



**Council Meeting
Thursday, 9 May 2024
12:30 – 15:30
Hybrid Meeting**

Minutes

Attendees	
Council Members:	Professor Dame Jessica Corner (JC) (Chair) Dr Carol Bell (CB) Ms Sharon Ellis (SE) Professor Colette Fagan (CF) Dame Janet Finch (JF) Professor Cathy Gormley-Heenan (CGH) Dr Anne-Marie Imafidon (AMI) Ms Bronwen Maddox (BM) Professor Chakravarthi Ram-Prasad (CRP) Mr Mike Rees (MR) (SIM) Professor Graeme Reid (GR) Professor Colin Riordan (CR)
Observers	Ms Harriet Barnes (HB), HEFCW Dr Helen Cross (HC), SFC
Officers	Ms Alice Frost (AF) Dr Kim Hackett (KH) Dr Steven Hill (SH) Associate Director of Strategy and Planning
Apologies	Ms Jacqui Dovey (JD), RE Ms Susan Lapworth (SL), OfS Mr Mark Lee (ML), DfE-NI Mr Dan Shah (DSH), UKRI
Guests	<u>Internal</u> Dame Ottoline Leyser (OL) (for Item 7) Mr David Rogers (DR) <u>External</u> <withheld from publication>, OfS (for Item 6)
Secretariat	Council Secretariat



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1.	Welcome and Introductions
1.1	There was a delay to the start of the meeting due to widespread technical issues within Caxton House.
1.2	JC welcomed all to the meeting, in particular Harriet Barnes, HEFCW Director of Policy and Funding, covering for Bethan Owen, and David Rogers from the UKRI Strategy Directorate, covering for Dan Shah. She also welcomed Colette Fagan, RE's newest Council member. Colette is Vice-President for Research at the University of Manchester. JC noted that the Director of Regulation at the OfS, would be joining the meeting for the Financial Sustainability item and that Ottoline Leyser, UKRI CEO, would be addressing Council towards the end of the meeting. Apologies were also received from Jacqui Dovey, Susan Lapworth, and Mark Lee. No conflicts of interest were declared.
2.	Minutes and Actions from the Meeting of 1 February 2024
	<u>Minutes and Actions</u>
2.1	GR identified a minor amendment to the minutes, which was taken on board. With that change, the minutes were accepted as being an accurate record of the previous meeting.
	<u>Actions</u>
2.2	Action 2.5: JC stated that she met with the OfS Chief Executive, who has advised that the OfS does not intend on taking up their observer position on RE Council (they also do not attend other funding body board meetings). It was noted that the Director of Regulation's attendance at this meeting was in response to the request posed by RE Council during their May's meeting.
2.3	Action 4.3: AF stated that there have been sounding board discussions with members but there has been no take up of the offer to hold a mini session on technical risks of KE data.
	<u>Matters Arising</u>
2.4	There were no other matters arising.
3.	UKRI Strategy Update
3.1	DR provided an update on behalf of the UKRI Strategy Directorate, to include the following: <ul style="list-style-type: none">• UKRI is in the delivery phase of its current strategy.• UKRI is aiming to publish its annual report and accounts before Parliament goes into recess.• In 2021, UKRI secured a three-year spending agreement (in which the dual support ratio was maintained).• The Strategy team is focusing on preparations for the next spending review (SR).• Areas of consideration for this SR include government priorities (such as around quantum computing and AI, and the S&T Framework).



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	<ul style="list-style-type: none"> • Due to uncertainty within the political landscape, it is unclear whether UKRI will be working towards a single-year or multi-year settlement. • UKRI is building an underpinning evidence base to support its SR bid. • UKRI is in a strong position to support DSIT in making a case for R&I spending by focusing on outcomes of investment in terms of productivity and growth. • The UKRI Board has agreed that it should be an ambitious bid. • Examples of mission-focused work will also be used. • The financial sustainability of the wider HE system is also very important.
3.2	<p>During the discussion, the following points were raised:</p> <ul style="list-style-type: none"> • The advice to DSIT on the dual support ratio should be leading rather than lagging. • Retaining the balance is crucial: it is important to have a strong and compelling case. • It is incumbent on RE to explain to Treasury and DSIT why it is important to have optimal levels of QR funding. • Industry figures on R&I should also be used.
3.3	<p>Council queried what the plans are to engage the community more widely in preparatory work for the SR to ensure that UKRI has the strongest possible case backed by sound insights. DSIT and Treasury will communicate directly with the science community; however, it is important that the messaging to Treasury is consistent. DR responded that UKRI is working with ministers to demonstrate the importance of, and to evidence the value of, QR. He also stated that there is regular engagement with stakeholder communities so that their insights can be reflected in UKRI thinking and so that communities can, in turn, articulate the case for R&I to government.</p>
3.4	<p>JC informed Council that the RE Associate Director of Strategy and Planning would be leading the preparatory work for RE's SR case.</p>
4.	Executive Chair's Report
	<u>University Visits</u>
4.1	<p>JC has undertaken two sets of visits to Manchester universities and to Sheffield/ Leeds universities. She reported impressive work underway at these institutions and stated that the way in which RE funding is being used is inspiring. She presented an open invitation to members to join her on these visits.</p>
	<u><withheld from publication></u>
4.2	<withheld from publication>.
	<u><withheld from publication></u>
4.3	<withheld from publication>.
4.4	<p>There has been good progress on implementation of the spinout review recommendations. The legal/regulatory framework for data collection is likely to have to change. There are good</p>

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	relationships with universities doing spinouts and most universities are receptive to adoption of the best practice agenda. A shared TTO competition is just about to be launched.
4.5	CF stated that a regional approach to visits is a good and productive one for institutions as well as for RE. On innovation spinouts, the Russell Group is supportive of the best practice initiative (after some initial uncertainty) with all having adopted or being close to adopting.
	<withheld from publication>
4.6	<withheld from publication>.
4.7	<withheld from publication>.
	<u>NCACE</u>
4.8	Last autumn CGH undertook a review of NCACE as its funding was coming to an end to (i) ascertain if there is sufficient rationale to continue funding of this work and, if so, (ii) whether NCACE is the appropriate vehicle. CGH noted that she also had broader remarks to make regarding developing criteria for the establishment of national centres. CGH stated that the answer to the first question is 'yes'; and the answer to the second question is 'maybe, but in other ways'.
5.	Risk, Assurance and Governance Report
5.1	MR chaired this section of the meeting. <withheld from publication>. JD (Risk Owner) will provide an update for Council in due course.
6.	Financial Sustainability of HEPs
6.1	The OfS Director of Regulation provided an overview of the OfS report due to be published on 23 May on the financial viability of HEPs. The report is based on information obtained from providers and from annual financial returns, submitted alongside their audited accounts, as well as commentary. Where there are areas of concern, the OfS may ask the provider for more regular updates throughout the year.
6.2	<withheld from publication>.
6.3	During the discussion, the following points were raised: <ul style="list-style-type: none"> • The situation has been compounded by the weakness of foreign currencies and sensitivities in the global financial market. • There are options for providers; however, the decisions to ensure an increase in financial viability are sometimes difficult ones to take. • There is likely to be a greater focus on teaching, which will impact on the time available to carry out research, and efficiency gains may translate into staff cuts and redundancies. • Visa changes have reduced the attractiveness of the UK; some countries are seeking to re-position themselves; and some students are seeking to study closer to home:



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	factors such as these, which will have a diverse impact across the sector, cannot be accounted for in financial sustainability models.
7.	UKRI CEO Update
7.1	<p>OL's address to Council included the following points:</p> <ul style="list-style-type: none"> • UKRI has been busy delivering its first ever strategy in a multi-year SR. • There have been many positives while, at the same time, there have been many major internal and external challenges. • The organisation is going through a lot of changes at the moment, including work towards implementation of the Simpler and Better Funding and SHARP programmes. • Work is underway on developing different ways of working and on how best to access available talent. • Much of the operating model discussion has been about changing the culture to empower staff to do the jobs they want to do in the way they want to do them while making the best use of available expertise: this piece of work has become urgent due to FTE headcount caps and ongoing technology changes. • The organisation has lost a significant number of staff, so the focus has been on staff reorganisation in order to alleviate some of the resourcing pressures. • There are many internal pressures, coupled with budgets squeezed due to inflation, combined with all that UKRI has been asked to deliver. • There is increased opportunity to build a collaborative approach across the system. • The argument about publicly funded research being underfunded is not a viable one; rather, there needs to be consideration of how to utilise less better in a way that increases the R&I power while working collaboratively. • A collaborative approach is necessary to retain diversity within the sector.
7.2	HB, attending on behalf of HEFCW stated that the OfS presentation had been very useful and that it echoed the picture in Wales. HC (from the SFC) stated that, in Scotland, the sector is small enough for there to be an understanding of the financial position of institutions with contraction of the sector likely.
8.	AOB
8.1	No further items were raised under AOB.