

BOARD OF GOVERNORS

Wednesday, 17 July 2019

Present: Mr Edward Astle (in the Chair), President and Vice-Chancellor, Dr John Stageman (Deputy Chair), Mrs Ann Barnes, Mr Gary Buxton, Mr Michael Crick, Prof Danielle George, Mr Colin Gillespie, Dr Reinmar Hager, Mr Nick Hillman, Dr Steve Jones, Mr Kwame Kwarteng (General Secretary of UMSU), Mrs Bridget Lea, Professor Silvia Massini, Mr Robin Phillips, Mr Richard Solomons, Dr Delia Vazquez, Mrs Alice Webb and Ms Ros Webster (19)

In attendance: The Registrar, Secretary and Chief Operating Officer (RSCOO), the Deputy President and Vice-Chancellor, the Director of Finance, the Director of Human Resources, the Director of Legal Affairs and Board Secretariat, the Vice-President (Research) (item 8), the Vice-President (Social Responsibility) (items 9-10), the Director of Social Responsibility (items 9-10), the Head of Equality, Diversity and Inclusion (items 9-10), the Director of Compliance and Risk (item 4), the Head of Research Governance, Ethics and Integrity (item 4) and the Deputy Secretary.

Apologies: Prof Aneez Esmail, Mr Paul Lee, Dr Neil McArthur, Mr Shumit Mandal, Mr Andrew Spinoza and Prof Nalin Thakkar.

1. Declarations of Interest

Reported: there were no new Declarations of Interest.

2. Minutes

Resolved: The minutes of the meeting held on 22 May 2019 were approved subject to the following insertion in item 9.

“Noted:

(1) Challenge from members in relation to the unexplained attainment gap between white students and black and minority ethnic students as outlined above and whether measures taken to address this were adequate or sufficiently timely.” (NB Clauses thereafter renumbered 2-8)

3. Matters arising from the minutes

Noted: an updated report on ongoing issues that had been raised at previous meetings either addressed within the agenda or to come forward at a later date.

4. President and Vice-Chancellor’s report

Received: the report from the President and Vice-Chancellor.

Reported:

(1) Continued uncertainty in relation to Brexit and specifically the potential for “no deal”.

(2) The post-18 Education Review led by Philip Augar had now been submitted. Given the current national political situation, wholesale implementation of the review findings was now unlikely. The review had resulted in heightened focus, nationally and regionally, on further education given the relatively poor funding position of that sector and the former University RSCOO, Will Spinks, was leading a review of the local further education landscape.

(3) In relation to student numbers, attention was now focused on conversion of applications to acceptances. The pattern of applications outlined indicated that the University was on course to meet targets in its Access and Participation Plan.

(4) The recent University Open Days had been extremely well attended (on Saturday June 22, over 21,000 visitors had attended).

(5) The recent government announcement of uplift in quality related (QR) research funding.

(6) The recent award of UNESCO World Heritage Site status to Jodrell Bank and the very recent announcement that Alan Turing would be depicted on the new £50 note.

(7) The UK Research Partnership Investment Fund had awarded £25 million towards the Paterson Redevelopment Project.

(8) The National Institute for Health Research (NIHR) had announced funding for the establishment of fifteen Applied Research Collaborations (ARCs) across England to develop innovative research projects to directly improve patient care and treatment. The NIHR ARC for Greater Manchester will become part of Health Innovation Manchester from 1 October 2019, bringing together researchers, health care providers, patients and communities to deliver large programmes of research.

(9) The Chinese Minister for Science and Technology had recently visited the University and specifically, the National Graphene Institute, the Graphene Engineering Innovation Centre and the Manchester Institute for Biotechnology.

(10) In addition to an update on Prevent and a recent emergency planning exercise, part of the appendix to the report was a summary of the annual report from the Research Compliance Committee which included reference to export controls. As reported to Audit Committee, discussions with government and government agencies in relation to application of export controls legislation and regulations was continuing (with further meetings planned later in the week). The government's position in this area, particularly in relation to the extent and scope of dual use restrictions was evolving and this was causing some uncertainty. The increased focus and level of scrutiny in this area required a significant level of additional resource and support (at least in the short term) to ensure compliance.

Noted:

(1) Some members of the Board had received e mails from the "Rethink the Paterson" campaign opposed to the current redevelopment plans. The campaign had requested that the Board receive a communication outlining objections to the plans and the University was liaising with the Christie (which had responsibility for the design) to ensure members received an informed briefing.

Action: Director of Communications and Marketing and Deputy Secretary

(2) The University continued to review and address the implications of a "no deal" Brexit, particularly the implications, beyond the short term, on research funding. A government commissioned independent review of future frameworks for international collaboration was considering the development of domestic alternatives to the Horizon Europe programme, ERC funding and European structural funds.

(3) A member's comment that the report referred to a flat or slightly declining rate of home/EU applications to postgraduate research and taught programmes. The five year plan (see item 6 below) included ambitious growth in postgraduate numbers and the member sought clarification of the rationale for this in light of the current position. In response, it was noted that the enrolment cycle for postgraduate research differed from the undergraduate and postgraduate taught cycle and the numbers quoted in the report were not stable. Faculty student number targets had been subject to close scrutiny and challenge in development of the plan and budget, and were supported by rigorous plans for new programmes and new markets.

(4) For international students, the reintroduction of the two-year post study work visa now appeared increasingly likely and would make the UK a more attractive destination for prospective students.

(5) Awareness of increased government scrutiny and focus on export controls was not consistent across the sector but was growing. Concerns about a potentially disproportionate approach were noted but compliance in this area was imperative.

(6) In relation to research integrity (covered in the report from the Research Compliance Committee), a member's question regarding the current on-line training for research staff and whether this was appropriate and proportionate. In response it was noted that there was scope to review the approach on the expiry of the contract with the current provider.

5. 2019 Staff Survey Outcomes

Received: a report summarising the highlights of the 2019 staff survey outcomes, providing a comparison with results from the 2017 survey and key issues and next steps. The report provided details of response rate (69%, above benchmark but slightly lower than previous surveys) and high level results including most and least positive perceptions (the latter included management of change and how the President's Senior Leadership Team listened and responded to staff). Response rates and scores were generally higher from Professional Services staff compared to academic staff. Areas highlighted for improvement included ensuring the Senior Leadership Team listened to staff and encouraging greater engagement (including being receptive to staff ideas), improving the way change is managed, revising and refreshing the Wellbeing Strategy and increasing the level of completed Performance and Development Reviews.

Noted:

(1) In response to a member's question, there were incentives to participate (a chance to enter a prize draw and charitable donations for each completed survey).

(2) Members' questions about the reason for the areas with the least positive perception. In response it was noted that this was not simple to ascertain but there was a combination of possible factors, e.g. recent organisational change (this had affected some parts of the University more than others and it was notable that areas that had undergone the most significant change generally returned lower scores), the position in relation to pensions and sector and more general political uncertainty.

(3) It was possible that the relatively low scores in relation to SLT engagement and communications was a reflection of the content of communication but there was a need to reflect on this; the President and Vice-Chancellor and SLT already engaged in a range of formal and informal communication activities. The effectiveness of immediate line management communication was generally perceived positively, as was staff alignment with University core goals and these results did not necessarily correlate with the relatively low scores noted above. Some of the less positive outcomes could be a reflection of cultural issues rather than the formal means of communication.

(4) Whilst there was recognition of the intention to move to more frequent and focused pulse surveys, members noted the danger that the movement to a triennial cycle for the full staff survey would be perceived negatively by staff in the context of the relatively low scores for SLT communication and engagement. Management was asked to reflect further on this.

Action: Director of Human Resources

(5) The importance of data analytics to ensure forensic examination of outcomes and facilitate understanding (particularly in relation to the reasons for the communications and engagement outcomes). In this context, the importance of demonstrable evidence of actions arising from the survey (and managing expectations around this) was emphasised.

(6) With regard to the management of change, the establishment of a new Strategic Change Sub-Committee (reporting to Planning and Resources Committee) and the appointment of a new Head of Transformation would help to facilitate improvements. In this context, the importance of open and honest communications by managers was emphasised.

6. Budget 2019-20 and Five Year Plan (2019-20 to 2023-24)

Received: A report providing an analysis of the key variances, assumptions and risks within the 2019-20 budget and five year plan.

Reported:

(1) At its meeting in June 2019, Finance Committee had noted the improving budget and five year plan position compared to previous years, noting that many of the external risks had moved to later years (e.g.

any impact from the Augar review, pensions) whilst there were still some immediate uncertainties (e.g Brexit). Finance Committee has recommended approval of the 2019-20 budget, but had requested further information and trend analysis before recommending approval of the five year plan, and this had now taken place and was reflected in the report before the Board.

(2) The 2019-20 budget factored in strategic growth in overseas tuition fees which was offset by an increase in pay costs (which in addition to pension increases and pay uplift, included investment in new academic posts in preparation for the Research Excellence Framework (REF)). The improved 2018-19 Q3 forecast reflected some delays in appointment and appointments to these positions was reflected in the 2019-20 budget. The budget also reflected increased costs in the Faculty of Science and Engineering relating to the Manchester Engineering Campus Development (MECD) and restructuring.

(3) The Five Year Plan reflected significant overseas tuition fee increase and some modest Home/EU tuition fee increase as well as increases to core pay and core other operating expenses. The Plan now included retention of Unsworth Park (a change to the prior year plan) which improved the income position (albeit with a negative impact on overall cash position). The Plan also reflected IT modernisation now being accounted as revenue not capital, more prudent research contribution and some delays in savings, income and efficiencies. In relation to residences, the Plan reflected the opening of Unsworth Park in September 2019 (now funded internally), Owens Park Tower remaining closed and Oak House and Whitworth Park remaining open but with no additional maintenance costs factored in.

(4) The report outlined the cash position and the target of balance of at least £100 million. The position had improved from previous projections but the £100 million cash holding was only just achieved in 2019-20 and was projected not to be achieved in 2020-21 and 2021-22. Repayment of the European Investment Bank loan reduced constraints imposed by loan covenants.

(5) The report also outlined risks to the achievement of the Plan; the most significant of these were tuition fee reduction (with assumptions of some compensatory additional income and other adjustments), flat international fees and a reduction in international students. Proposed mitigations were set out, including additional home student recruitment.

Noted:

(1) Investment in staffing should reflect an ambition to improve Teaching Excellence Framework (TEF) as well as REF outcomes.

(2) The report noted a significant reduction in capital expenditure over the life of the plan (reflecting completion of MECD and other Estates masterplan works) and Finance Committee had noted that this would need to be revisited.

(3) It was not anticipated that the cash position would impact on the Moody's credit rating agency outcome (the University remained Aa2 rated, better than many competitors, albeit with a current "negative" outlook, which in part reflected relatively tight operating cash flow margins).

(4) Potential impact of currency fluctuations arising from a "no deal" Brexit (not expected to be an issue in the immediate to short term).

(5) A request for further exploration of the Travel and Entertaining line in the Other Operating Expenditure budget.

(6) The comment that in the long term the business model for research intensive Russell Group universities appeared to be unsustainable, given the current cap on home tuition fees and research funding not fully covering costs. Within the sector as a whole, there was increasing dependency on international students to plug the funding gap and ensure financial sustainability.

(7) The potential adverse impact of any significant downturn in Chinese student recruitment, particularly given the currently volatile geopolitical situation.

Resolved: to approve the budget and five year plan.

7. Professional Services update

Received: an update on the role of Professional Services (including current scope, size and shape and a summary of recent successes) in the context of the emerging strategic plan theme of "Our People, Our

Values”, current transformational change and plans for future transformation. The report presentation was supplemented by a brief video.

Reported:

(1) Professional Services (PS) comprised over 5,200 staff (FTE) and a range of activities that underpin the delivery of the University’s academic mission and management of a complex £1 billion operation. PS colleagues worked in partnership with academic colleagues as part of a “one team” approach. Examples of change currently underway included the Student Lifecycle Project, development of a new cross-University organisational structure and the MECD project.

(2) PS was in a position of relative strength and would mobilise a multi-year “Our People, Our Values” programme to completely transform activities, with mixed academic and PS teams identifying and delivering solutions. This would be focused on “Great People Doing Great Things”, creating the conditions for talented colleagues to be even more successful and effective and generating the financial headroom to reinvest in the University.

(3) Key measures of success included delivery of the strategic plan, enhancing staff and student satisfaction and wellbeing, increasing effectiveness of services as measured by staff and students and reduction of the core PS cost base by 10%, enhancing savings already built into the current budget and operating plan.

Noted:

(1) In response to a member’s question concerning the recent announcement about changes to Food on Campus, staff were employed by a wholly owned subsidiary. To ensure financial sustainability and optimal variety of locations, some reduction in outlets and consequent reduction in staffing levels would be necessary. The importance of effective communication with affected staff and provision of appropriate support was emphasised.

(2) There was a commitment to PS staff working in partnership with academic colleagues (for example, the Programme Board would involve academic and PS colleagues).

(3) Work on design principles to ensure consistency of PS offer across the University was underway, with variation only where necessary and justified. The importance of articulating and embedding the case for change was emphasised.

(4) Members questioned whether the timescale for the programme (3-5 years) could be accelerated. In response, it was noted that some individual change projects would be delivered at a faster pace. However, the programme recognised the scale of change and the cultural context. Whilst noting this, members encouraged management to reflect on the pace of change and accelerate this where possible.

(5) The imperative to reshape the University’s carbon footprint notwithstanding the capital expenditure constraints; there were significant behavioural changes that could be effected without the need for capital investment.

(6) In response to a member’s question about the potential for regional shared services, it was noted that a project was underway with Manchester Metropolitan University to benchmark and share best practice; however it was important to ensure internal efficiencies before contemplating shared services (and there were potential VAT constraints on such arrangements). Some areas had already undergone significant change and the scale of the programme meant that there might be a need to revisit some of these areas.

(7) An important element of the programme was to ensure that academic colleagues were freed up from those activities that could be carried out more effectively and efficiently by PS colleagues (notwithstanding that some activities were appropriately located with academic colleagues and should remain).

8. Research update

Received: a report providing an update of progress against Research Strategy Key Performance Indicators under the following broad headings: Research Quality and preparation for the Research Excellence Framework (REF) 2021; research grant and contract income; and research students and research staff.

Reported: the report covered strengths and highlights as well as focusing on concerns under each of the above headings. These included:

- 11% of staff who had not yet submitted the minimum quality target for REF (one 3* output) including a much smaller proportion (0.9%) who had no published outputs to date.
- Research financial sustainability was under strain (deficit on full cost basis because UKRI and charities do not pay the full cost of research). The growing shortfall (noted above) was a sector wide issue for research intensive universities and the subject of parliamentary and informal governmental dialogue.
- The need to continue where possible to enhance the working conditions and research environment for research students and research staff.

Noted:

(1) For the 2021 REF exercise, the eligibility rules were different from the previous exercise. All staff contracted to carry out research were now included in the submission. Members questioned what was being done to address the minority of staff who had not achieved the minimum research quality requirements. In response it was noted that some staff would achieve the required criteria once books and/or publications were completed; for a minority of staff individual mitigating circumstances would apply which reduced the minimum threshold. However for a small minority of staff, performance management measures were necessary and processes, led by the Deans, were in place where required. Staff needed to demonstrate performance either in research and/or teaching depending on the nature of their contract.

(2) In terms of Research Power (i.e. overall REF submission Grade Point Average-GPA) the four universities ranked ahead of Manchester were in a good position to consolidate their lead. UCL and Edinburgh had significantly increased staff numbers since 2014. Overall rankings might see more bunching after the 2021 exercise; some universities ranked below Manchester in 2014 had the potential to challenge on quality (GPA).

(3) Work was continuing to develop and ensure adequate evidence for those Units of Assessment with weak portfolios of impact cases.

(4) The appendices highlighted cost of research from various funding sources and cumulative research award values by faculty. Part year performance as indicated was disappointing in some areas although it was anticipated that there would be further increases in value before year end.

9. Social Responsibility update

Received: a report summarising progress and challenges in social responsibility during 2018-19, a summary of 2019-20 priorities, opportunities and threats, including a focus on University progress towards the United Nations Sustainable Development Goals. In relation to the latter, the report presentation was supplemented by a brief video.

Reported:

(1) Highlights within the report included the continued development of the Ethical Grand Challenges project for undergraduate students as part of the wider Stellify initiative, the achievement of the Gold Watermark for public engagement by the National Coordinating Centre for Public Engagement (NCCPE), (the first UK HEI to achieve this), continued progress towards the development of responsible processes and the work of the Tyndall Centre in developing an innovative tool enabling city regions to standardise greenhouse gas reporting, in accordance with the Paris Climate Agreement.

(2) Challenges in 2018-19 (in addition to those relating to Equality, Diversity and Inclusion considered under item 10 below) included the perception that University goals conflict with social responsibility and difficulty in achieving the 2020 target of reducing absolute carbon emissions by 40% from 2007-08 levels.

(3) Priorities for 2019-20 included shaping and finalising *Our Future* social responsibility priorities; continuing to enhance the University's distinctiveness through social responsibility represented a significant opportunity. A continued key threat was the perception that social responsibility objectives conflicted with other agendas.

(4) One of the main 2018-19 priorities was aligning the University's work more closely to the United Nations Sustainable Development Goals (SDGs) and recognition of the University's achievement in this area had been realised through the THE World University Impact Ranking using SDGs. The University had been ranked first in the UK and Europe and third in the world.

Noted:

(1) The University took a structured and coordinated approach to encouraging staff volunteering (for example through the School Governor Initiative).

(2) In response to challenge from members about the gap towards achievement of the 2020 Carbon reduction target, the University had achieved 33% reduction in absolute carbon emissions from 2007-08 levels and would be close to achieving the 40% target by 2020. However, there would be a need to take into account even more stretching targets in light of the city-region's 2038 zero-carbon commitment.

(3) The University had a reputation for achievement against its social responsibility goal and there was the opportunity to further develop its sector leading reputation, for example through its leadership of the relevant Association of Commonwealth Universities network.

10. Equality, Diversity and Inclusion update

Received: a report setting out a summary of progress and priorities for Equality, Diversity and Inclusion (EDI) at the University.

Reported:

(1) Overall, the University had a 50:50 gender staff balance, with 15% of staff from a Black, Asian and Minority Ethnic (BAME) representation. There was recognition that, like most organisations, the University had more to do to increase progress towards employment targets at the most senior level. Currently 26% of Professors were women, with 9% from a BAME background; at the most senior level of Professional Services (Grade 9), 38% of staff were women and 4% BAME.

(2) In the past year, the University had achieved the Race Equality Charter Mark bronze award, placing it in a small minority of institutions to achieve this distinction.

(3) There had been steady increase in the percentage of Lecturers from a BAME background (now 19%) thus improving the pipeline towards a higher proportion of senior BAME appointments.

(4) Whilst the University's performance was generally stronger in relation to gender than BAME appointments at more senior levels, it was important to retain focus on both (for example the University's performance in relation to the proportion of females amongst professors was broadly in line with the Russell Group average; for the proportion of BAME professors the University exceeded the Russell Group average and was fifth overall in those standings).

(5) The proportion of non-academic BAME staff at grade 6 and above (7.0%) was below the Russell Group average (10.1%), however this statistic was significantly skewed by the five London institutions all of whom had at least 19% of BAME staff at Grade 6 and above. The non-London average score was 5.2% and the University ranked third highest of non-London institutions on this indicator.

(6) Overall there was recognition that the pace of change needed to increase.

Noted:

(1) Action required was dependent on the detail of specific indicators and thus differentiated (noting, for example, that more than 55% of non-academic staff at grade 6 and above were female (broadly in line with the Russell Group average)).

(2) Below the headline BAME percentages there was more granular information, indicating home/EU and overseas status and specific ethnic designation.

(3) In response to questions from members about measures being taken to accelerate the pace of change, it was noted further that reflection on areas of good practice would facilitate more consistent and equitable practice across the institution. Progress against EDI priorities was embedded within the Annual Performance Review process and, whilst the Vice-President for Social Responsibility was accountable for performance in this area, all leaders had responsibility for performance in their respective areas.

(4) Whilst it was undoubtedly the case that there was more to do, the recent appointment of the University's first Professor of African-Caribbean heritage and the first Black and Minority Ethnic member of the Senior Leadership Team was indicative of progress.

(5) This was the last Board meeting attended by Professor James Thompson in his capacity as Vice-President (Social Responsibility) and the Board thanked Professor Thompson for his contribution to the work of the University in that capacity.

11. Chair's Report

i) Annual review of Committee membership

Noted: a report outlining changes in committee membership following discussions between the Chair and members.

ii) Outcome of Board evaluation and review meetings with the Chair

Received: a report summarising the results of Board member evaluation of self and overall performance, as well as issues arising from annual review discussions between the Chair and individual Board members. Overall evaluation was positive with many areas of strength highlighted in analysis of both Board and self-evaluation.

Reported:

(1) Areas where there were scope for improvement included ensuring the Board demonstrated appropriate and sufficient challenge, the continued need to strive for improvements in the quality of Board papers (noting that progress had been made) and ensuring that the Board was able to fulfil its role in providing assurance in relation to academic governance.

(2) The Chair would continue to strive for an equitable balance of contributions from Board members

Noted:

(1) Members would welcome the ability to save and/or print their Board evaluation submissions to assist discussion with the Chair.

(2) Board papers should be succinct and written specifically for the Board in accordance with previously agreed deadlines. Where appropriate more detailed reports could be included in the Diligent Reading Room facility.

(3) The response to evaluation questions was generally evidenced and constructive and had not generated particular surprises (although there appeared to be one (negative) outlier across the majority of responses).

(4) The need to explore further the possibility of an informal meeting between the Board and Senate members (i.e. content, timing and format).

(5) Board members would be issued with ID cards to facilitate access to the campus at any time.

Resolved: that the next meeting receive an update on actions as outlined in the report and above.

Action: Deputy Secretary

12. Secretary's Report

i) Elections to the Board

Noted: both Prof Danielle George (Senate member) and Roz Webster (staff member) had been re-elected to the Board for a further three year term (until 31 August 2022).

ii) Exercise of Delegations

Reported: Pursuant to General Regulation VII.4, the Common Seal of the University had been affixed to instruments recorded in entries 2110 to 2115.

13. Report from the Planning and Resources Committee (11 June 2019)

Received: a report from the meeting of Planning and Resources Committee (PRC) held on 11 June 2019 including, as an appendix, the benchmarking report considered by that meeting.

Reported:

(1) The Committee had endorsed the case for a proposed restructure of Food on Campus to enable it to be financially sustainable and allow investment into remaining cafes and restaurants (consultation with trade unions about potential closures had begun).

(2) The Committee had also endorsed the proposal to close Chancellors Hotel and Conference Centre (CHCC) with effect from December 2019 and convert it to student accommodation to enable opening by September 2020 (consultation with trade unions about proposed changes had begun).

14. Board Committee reports

(i) Finance Committee (26 June 2019)

Received: an Executive Summary of the meeting of Finance Committee held on 26 June 2019.

Reported: the meeting had considered: the capital programme and reporting in relation to the campus masterplan, an update on University financial sustainability, the regular finance report including approval of University of Manchester Conferences proposal to transfer its catering outlets (The Collection) and student bars back to the University and funding of an additional £3 million contribution to the Paterson rebuild (the regular finance report also included confirmation of the recent Moody's credit opinion (continued rating of Aa2 negative)); the 2018/19 Quarter 3 forecast, the 2019-20 budget and five year plan (see item 6 above), an update on endowments, confirmation of the PRC decision on Food on Campus and CHCC (see 13 above); an update on pensions, an update on borrowing and the University Residences Strategy and provision of delegated authority to the Director of Finance to repay the European Investment Bank loan if covenants were in danger of being breached.

(ii) Investment Strategy Proposal

Received: a report advising the Board that the Investment Sub-Committee recommended the adoption and implementation of a new investment strategy for the University's long term endowment investment portfolio. The new strategy improved the risk return balance of the portfolio by reducing exposure to equities, removing index linked gilts and introducing two new asset classes (private markets and multi-asset credit).

Reported:

(1) Investment Sub-Committee had approved a set of investment beliefs to guide and support decision making (outlined in the report) and the proposed approach as outlined above was consistent with those beliefs. Specifically, use of private markets would enable access to the premium for illiquid assets and use of multi-asset credit would improve portfolio diversification and provide access to new sources of credit (contractual cashflow) type returns.

(2) The private markets portfolio was expected to include an allocation to sustainable opportunities, which would assist in meeting one of the key elements of the Policy on Socially Responsible Investment, i.e. "the University will seek to identify and promote low or zero carbon investments where available without detrimental impact to investment risks and returns."

(3) Due to the size of investment proposed, multi-asset grade investments would be accessed through pooled funds rather than segregated portfolios.

(4) The proposed approach did not alter the overall risk profile whilst increasing the rate of expected return from 4.2% per annum to 5% per annum.

Noted:

- (1) The proposed approach was consistent with strategies adopted by other universities and charities.
- (2) Ongoing discussion at Investment Sub-Committee about the University's investment portfolio and, following discussion and contribution from several members, the suggestion that during 2019-20, the Board revisit and review the Policy on Socially Responsible Investment.
- (3) During 2019-20 consideration be given to a fuller exploration of the University's approach to investments as part of a strategic briefing.

Resolved: that the Board, in its role as trustees of a charitable endowment, approve the investment strategy recommended by Investment Sub-Committee as set out below:

- Global Equities 40%
- Diversified Growth Fund 15%
- Property 15%
- Private Markets 15%
- Multi-Asset Credit 15%

(iii) Audit Committee (17 June 2019)

Received: an Executive Summary of the meeting of Audit Committee held on 17 June 2019.

Reported: the meeting had considered: a verbal update from the President and Vice-Chancellor, an update on the Student Lifecycle Project, the draft internal audit plan (approved by the Committee) and the latest Uniac progress report, a brief update from the external auditors EY, the annual report from the Research Compliance Committee (see item 4 above), an update on the potential risk from industrial action and an update on a Public interest Disclosure matter.

Noted: in the internal audit plan for 2019-20, further to the report to the previous Board meeting, the entities chosen for review were University of Manchester Conferences Ltd (review to take place in 2018-19) and the Royce Institute (in 2019-20).

(iv) North Campus Working Group (26 June 2019)

Received: the minutes of the meeting of the North Campus Working Group held on 26 June 2019.

15. Remuneration**(i) Remuneration Committee Annual Report 2018-19**

Received: the Remuneration Committee Annual Report for 2018-19 which would be included within the University's Financial Statements for the year ending 31 July 2019.

(ii) Remuneration Committee principles

Received: principles of remuneration to be followed by Remuneration Committee in 2019-20.

Resolved: that the principles as outlined in the report, which were consistent with the relevant Committee of University Chairs (CUC) Code, be adopted

16. Report from the Senate (12 June 2019)

Received: a report on business from the Senate meeting held on 12 June 2019, together with a report outlining recommendations from the Awards and Honours Group recommended for approval by Senate.

Reported: recommendations from the Senate Effectiveness Task and Finish Group would be implemented during the 2019-20 academic year. The Group's recommendations had included measures to improve

communication with the Board including reports back from the Board to Senate (via the Deputy Secretary) on actions recommended by Senate to the Board.

Noted:

(1) Michael Crick declared a conflict of interest (professional working relationship) in relation to one of the proposed recipients of an honorary award and took no part in the decision making process for that proposed recipient.

(2) The issue of feedback to individuals who had made nominations not endorsed by the Awards and Honours Group had been discussed. Those nominating for national awards were told not to expect feedback on the outcome of nominations and the Board agreed that, to manage expectations, the same approach be adopted by the University.

Resolved: to approve the recommendations from the Awards and Honours Group as endorsed by Senate.

17. Forward Agenda and Programme of Work

Received: an outline programme of work (including a list of potential strategic briefings) for 2019-20. Further work to refine this would take place over the summer; provisional dates for meetings in 2020-21 would also be circulated by the end of July 2019.

18. Any Other Business

i) Stephen Dauncey, Director of Finance

Noted: this would be the final Board meeting attended by Stephen Dauncey, Director of Finance, who had recently announced his decision to retire in September 2019. The Board thanked Mr Dauncey for his significant contribution to the work of the University both as Finance Director and, in the years preceding that, as a lay Board member.

ii) Jodrell Bank

Noted: in recognition of the recent award of UNESCO World Heritage site status to Jodrell Bank and the 50th anniversary of the first Moon landing, the BBC Breakfast programme would be broadcast live from Jodrell Bank on 19 July 2019.

The Chair left the meeting at this point.

19. Evaluation of Chair-oral report from Deputy Chair

Received: a verbal update from the Deputy Chair on the recent evaluation exercise relating to the Chair.

Reported:

(1) Member feedback on the Chair had been exceptionally positive, with over 90% approval ratings across all categories. Comments had been highly appreciative of the Chair's approach which was seen as constructive and purposeful; the Chair continued to be an exemplar to the Board.

(2) Some of the comments noted in the wider Board evaluation outlined above (see item 11 ii) had also been referred to in the Chair's evaluation (e.g. encouraging contributions from all members, ensuring that the record of the meeting sufficiently reflects where the Board has offered challenge).

(3) Comments received about the optimal Board skill set and mix would be fed back into Nominations Committee.

Close.