedules. Details of how this will be addressed are outlined in the responses to the identified actions in the report. <p>There were no comments and the report was noted.</p>
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FINANCIALS (F)

F2 FOR DISCUSSION AND/OR APPROVAL (marked below accordingly)

583	<p>The Student enrolment (and financial implications) 2023-24 (DISCUSSION) SR/22/09 report was introduced by the Chief Financial Officer and Deputy Chief Executive, Sally McGill, which outlined the financial impact of the University's actual intakes and returning cohorts of full-time Undergraduate (UG) students and Postgraduate Taught (PGT) students for 2023/24.</p> <ul style="list-style-type: none"> Both the budget and forecast take into account allowances for early withdrawals from courses and discounts. These figures have been compiled at the end of October 2023, when enrolment is complete. The year-on-year impact is also shown – comparing the intake and continuing students forecast at the same point in time last year (i.e. end of October 2022). Update since 12 October 2023 - The P0 forecast presented to the Board of Governors on 12 October 2023 indicated an intake of 2,535 full-time undergraduate student FTE which has been confirmed at P3 as 2,628 student FTE; an improvement of 93 student FTE (£0.5m increase in income). There has been a further improvement in student numbers (which was not visible at 12 October as enrolment was incomplete) through an additional 603 FTE continuing students now confirmed (£4.7m increase in income). The P0 forecast presented to the Board of Governors on 12 October 2023 indicated Semester 1 intake and continuing full-time postgraduate students would be 860 student FTE. This has now been confirmed at P3 as 972 student FTE; an improvement of 112 student FTE (£0.7m increase in income). The Semester 2 intake reported to the Board of Governors on 12 October as an estimated 131 student FTE is unchanged within this forecast. Semester 2 students start in January 2024. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> Colin Hughes noted the improved retention rates in continuing students compared to the pre pandemic figures. Martin Jones commented that these were as a consequence of the targeted efforts of academic staff. Ian Blachford confirmed that the Annual Report on Academic Quality and Standards to be presented at the Board of Governors meeting on 28 November will include retention and continuation data and Annabel Kiernan would be asked to ensure that this reflected pre and post pandemic for comparator purposes. Martin Pugh noted the reduction in the year-on-year international student numbers and Sally McGill responded that the large gain in international students from last year was not a continuing trend in this year and was uncertain for future years. This would be reflected in the discussions at the strategic event. <p>There were no further comments and the Committee approved these figures and to recommend the paper to the Board of Governors for information.</p>
584	<p>The Draft Financial Statements for y/e 31 July 2023 (APPROVAL) were presented by Chief Financial Officer and Deputy Chief Executive.</p> <p>i. Draft Financial Outturn 2022/23 SR/22/10, including Annual Report & Draft Financial Statements to y/e 31 July 2023 SR/22/10AppxA</p> <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> Sally McGill commented that the figures indicate a strong performance with an 8% operating surplus for 2022-2023. A more up to date version of the financial statement will be available for the Board of Governors meeting on 28 November which will include audit opinions and a small amendment to the note on pensions. <p>ii. BDO External Audit Report including management letter points and letter of representation SR/22/11</p> <p>There were no further comments and the report was approved.</p>

585	<p>The Amendments to Travel & Expenses Policy (APPROVAL) SR/22/12 were introduced by Chief Financial Officer and Deputy Chief Executive, Sally McGill, for review and approval.</p> <p>The University's Travel and Expenses Policy has been updated to provide better clarity to staff on what can and cannot be claimed and what is acceptable in certain circumstances.</p> <p>There were no comments, and the Travel and Expenses policy was approved.</p>
586	<p>The Update on In Year Financial Reductions (APPROVAL) SR/22/13 was introduced by the Chief Financial Officer and Deputy Chief Executive. The paper gives an update on the savings targets, savings identified to date and planned actions.</p> <ul style="list-style-type: none"> • Update on targets: Owing to additional student enrolments in September/October 2023, the savings target required to achieve a 3% operating surplus, before exceptional costs of severance, in 2023/24 has reduced to £13.8m, but an early view of 2024/25 shows that additional savings will be required before the start of that financial year. According to latest estimates, the in-year effect in 2023/24 of those additional savings would increase the total savings to £15.0m, which will now be adopted as the new minimum target for savings. • Update on savings identified to date: Savings identified have been included in the P3 Forecast Outturn and are at a more advanced stage of planning and (for wave 2). Wave three is also included in the business case but has not been included in the P3 Forecast Outturn because the consequences of wave three have not yet been communicated. Of the £15.0m savings above, £10.3m relate to staff costs savings. The £5.7m of vacant posts and pension cost savings already achieved, plus the business case which the COO has prepared which covers £3.5m in year savings, total £9.1m of the £10.3m required. • Update on planned actions for 2023/24: The planned actions, provided to the Board of Governors on 12 October 2023, have been updated to reflect progress and are included as Appendix A. <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> • Colin Hughes asked about the probability of achieving the £15m cost saving target when the second wave of measures had been implemented. In response Sally McGill reassured the Committee that this was expected to be the case once the steps outlined in the business case had been implemented. Ian Blachford provided a verbal update on the significant progress that had been made in the deployment of the cost saving interventions. These included aligning academic staff with SSRs, delivering professional service savings targets and the academic management restructure. • Kim Newell Chebator asked about the number of staff affected by the measures and its impact on the culture within the University. Ian Blachford responded on how staff had been engaged with the change programmes and that this was a difficult process but had been undertaken in accordance with the law and with professional courtesy. Exits are being managed swiftly and with dignity which help stabilise the culture within the University. • Sally McGill confirmed that the Target Operating Model will have more of an effect next year and will assist in prioritising the restructure. It will be imperative to take account of potential lower student figures again in 2024 – 2025. <p>There were no further comments and the report was approved.</p>
587	<p>The P3 Financial Forecast Outturn 2023-24 (APPROVAL) SR/22/14 was introduced by the Chief Financial Officer and Deputy Chief Executive. The P3 Forecast Outturn is based on the actual student enrolments for Semester One (September/October 2023 new intake and continuing students on programmes which span more than one academic year). The September new intake includes new Undergraduate students starting a (typically) three-year programme and new Postgraduate students whose programmes will (typically) last 12 months, or may extend to 18 months. The Semester Two intake has been estimated at this stage as those students do not start until January 2024.</p> <p>Members and attendees commented as follows:</p> <ul style="list-style-type: none"> • It was discussed that the first view of next years' predicted student intake will be visible by the beginning of February. Due to the political landscape, discussion ensued around the probability of the Russell Group of universities continuing to take more students. Colin Hughes commented that the focus needs to be on contingency planning and that this should be carried out as soon as possible. This topic will be discussed at the Strategic event agenda on 29 November 2023 and further updates be given through the Chairs meetings between the formal meetings of the committee structure. <p>There were no further comments, and the P3 Financial Forecast Outturn 2023-24 was approved.</p>
F3 FOR INFORMATION	

593	<p>The *Health, safety and wellbeing annual report 2022-2023* SR/22/20 was noted for information. The report summarises the University's activities in this area across Staffordshire University and its subsidiaries.</p> <ul style="list-style-type: none"> • The University had 64 reported incidents during the 2022-2023 academic year, 2 of which were reportable under RIDDOR, for the staff population (3.13%). The previous year we had 47 reported incidents, 3 of which were RIDDOR (6.38%). • The University had 50 reported incidents during the 2022-2023 academic year, 2 of which were reportable under RIDDOR for the student population (4%). The previous year we had 47 reported incidents, 4 of which were RIDDOR (8.5%). • The overall sickness absence rate for staff was 2.67% for the 2022-2023 academic year, against a target of 3%. The overall sickness absence days reduced to 9789 compared to 10291 the previous year with a cost of circa £1m in occupational sick pay. • The split of the overall sickness absence rate of 2.56% is comprised 50% short term and 50% long term absence. • Mental health has returned as the largest reason for sickness absence, due to the contraction in days lost due to COVID and related symptoms. This is now the second largest category, followed by hospital related treatments and recovery. • The report also details the interventions in place to support staff including occupational health surveillance, occupational health referrals, UNUM rehabilitation service and the employee assistance programme. An update is also provided on the Health, Safety and Wellbeing support for students. <p>The report had been approved by the Health, Safety & Wellbeing Committee and the Senior Leadership Team.</p> <p>There were no comments, and the report was noted.</p>
4 ADDITIONAL MATTERS	
594	There were no additional matters .
595	<p>Items to be referred to Board of Governors</p> <p>Approval</p> <ol style="list-style-type: none"> a) Minute 577 – Terms of Reference b) Minute 584 – Draft Financial Statements for y/e 31 July 2023 inc Draft Financial Outturn 2022/2023 and BDO External Audit Report including management letter points and letter of representation. BG/131/24 c) Minute 586 – Update on In Year Financial Reductions BG/131/25 <p>Information</p> <ol style="list-style-type: none"> d) Minute 579 – Digital Transformation Plan BG/131/26 e) *Minute 593 – Health, Safety and Wellbeing Annual Report* BG/131/27
596	Next meeting: Wednesday 20 March 2024 (CA105/6 Catalyst, Leek Rd)