

The University of Manchester

BOARD OF GOVERNORS

Wednesday, 6 July 2016

Present: Mr Anil Ruia, (in the Chair), President and Vice-Chancellor, Dame Sue Ion, Mrs Dapo Ajayi, Mr Edward Astle, Ms Naa Acquah, General Secretary of UMSU, Mr Gary Buxton, Mr Michael Crick, Professor Colette Fagan, Mr Colin Gillespie, Dr Caroline Jay, Mrs Christine Lee-Jones, Dr Neil McArthur, Professor Cathy McCrohan, Mr Robin Phillips, Dr Christine Rogers, Dr Pamila Sharma, Professor Liz Sheffield, Dr John Stageman, Dr Angela Strank, and Professor Chris Taylor. (21)

In attendance: The Registrar, Secretary and Chief Operating Officer, the Deputy Secretary, the Deputy President and Deputy Vice-Chancellor, the Director of Finance, the Director of Human Resources, the General Counsel, the Director of Compliance and Risk (in part), the Vice President and Dean of the Faculty of Life Sciences, and the Vice President for Research and Innovation.

Apologies: Mr Paul Lee, Mr Andrew Spinoza and Ms Iram Kiani.

NB. The Chair welcomed Mr Robin Philips to his first meeting of the Board of Governors following his appointment in June 2016.

1. National Honours

Noted: That at the outset of the meeting, the Chair noted the national recognition achieved by members of University staff. Professor Danielle George and Marcia Ody both received MBEs in the Queen's 90th Birthday honours list, which acknowledged their significant contributions to their respective fields.

2. Declarations of Interest

Noted: That the interests of the President and Vice-Chancellor as a Council Member of the Royal Society, and for Mr Will Spinks as a member of the AHUA Executive and as a member of the Joint Negotiating Committee of USS, previously declared, were noted. The President and Vice-Chancellor also declared a new interest following her appointment as President of the British Science Association, which she will take up from September 2016. The interest of the Deputy President and Deputy Vice-Chancellor, as co-chair of the charity, Find a Better Way, was also declared, and Dr Neil McArthur, declared a new interest in respect of the Manchester Tech Trust. Mr Edward Astle also declared that he had taken up the role of Deputy Chair of the Advisory Board of Engie UK, the UK arm of the French-based global energy group.

3. Minutes

The minutes of the meeting held on 4 May 2016 were approved.

4. Matters arising from the minutes

Noted: That the Board received a report on ongoing issues that had been raised at previous meetings and that would be addressed within the agenda or would come forward at a later date.

5. Chair's report

(a) Membership of Committees and Chair of Audit

Noted: That the incoming Chair of the Board of Governors from 1 September 2016, Mr Edward Astle, would continue to make changes in the membership of a number of the Board's committees over the summer, following discussions with Board members and the respective committee Chairs. In the meantime, Dame Sue Ion had agreed to continue chairing the Audit Committee across 2016-17, and Robin Phillips would also join the Audit Committee, to take the place vacated by Mrs Christine Lee-Jones, from 1 September 2016.

(b) Review of the Effectiveness of the Board of Governors

Reported: That the incoming Chair would commission an independent review of the Board's Effectiveness over 2016-17.

(c) Report from the Nominations Committee

Received: A full report on the work undertaken within the Nominations Committee over 2015-16.

Noted:

(1) That the membership of the Committee is:

The Pro-Chancellor (Mrs Gillian Easson) (*in the Chair*)

The following three members of the Board of Governors, appointed by the Board, from the categories of membership indicated:

Lay: Mr Andrew Spinoza

Senate: Professor Chris Taylor

Staff: Ms Iram Kiani

The following five lay members of the General Assembly, appointed by the Board on the nomination of the General Assembly:

Professor Sir Robert Boyd

Ms Catherine Barber-Brown

Mr Chris Boyes (elected by the General Assembly, in-year)

Mr Wakkas Khan

Mrs Susan Lipton

The Committee's principal matters of business are:

- to recommend to the Board of Governors appointments and re-appointments to Category 2 of the Board (lay members);
- to recommend to the Board of Governors re-appointments to Category 3 of the General Assembly (lay or former members of the Board who are not otherwise members of the General Assembly);
- to recommend to the Board of Governors appointments to Category 9 of the General Assembly (lay members appointed by the Board);

- to recommend to the General Assembly co-optations to Category 10 of the General Assembly (members co-opted by the General Assembly);
 - to recommend to the General Assembly the appointment to be made to the office of Pro-Chancellor;
 - At regular intervals, to recommend to the Board on the representation afforded by the sponsoring organisations within Categories 5 through 8 of the General Assembly.
- (2) That following detailed discussions and, in respect of the new appointment, interview, the Committee agreed to make the following recommendations for appointment/re-appointment:

For appointment to the Board of Governors in Category 2 (lay members)

Recommendation: That Ms Isabelle Perrett should take up one of the places that arises on 1 September 2016, following the scheduled retirements of Mr Anil Ruia, as Chair, and Mrs Christine Lee-Jones. In order to build in rotation within the schedule of appointments and reappointments, this is initially for a two-year term extending, to 31 August 2018.

The Nominations Committee and the incoming Chair of the Board of Governors would seek to fill the remaining vacancy on the Board during autumn 2016.

For re-appointment to the General Assembly in Category 9 (Members appointed by the Board of Governors)

Recommendation: That the Board of Governors is asked to approve the re-appointment of the following to the General Assembly for a three year term from 1 September 2016:

Miss Mumtaz Bashir, JP
 Mrs Catherine Barber-Brown
 Mr Michael N G Evans
 Mr Peter J Folkman
 Mr Vidar Hjordeng
 Mr Mohammed (Wakkas) Khan

For appointment to the General Assembly in Category 9 (Members appointed by the Board of Governors)

Recommendation: That the Board of Governors is asked to approve the appointment of the following to the General Assembly for a three year term from 1 September 2016:

Ms Abigail Shapiro
 Claire Yarwood

For appointment to the General Assembly in Category 3

Recommendation: The Board of Governors is therefore asked to recommend the re-appointment of the following former members of the Board of Governors to membership of the General Assembly in Category 3, from 1 September 2016, for a fifth and final term:

Mr Norman Askew
Mr Nigel Llewellyn
Dr Keith Lloyd
Mr Robert Owen
Dr Robina Shah
Mr Gerry Yeung

The Board of Governors is also asked to recommend the re-appointment of Mrs Christine Lee-Jones and the current Chair, Mr Anil Ruia, in Category 3, as both will retire from Board membership on 31 August 2016.

Resolved: That the Board of Governors noted the Report of the Nominations Committee and approved the Committee's recommendations for membership of the General Assembly and the Board of Governors.

(d) HEFCE Prevent Duty Monitoring Framework

Noted: That under the monitoring framework, the University had submitted a checklist in January followed by a suite of supporting information and policies in April. After reviewing this material, HEFCE had concluded that the University had regard to the Duty in its policies, procedures and arrangements but highlighted two areas which they considered required further attention; in respect of branded University events held off campus, and in respect of training to staff engaged via third parties. The University will be responding to HEFCE address to address these points over the summer.

(e) Planning and Accountability Conference

Noted: That feedback had been requested recently from members regarding the Planning and Accountability Conference, held in March, but only a small number had responded. The Chair reminded members to provide any comments they had on the last conference, to inform the proposals for 2017. An outline agenda would come forward for consideration by the Board in November 2016.

(f) HE White Paper: Success as a Knowledge Economy

Noted: That the Government published a White Paper on Higher Education in May 2016. The government also issued some explanatory notes on the key legislative changes that would be introduced and this is available at the following location: <http://www.publications.parliament.uk/pa/bills/cbill/2016-2017/0004/en/17004en.pdf>

6. Secretary's report

(a) Elections to the Board of Governors

Received: A report on the outcome of the election held to appoint members of Senate to the Board of Governors in Category 3, from 1 September 2016, and on the elections to determine membership of the Board of Governors in Categories 3 and 4, from 1 September 2016.

Noted:

- (1) That the constitution of the Board of Governors provides for the election by Senate of seven of its members to serve as members of the Board. Board membership for Professor Liz Sheffield will come to an end on 31 August 2016; and Professor Mike Sutcliffe left the University in December 2015, so therefore there were two places available in the contest.

- (2) That following a call for nominations and subsequent ballot, on the basis of the votes cast and with due regard to the constitutional requirements, Professor Danielle George and Professor Silvia Massini were declared elected to the Board of Governors, from 1 September 2016.
- (3) That the constitution of the Board of Governors provides for the election by the General Assembly of two non-academic staff representatives, serving on the General Assembly, to serve as members of the Board. Two places will become available in Category 4 of the Board from 1 September 2016, with one of these places to be filled by an academic-related member of staff with the remaining place taken up by a member from the "Other staff" category, in line with the requirements of Statute VI.1(d).
- (4) That following the call for nominations, four valid nominations were submitted, three from the "Academic related" category and one from the "Other staff" category. The "Other Staff" position was therefore declared filled - this being uncontested and will be taken up by Mr Shumit Mandal, an Executive Education administrator in the Alliance Manchester Business School. Following the ballot, it was confirmed that Ms Ros Webster, a Student Recruitment and Widening Participation Officer in the DSE, will take up the place, as the Academic Related representative.

(b) Review of Pastoral Care

Received: A report on the outcomes of the Review of Pastoral Care, previously reported to the Board of Governors. This provided an update on the feedback received within the Implementation Group and agreed changes in the structure, and the level and phasing of honorariums. All directly affected members of staff received confirmation of the revised arrangements and other colleagues within Residential Services have been made aware of the proposals. Individual meetings with directly affected staff commenced in November 2015 and all appointments to the new structure were confirmed by June 2016.

7. President and Vice-Chancellor's report

(a) The Report of the President and Vice-Chancellor to the Board of Governors

Reported:

- (1) That the Report of the President and Vice-Chancellor updated the Board on the University's response to the outcome of the EU Referendum and the steps that were being taken to reassure staff and students.
- (2) That the Report provided additional information on recent Government announcements on Higher Education and the proposals outlined in the White Paper, including the proposals that would be implemented following the Nurse Review of Research Councils, and the new body called UK Research and Innovation (UKRI) which will oversee all seven Research Councils, Innovate UK and all research budgets and activities in universities that are currently under HEFCE.
- (3) That the Report outlined the technical consultation on Teaching Excellence Framework and the call for evidence on accelerated courses and switching university or degree. It was noted that these proposals have some merits but a key concern is that the two major activities of universities, namely teaching and research, will now be overseen by two different organisations. There remain concerns about TEF, and the work of the TEF panels is recognised to be important.

- (4) That the Report provided information on the priorities agreed at the Planning and Accountability Conference. To progress these priorities a number of actions had been agreed, as follows:
- i. To present a gap analysis to the Board based on benchmarking analysis and performance in league tables, identifying scenarios and actions that could be taken to improve the University's position with an assessment of the associated cost, risk and impact.
 - ii. The International Strategy Group to give consideration to the issues raised by Vivienne Stern (Director of the UK Higher Education International Unit), and the suggestion to identify 2-3 pivotal international research collaborations around our beacons.
 - iii. To identify routes through which we can generate funding to meet our ambitions and the risks associated with these.
 - iv. In the light of the discussions at the Conference, to consider the level of investment required to make the step change to meet the ambitions of Manchester 2020, including support for leaders.
- (5) That in relation to item (i), the league table and benchmarking group led by the Deputy President and Deputy Vice-Chancellor, Professor Colin Bailey, is taking this forward and this will be reported to the Board in due course. On (ii), the Internationalisation Strategy Group which is also led by Professor Colin Bailey is progressing this. On (iii) and (iv), the Senior Leadership Team has had some further discussions about how already agreed actions are being progressed and offered some initial views on the sorts of investment that are likely to be necessary to achieve the University's stated aims. Together with the Director of Finance, Stephen Dauncey, the University was developing scenarios for this with a view to these being built into the financial and operational planning processes.
- (6) That the Report provided details of The Science and Technology Committee inquiry to explore the lessons from graphene for research and innovation in other areas, as well as the management and commercialisation of graphene's intellectual property. Written and oral evidence has been provided by the University, with Professors Andre Geim and Luke Georghiou appearing before the Committee. The date of a further hearing with relevant government agencies and the like has yet to be scheduled, following which the Committee's report is due to be published.
- (7) That the President and Vice-Chancellor provided the Board with an update on the Students numbers position for the University, for 2016 entry. Within the context of the changing national picture and increased competition for students, especially those of high quality, the Intake Management Group, chaired by the Vice-President for Teaching, Learning and Students, is monitoring the situation closely. Schools continue to be encouraged to review their entry requirements and the portfolio on offer and to ensure best practice in handling of applicants to maximize the chances of those to whom an offer is made accepting it. In depth discussion of application data by the Senior Leadership Team takes place regularly so the pattern of recruitment can be closely monitored, allowing interventions to be agreed and implemented on a timely basis. A further report would be provided at the October Board meeting.
- (8) That the Report provided a briefing on industrial relations and the JNCHE HE pay negotiating round 2016-17 and responses from trades unions to final offer.

The final offer of 1.1%, together with higher uplifts to the bottom of the pay spine, the deletion of point one and substantial joint work on gender pay gaps and casual and hourly – paid staff represents a significant investment in staff especially when taken together with progression and increased pension contributions, NI rises and the apprenticeship levy. At the time of writing UCEA and the campus trade unions in dispute (UCU, UNIOSN, Unite and EIS) have held two dispute resolution meetings in relation to the 2016-17 pay offer. During the meetings, the employers explained why the final offer was at the limit of affordability for the sector and would not be increased. The dispute resolution process requires at least two meetings to be held, and precludes a trade union from taking industrial action before the process is concluded. All parties now consider the dispute resolution process to be at an end. The employers have not increased the final offer, and the trade unions continue to reject it. At the time of writing the trade unions will proceed with their consultation arrangements or, in the case of UCU, their industrial action plans.

- (9) That the President and Vice-Chancellor provided an update concerning the camp established by people homeless or sleeping rough, which was occupying University land off London Road near Piccadilly Station. The University had pursued legal action in respect of its rights and the land had been successfully cleared.
- (10) That the President and Vice-Chancellor briefed the Board in detail on the proposals in development to establish a tripartite arrangement between Salford University, MMU and the University of Manchester, to establish an International Medical School.

Noted:

- (1) That the Board discussed the issues arising from the EU Referendum decision and received further information on the operation of the working group established. The Group would, as further details on the implications of the decision became clearer, begin to consider the likely impact upon the University.
- (2) That the Board also sought further information on the International Medical School in terms of scale, governance and focus. It was noted that the proposals were at a very early stage of development and a paper on the concept would be worked up for the Board in October.

(b) Report from the Director of Compliance and Risk

Received: The Report of the Director of Compliance And Risk including reference to Q1 Accident Statistics for 2016 and the SHE Committee minutes from the meeting held on 16th April 2016.

Noted:

- (1) That in relation to the report of the Safety, Health and Environment Committee minutes, the Board noted the HSE visit undertaken to examine how safety is managed with particular regard to high hazard biological agents work, which found that the University was “broadly compliant” with legislative requirements. In responding, the Director of Compliance and Risk highlighted that the Inspector was impressed with the effectiveness of management process and the knowledge and expertise of relevant staff.

- (2) That the Board noted the adverse radiation event, investigated by the University's Radiation Safety Unit, which occurred during a clinical trial. The Director of Compliance Risk outlined the strong processes supporting clinical trials. The Board noted that, in the previous year, Professor Nalin Thakker had referenced the oversight of clinical trials within the Report of the Research Compliance Committee and there would be an opportunity to receive further information on these arrangements in October.
- (3) That the Director of Compliance and Risk reported that improvements in the safety culture of the University were being made and that there is a competent and effective team leading on this within the University. While there is strong support in place, it remained a challenge to ensure Principal Investigators remained up to speed and this was being done through induction, online training and through the oversight of the Research Compliance Committee.

(c) Report to the Board of Governors on exercise of delegations

Reported:

- (1) Emeritus Professors: That acting on behalf of Senate and the Board of Governors, and on the recommendation of the relevant Head of School and Dean of the Faculty, the President and Vice-Chancellor awarded the title of emeritus professor to Professor Peter Lovell, School of Materials, with effect from 1st October 2016 and Professor Hong Wang, School of Electrical and Electronic Engineering, with effect from 1st April 2016.
- (2) Seal orders: That in line with General Regulation VII.4, the Common Seal of the University has been affixed to instruments recorded in entries 1685 to 1693, as supplied to the Board.

8. Report from the University of Manchester Students' Union

Received: The annual report on the work of the Union, including key performance indicators.

Reported:

- (1) That the Report provided information on the strong financial position of the Union, the building extension project, investment in Union infrastructure and IT, and their work to improve organisational culture and ensure they were an effective charity, employer of choice and an organisation which empowers staff to take leading roles in the broader sector.
- (2) That the Report provided information on student representations, democracy and campaigning activity. In terms of their elected officers, 11,700 students voted for 107 candidates in their sabbatical officer role and whilst a slight drop on last year, this was ahead of any other students' union in the UK and more than double the average percentage nationally. The Union's liberation campaigns had gone from strength to strength, with the Union continuing to attract national attention for its 'We Get It' campaign in partnership with the University. Over 10 other Universities have now created similar schemes based on this ground-breaking work.
- (3) That the Report made reference to a number of controversial issues over the last year surrounding the wider student movement approach to the concepts of free speech and safe space. Following discussions in their democratic bodies and with UURC, the Union had amended its safe space policy to ensure full compliance with the duties on freedom of speech set out in the 1986 Education Act.

- (4) That the Report also referenced the Union's community work, the development of new and engaged societies, and student volunteering. In updating the Board on partnership activity with the University, the Union highlighted work on access, residents associations and engagement with students living off-campus.
- (5) That the Report also referenced the performance of Union services, the Estates development and the plans for the forthcoming academic year.

Noted: That in terms of equality and diversity levels and student engagement, the Union noted lower participation levels below natural demographic levels from international students and a modest decline in cultural societies and international groups, but was seeking to address this. In respect of entrepreneurial activity, the Manchester Entrepreneurs was noted as one of the largest and most successful student enterprise societies in the UK. In 2015 they were awarded Best Enterprise Society in the UK by NACUE.

Resolved: That the Board commended the excellent progress made by the Union and, in particular, the projects it had undertaken independently and in partnership with the University. The Board expressed thanks to Ms Acquah and Mr Ward for the report's compilation and the Union's achievements over the year (recognising the contribution of the executive officers over 2015/2016).

9. Report from the Senate

Received: A summary of the issues considered by Senate on 29 June 2016 was provided.

Reported:

- (1) That the summary paper updated the Board on Senate's consideration of the EU Referendum result, the White Paper, the Student Lifecycle Programme, the proposed Science and Innovation Audit for Manchester.
- (2) That Senate approved the Examination of Doctoral Degrees Policy, the Examination of Master of Philosophy (MPhil) Degrees Policy, the Resubmission and Re-examination of Postgraduate Research Degrees Policy, and Nomination of Examiners and Independent Chairs for Postgraduate Research Degree Examinations Policy.
- (3) That the Board received a full report on the process for bringing forward recommendations for awards and honours. This included information on Senate endorsement, and commendation to the Board, of five nominations for individuals to be invited to accept honorary doctorates.
- (4) That Senate received a presentation from the Head of Hospital and Events, Directorate of Estates and Facilities, on the University's Sustainable Food Policy.

Resolved: That the Board of Governors approved five individuals for conferment with doctorates *honoris causa*, and acknowledged the awards proposed for three individuals agreed via Chair's action, noting that the first opportunity for conferment was likely to be Foundation Day, in October 2016.

10. Board committee reports

- (a) **Finance Committee, 20 June**

Received: The summary and minutes from the meeting held on 20 June including the Budget for 2016-17 and the five year forecasts also for approval. Management Accounts for April 2016 are also provided.

Reported:

- (1) That Finance Committee received a report on MECD. The report had previously been submitted to the Capital Planning Sub Committee (CPSC) on 14 June. Finance Committee were being asked to approve £11m + VAT for enabling works. With ca. £45m already expended on the project, this would bring the total commitment to date to ca. £58m. This decision had been recommended by the Project Steering Board and approved by CPSC. The overall capital programme contingency is £48m, of which £6.6m is shown as being transferred back to the MECD project budget. The current budget for MECD, per the Capital Projects Masterplan total programme budget report, is £329.4m. Finance Committee noted the report and approved the additional £11m + VAT expenditure.
- (2) That Finance Committee received an update on the capital programme. No projects had been completed since the last meeting. Finance Committee approved in principle Phase 1 of the Fallowfield redevelopment to be funded from reserves or a short term loan, subject to a satisfactory business case being brought forward.
- (3) That Finance Committee noted updates on FRS 102 (the new SORP) and accounting for IT project costs and the approval at Finance Sub Committee of an additional £8.9m to fund the Library capital development. Finance Committee approved increasing the self-imposed limit to be held on deposit with RBS from £80m to £100m.
- (4) That Finance Committee noted the management accounts for May 2016.
- (5) That Finance Committee received the budget for 2016/17 and the five year forecast to 2021/22. It was noted that the budget gap for 2016/17 compared with prior year plan is £6.0m. This follows an intensive budget challenge process during which £13m improvements were identified and incorporated. However, the overall shape of the plan in the outer years does not match the University strategy and ambition, and further strategic discussions and subsequent actions are needed to close the gap in the longer term. These discussions to review the shape of the plan are already underway and will be shared with Finance Committee in the autumn. Finance Committee recommended for approval the 2014/15 to 2018/19 budget and plan submission for HEFCE.
- (6) That Finance Committee received the latest update from the Endowment Project Working Group, and the Trust Deeds and supporting research and summary documents relating to the new, larger endowment funds. Finance Committee approved the trust deeds for the new endowment funds under the delegated authority from the Board of Governors.

Noted:

- (1) That while the budget brought forward was prudent and realistic, the University recognised, without further work to examine a known budget gap of £6m, it would not release the discretionary funds required to meeting the ambitions agreed for the University. The distribution of the budget gap identified across the faculties would need to be agreed and further work on this would be

undertaken over summer and reported through the next meeting of the Finance Committee.

- (2) That Finance Committee and the Board of Governors commended the work undertaken within the Endowment Project Working Group, and asked the Director of Finance to relay this thanks to his team.
- (3) That the Director of Finance provided the Board with an assessment of the University's current financial position and the implications in respect of the year end position, which would be reported via the financial statements in November. This made reference to the Management Accounts for end May 2016. The underlying surplus was reported as favourable to budget. However, while costs were coming down, there were significant pressures due to an income shortfall in research and lower overhead recovery as a consequence. In terms of the accounting surplus, this was lower than the budget forecast, primarily as a result of an expected actuarial loss in relation to pensions schemes.

Resolved: That the Board of Governors approved the 2014/15 to 2018/19 budget and five-year plan submission for HEFCE.

(b) Audit Committee 28 June

Received: The summary and minutes from the meeting held on 28 June. The University Risk Map and registers were also provided, for information.

Reported:

- (1) That the Registrar, Secretary and Chief Operating Office provided an update to the Committee on two cases raised under or linked to the University's Public Interest Disclosure Procedures. In respect of the Graphene follow-up, members of the Committee expressed supported for the follow-up action taken by the University in response to the Sunday Times reporting and were satisfied that steps had been taken to provide assurances to the academic concerned and more widely across the NGL.
- (2) That the Committee annual training and update session for members of the Audit and Finance Committees was held on the morning of 28th June 2016.
- (3) That the Committee considered the Draft Internal Audit Plan for the University of Manchester, 2016-17. The External Auditors confirmed that they felt that the Audit Programme was comprehensive, but noted that the EU referendum result may shift the focus in certain areas given increased areas of specific risk. As part of a general discussion around the scope of internal audit, and highlighting the CUC requirement for greater oversight of the academic mission, the Committee asked Uniac to reflect on the proportion of core academic operations reviewed within reviews or audits over a defined period (e.g three years). In respect of risk, the Committee asked Uniac to report back on the changing risk profile for Higher Education following the referendum result and to share relevant information as emerging risks were identified.
- (4) That under the Report of the Internal Auditors, the reports from five audits/reviews were presented to the Audit Committee at this meeting. These were: State Aid (rated grade 3 effectiveness/grade 3 efficiency), Costing and Pricing of Industry Projects (grade 2/grade 2), Schools' Student Experience Action Plans (SEAPs) Effectiveness, the Review of the School of Social Sciences (grade2/grade2) and the IT Post Audit Review.

- (5) That the fieldwork for the interim external audit had been completed and the planning process for the wider audit was ongoing. E&Y confirmed that, beyond the EU referendum result discussed earlier in the meeting, there were no significant changes in their approach and no additional areas of risk, or any issues in respect of materiality to report. Working within the new requirements of the SORP was a continuing area of focus and particularly, in respect of the valuation and classification of heritage assets. In terms of pensions, they were working with the sector in respect of the discount rate to be applied to the University's share of USS liabilities. Regarding pensions, actuarial assumptions would be affected following recent market volatility, but this was not expected to be reflected in the year-end position.
- (6) That the Committee considered the reporting of Risk to the Audit Committee and noted the agreement reached in April that it had been agreed that the registers would be timed to coincide with the June and January Audit Committee meetings. In addition it was accepted that the Director of Compliance and Risk would at each Audit Committee provide a summary indicating if there had been significant adverse movement in any risks and if any new risk had been deemed of sufficient concern to require its addition to the Risk register. This would enable the Committee to fully consider the risk registers and management framework on a biannual basis, on behalf of the Board of Governors. If it was felt necessary, the Board could also schedule time to consider the management of key risks (while noting the Planning and Accountability Conference addresses elements of this) on an annual basis, and if desirable, this should be discussed and agreed by the Board.

R (c) Remuneration Committee, 4 May

N.B. That, as this was a reserved matter and related to individuals within the senior team, the General Secretary of the Student's Union, the President and Vice-Chancellor, the Deputy President and Deputy Vice-Chancellor, the Registrar, Secretary and Chief Operating Officer, the Vice President for Research and Innovation, left the meeting for consideration of this item.

Received: The annual report on the work of the Remuneration Committee.

Reported:

- (1) That the Committee's principal matters of business were:
- (i) To consider and determine on behalf of the Board of Governors the remuneration arrangements for certain senior officers of the University (including the President and Vice-Chancellor, the Registrar and Secretary, Vice-Presidents and Deans, and Vice-Presidents).
 - (ii) To delegate to an appropriately constituted Senior Salaries Review Group (or Groups) the task of making recommendations on the remuneration of professorial and equivalent senior administrative staff not covered above and to scrutinise such recommendations as appropriate for consistency and fairness.
 - (iii) To consider policies and procedures on the remuneration of senior staff, to recommend them to the Board of Governors and to oversee their implementation within the University.

- (2) That the Report provided a full record of the Committee's activity over the year and information on the review of Grade 9 non Professorial Staff, the Review of bonus arrangements and the salary of the Chief Executive of UMI3, individual cases affected by changes to the Lifetime Allowance, and the award of bonus payment to a University Director.
- (3) That the report provided information on the Salary Review of the Deputy President and Deputy Vice-Chancellor, Vice-Presidents and Deans, Policy Vice-Presidents and the Registrar, Secretary and Chief Operating Officer. The proposals outlined had been capped at a level of 1%, which was equivalent to the proposed national pay award. In respect of the President and Vice-Chancellor, an increase in salary was approved in recognition of performance, effective from 1 April 2016.

Noted: That the Board of Governors acknowledged the approach taken by the Committee. This sought to balance the need to retain and motivate senior staff alongside ensuring that pay increases were affordable and commensurate with those offered to staff across the organisation under collective bargaining arrangements.

Resolved: The Board of Governors approved the annual report of the Remuneration Committee.

11. Report from the Planning and Resources Committee

Received: A summary of matters discussed at the meetings of the Committee held on 10 May and 7 June 2016 was provided for the information of members.

Reported: That the Board received a full report on the recent activity of the Planning and Resources Committee across Financial Issues and the Planning and Accountability Cycle. Specific items included the Government White Paper, the Review of Marketing, Recruitment and Admissions. In addition, the Committee considered routine Information Systems, Estates, HR and Risk related issues.

12. Retiring members

Noted:

- (1) That on behalf of the Board of Governors, the Chair expressed sincere thanks to the retiring lay members Mrs Christine Lee Jones, to the retiring Senate member, Professor Liz Sheffield, and to retiring the Staff representatives, Ms Iram Kiani, and Dr Pamila Sharma.
- (2) That on behalf of the Board of Governors, the Deputy Chair expressed sincere thanks to Mr Anil Ruia, who would retire as Chair and therefore leave the governing body on 31 August 2016. The Deputy Chair paid tribute to the effective way in which Anil has chaired the Board since his appointment and to the many achievements he had helped the University to achieve over the period of his term of office. An event to mark his service to the Board, and those of the other retiring members, would be held immediately after the meeting.

Close.