

The University of Manchester

BOARD OF GOVERNORS

Wednesday, 3 October 2011

Present:

Mr Anil Ruia (in the Chair),

President and Vice-Chancellor, Dr Stuart Allan, Mr Stephen Dauncey, Mrs Gillian Easson, Professor Andrew Gibson, Mr Mark Glass, Mr Robert Hough, Dame Sue Ion, Councillor Afzal Khan, Mrs Christine Lee-Jones, Dr Keith Lloyd, Miss Letty Newton, Professor Nancy Papalopulu, Mr Peter Readle, Dr Brenda Smith, Dr John Stageman, Professor Chris Taylor, Dr Pam Vallely and Dr Andrew Walsh. (20)

By invitation: The Deputy President and Deputy Vice-Chancellor.

For unreserved business:

In attendance: The Registrar, Secretary and Chief Operating Officer, the Deputy Secretary, the Director of Human Resources, the Director of Finance and the General Counsel. Professor Clive Agnew, Vice-President Teaching, Learning and Students (*agendum 9*) and Dr David Barker, Head of Compliance and Risk (*agendum 10*) also attended in part. Dr David Fletcher was also invited to observe the meeting as part of his ongoing review of governing body effectiveness,

1. Welcome and introduction

Noted:

- (1) That at the outset of the meeting Mr Anil Ruia, the Chair of the Board of Governors, welcomed Mr Will Spinks, as Registrar, Secretary and Chief Operating Officer (COO), to his first meeting of the Board of Governors in his role, and also welcomed Professor Andrew Gibson, Professor Chris Taylor, Dr Pam Vallely, and Mr Mark Glass to their first meeting, they having taken up membership of the Board of Governors on 1 September 2011.
- (2) That in providing an introduction to the Board and an overview of its work, the Chair highlighted a number of important considerations for members. That the first of these considerations concerned the proper declaration of all business and outside interests by members of the Board of Governors. In a separate exercise, the Registrar, Secretary and COO, through the Deputy Secretary, had written to each member at the outset of the academic year in order to prepare a full register of all interests of members the Board of Governors. In addition, members were reminded at each meeting in the agenda, of the requirement to properly declare any interests during the course of the Board's deliberations. They might do this through advance notification to the Secretary, or advise the Chair at the appropriate point in the meeting. The Chair, in consultation with the Secretary, would then determine how that declaration would be managed, if required or appropriate.
- (3) That the second consideration concerned the importance of maintaining the confidentiality of the Board's business. In providing and publishing the minutes of each meeting, the Board aimed to provide an open and transparent account of its deliberations in accordance with the University's responsibilities as a public body. However, from time to time, there would be issues raised or comments made within meetings that were particularly sensitive. Members of the Board were therefore urged by the Chair to strictly maintain the Board's confidentiality at all times as this would

ensure that the Board's ability to exchange views in a free and frank manner for the purpose of deliberation was not compromised.

- (4) That the third and final consideration concerned the important distinction between the management and governance of the University. Board members, the Chair outlined, had a collective responsibility to ensure the University was well-run, but should not become involved in its direct management. The Board's commitment to this principle and its continuing role as a "critical friend" would continue to be important as the University worked within a challenging funding environment.

2. **Declarations of Interest**

Noted:

That the declaration of interest made by the Chair, Mr Anil Ruia, in relation to his role on the HEFCE Board, previously declared in the session, remained relevant to some items on the agenda.

3. **Minutes**

Confirmed: The minutes of the meeting held on 13 July 2011.

4. **Matters arising from the minutes**

Received: A report summarising actions consequent on decisions taken by the Board.

5. **Summary of Business**

Received: A report, prepared by the Deputy Secretary on the main items of business to be considered at the meeting.

6. **Chairman's report**

(1) Membership of Board Committees

Reported: That there were five principal standing committees of the Board: Audit, Staffing, Finance, Remuneration, and Nominations. The Board was also represented on the University Press Board (via Mrs Gillian Eason as Chair), and the UMIP Board (via Dr Keith Lloyd). A number of changes in membership of the principal committees had occurred over the summer and the full membership of the Board's committees was confirmed as follows:

Audit Committee

Mr Stephen Dauncey (in the Chair)
Mr Alan Clarke
Dame Sue Ion
Mrs Christine Lee-Jones
Mr Peter Readle

Secretary: Mr Martin Conway, Deputy Secretary

Finance Committee

Dr Keith Lloyd (in the Chair)
Mr Robert Hough
Mr Paul Lee
Dr Brenda Smith

Dr John Stageman
Professor Nancy Papalopulu
The President and Vice-Chancellor (ex officio)
The General Secretary of the Students' Union (ex officio)

Secretary: Mrs Alison Holt, Executive Assistant

Nominations Committee

The Pro-Chancellor (Sir John Kerr) (in the Chair)
Appointed by the Board of Governors

Dr Stuart Allan
Mrs Gillian Easson
Mr Edward Mark Glass
Nominated by the General Assembly

Dr Ronald Catlow
Mrs Elizabeth France
Mr James Hancock
Ms Kathleen Tattersall
Mrs Janet Pickering

Secretary: Mr Martin Conway, Deputy Secretary

Remuneration Committee

The Chair of the Board of Governors (in the Chair)
Dr Brenda Smith
Mr Gerry Yeung
Dr Keith Lloyd (ex officio, as Chair of the Finance Committee)
The President and Vice-Chancellor (except in relation to matters affecting the remuneration of the President and Vice-Chancellor) (ex officio)

Secretary: The Registrar, Secretary and Chief Operating Officer

Staffing Committee

Mrs Gillian Easson (in the Chair)
Dr Brenda Smith
Mr Peter Readle
Professor Collette Fagan
Dr Stuart Allan

Secretary: Mr Martin Conway, Deputy Secretary

(2) Appointment of the Registrar, Secretary and Chief Operating Officer (COO)

Received: A report on the formal appointment of the Registrar, Secretary and Chief Operating Officer (COO).

Noted:

- (i) That the Board was directly notified of the appointment of the next Registrar and Secretary of The University of Manchester on 8th March 2011. The appointment was made through the delegated authority provided to the panel charged with identifying a successor to Mr Albert McMenemy, who subsequently retired from the University on 31 July 2011.
- (ii) That a report was provided in order is to allow the formal minutes of the Board of Governors to record the appointment of Mr Will Spinks, with effect from 1 August 2011, as Registrar, Secretary and Chief Operating Officer (fulfilling the role of Registrar and Secretary), *sine die*, and his designation as an officer of the University pursuant to Article VI of the Charter.

(3) Review of the effectiveness of the governing body

Reported: That, following the completion of an online questionnaire by members, Dr Fletcher's review of the effectiveness of the governing body was continuing. A series of group and individual interviews would take place on selected dates during October and November. A draft report would then be provided for the University in late December, and the final Report would be circulated to Board members for consideration at the meeting to be held on 8 February 2012. A follow-up session would also take place the Planning and Accountability Conference in March 2012.

7. Secretary's report

(1) Public Interest ("whistleblowing") Procedure

Reported: That under the provisions of General Regulation VIII.12, the Board of Governors was required to designate, on an annual basis, a lay member to fulfil requisite functions in accordance with the University's Public Interest Disclosure ('whistleblowing') procedures, and in respect of concerns or allegations which may from time to time be raised under those procedures (as detailed in General Regulation VIII.8-11). The Board, having noted that this role could most appropriately be assumed by the Chair of the University's Audit Committee, has previously designated Ms Kathleen Tattersall to act in the capacity of 'notified lay member'.

Resolved: That Mr Stephen Dauncey, Chair of the Audit Committee, be designated to act in the capacity of 'notified lay member', for the period from 1 September 2011 to 31 August 2012, or until such time as a revised policy is introduced and approved by the Board.

(2) Change to Ordinance VIII: Arrangements for Effective Governance and Internal Management and Financial Control

Received: A proposal to amend Ordinance VIII: Arrangements for Effective Governance and Internal Management and Financial Control

Noted: The Board of Governors was invited to approve an amendment to Ordinance VIII, which removes the reference to the Risk Committee. This followed the decision taken by the Board of Governors in the last session to stand down the Committee, and move its primary responsibilities back under the oversight of the Audit Committee. Any major issues of strategic risk arising would, in future, be considered directly by the Board, or by an ad-hoc group as appropriate.

Resolved: To amend Ordinance VIII: Arrangements for Effective Governance and Internal Management and Financial Control, removing the text under section 1 "(d) a Risk Committee, chaired by a lay member of the Board" (a clean copy of the revised Ordinance is provided at Appendix A).

(3) Update on the Students' Union, including the request for the approval of a Charities Commission Scheme to make changes to the constitution

Received: An update on the status of the Students' Union in respect of the Charities Act 2006. Within the report, the Board of Governors was invited to approve changes to the Constitution of the University of Manchester Students' Union, in order to allow the Union to introduce a revised constitution that would be suitable for registration with the Charities Commission and to pursue incorporation.

Reported:

- (i) That the University of Manchester Students' Union (UMSU) is the recognised students' union for students of the University of Manchester. In its current

form, UMSU was created in 2004 through the merger of the students' unions of UMIST and the Victoria University of Manchester.

- (ii) That UMSU is an independent organisation operating under its own constitution, and overseen by the University of Manchester under the terms of the Education Act 1994 and a specific Code of Practice.
- (iii) That the Students' Union is currently recognised as an educational charity exempt from registration with the Charity Commission until this year. The Charity Act 2006 requires the Students' Union to register with the Charity Commission however UMSU's current constitution is not suitable for registration as a charity. We are working with the Charities Commission on this issue alongside the consultation on the current proposals for change.
- (iv) That UMSU has a Trustee Board to oversee its proper running. The Trustee Board is currently constituted of the 14 elected student executive officers.
- (v) That over the last two years the UMSU has undergone an extensive review of its governance and constitution which involved an estimated 2000-4000 students. The result of this review was the proposal of a new constitution, suitable for charity registration, which was shared with the University of Manchester Board of Governors in a paper presented to the 13 July 2011 meeting.
- (vi) That the proposed constitution had been designed to ensure legal compliance with both the Education Act 1994 and Charities Act 2006; improve engagement of students with democratic decisions, and to minimise risk (for example by introducing some appointed external trustees to allow selection based on skills needs, and by allowing incorporation as a charitable company limited by guarantee). The UMSU Trustees have also resolved to seek to incorporate as a charitable Company Limited by Guarantee, to remove the current unlimited liability for Trustees and the proposed constitution allows for this change to take place.
- (vii) That although proposals had been taken forward to replace the current constitution with the newly proposed one, it had proved impossible to meet the quorum requirements to change the constitution, and therefore the Union explored other ways to make the changes required.
- (ix) That at its meeting on 13 July 2011, the Board of Governors resolved to support UMSU in its attempt to change its constitution, and approved the proposed new constitution subject to subsequent confirmation by a small, nominated sub-group that the issues surrounding the process by which the Constitution is to be adopted/rejected had been satisfactorily resolved. The Sub-group was also asked to work with UMSU to ensure that the Constitution and Memorandum and Articles were, to the extent that they could be, consistent with each other and was asked to make any amendments that were required to the governing documents to ensure that they are fit for purpose. Following the meeting and having taken legal advice and discussed options with University Officers, UMSU requested a Section 26 Order by the Charity Commission to adopt the new constitution. On 23 August the Charity Commission concluded that it was unable to make the order requested. The Commission's primary reason for not granting the Section 26 Order was that it believed that UMSU had the powers necessary in its own constitution, and regardless of whether these were practicable, this made the changes requested outwith the scope of Section 26.
- (x) That as a consequence, the UMSU Trustees obtained specific additional legal advice on the options available to them and, at their meeting on 2 September 2011, they resolved to postpone the constitutional change, charity registration and incorporation for the immediate future and to pursue the Charity Commission's recommended approach of applying for a Scheme to make changes to the mechanisms to bring about constitutional changes. The

Charity Commission has since agreed to propose a Draft Scheme making limited changes to the UMSU Constitution which would then allow UMSU to use the powers in its own constitution to make changes.

Noted: That the Draft Scheme proposed three changes to the UMSU Constitution, which would then allow UMSU to put a new constitution to a referendum of members later in the academic year.

The changes proposed under the Draft Scheme would:

1. Add two new ways to call a referendum in addition to the current mechanism of 300 students voting in favour of holding a referendum at a General Meeting:
 - i. a 75% majority of the Executive Committee present and voting at a quorate meeting resolve to put a motion to Referendum; or
 - ii. a request to put a motion to referendum, in a form proposing the exact changes, shall have been signed by 300 Ordinary Members
2. Add an explicit expression that a referendum can be passed with a simple majority. This has always been assumed to be the case but the Commission proposed to put this beyond doubt; and
3. Lower the quorum for a referendum from 3000 votes to 1000 votes.

Resolved: The Board of Governors granted approval for the changes proposed under the Draft Scheme and was therefore content for the University to formally endorse the proposal within the consultation with the Charities Commission.

8. Board Monitoring Group

Received: A report from the President and Vice-Chancellor on the matters discussed at the Board Monitoring Group, held immediately prior to the meeting of the Board of Governors.

Reported:

Reported:

- (1) That the University had responded robustly to the White Paper, particularly in relation to the effect on proposed changes on widening participation. The Paper had raised uncertainty within the sector and prompted some educational providers to question the benefits of remaining within the control of the funding council. It was also recognised that the proposed changes could lead to some collaboration between providers, particularly in subject areas that attracted very low numbers of students.
- (2) That processes were being examined within procurement, energy usage and expenditure, and regarding the efficient utilisation of space. In relation to pay, savings were being identified and tracked on a monthly basis, through the oversight of the Director of Change Management and Process Improvement.
- (3) That the ERVS scheme had closed but the Monitoring Group recommended that the Scheme should remain available within the areas of IT Services, Business Engagement, and the Student Experience, areas which remained the focus of restructuring efforts. The Scheme had received, at the time of report, 373 applications of which 61 had been approved. This was expected generate pay savings of £2.2m at a cost of £2.5m. 73 had been rejected, and there were appx. 160 that were yet to be processed. Although the application rate had been slow throughout the period when the scheme was open, this was not seen as surprising given the success of the previous scheme. The scheme had also attracted more applications from within the academic community in this round.

- (4) That Will Spinks, as Registrar, Secretary and COO provided his reflections on the PSS since taking up his post at the University in August. He recognised that individual capability was strong across the administration, and acknowledged the focus on efficiency. Although there were some areas where restructuring would continue, fundamental structural change was not warranted. However, there remained some challenges. Firstly, it was important that, across the University, a more performance-orientated culture was introduced. In terms of the Student Experience, it was also acknowledged that the PSS would play an important role in facilitating improvements and in this area in particular, there was evidence the PSS was beginning to work together more closely. The PSS would also seek to simplify processes, undertaking activities only once, in one location, in one way at one time and communicating decisions clearly. In respect of assurance, the PSS was in a good compliance position with one exception, in data security, where further efforts were continuing to secure improvements. Finally, a risk map across the PSS had been developed, so that the areas of concern might be identified and subsequently addressed.

Noted: That a presentation on the PSS would feature as part of the Planning and Accountability Conference in March 2012.

Resolved: To recommend to the Board of Governors that the ERVS Scheme should remain open to members of staff within IT Services, Business Engagement, and the Student Experience, whilst those areas underwent restructuring.

9. President and Vice-Chancellor's report

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

Received: The report of the President and Vice-Chancellor to the Board of Governors in October 2011.

Reported:

- (i) That the University had welcomed the £50m investment announced by the Chancellor of the Exchequer George Osborne earlier today while visiting Manchester, into graphene, the world's thinnest, strongest and most conductive material,. A full business case was being developed by the Engineering and Physical Sciences Research Council (EPSRC) in partnership with the Technology Strategy Board (TSB).
- (ii) That the Government's White Paper Higher Education: Students at the Heart of the System, published on 28 June 2011, focused on putting higher education on a sustainable financial footing, the delivery of a quality student experience and social mobility. It anticipated a period of significant change and identified a variety of further consultations, making this a particularly busy period in terms of discussions about important new arrangements affecting the higher education sector. Apart from submitting an overall high-level response to the White Paper, the University had been concentrating its efforts on responding to the two teaching funding consultations, the forthcoming regulation consultation and the overall impact on postgraduate study. There was widespread concern about the impact of the proposed measures for student number control contained in the White Paper, in particular on widening participation, science & engineering and languages. These and related issues have been discussed with BIS and HEFCE, with a view to mitigating any unnecessarily damaging aspects of their impact.
- (iii) That the University wide consultation on the vision for the University over the next decade (a copy of which was sent to Board members on 30 June 2011) closed at the end of September. To date, the President and Vice - Chancellor had been delighted at the level of engagement in this by the University community, and together with colleagues in the Planning Support

Office would reflect on the feedback, comments and suggestions about how the University will define itself and develop in the future.

- (iv) That, as the Board had been briefed previously at the July meeting, as part of the thinking about the future success of the University, Professor Ian Jacobs had undertaken an extensive strategic review with the intention of developing a plan to transform the profile of the Faculty of Medical and Human Sciences in research and education in support of the University's own ambitions as outlined in Manchester 2020. The Faculty leadership team had concluded that a change in structure is needed to effectively deliver the strategy and thereby optimise performance, especially given the changing and increasingly competitive environment. A summary of the strategy and a proposed new structure had been the subject of a Faculty- wide consultation which concluded on 13 September. This would be discussed at the meeting of Senate in October, with a view to the outcome being referred to the Board of Governors in November 2011.
- (v) That the Intake Management Group (IMG) had met at regular intervals throughout the admissions cycle to monitor student enrolments for 2011 entry against approved targets. The work of this Group continued to focus on the maximising the quality of the student intake and the associated fee income, and to take account of the student experience. Early signs indicated the University would meet its student intake targets, which included a reduction in home/EU undergraduate numbers, while maintaining the quality level. However, at the time of report it was not possible to provide an accurate indication of actual student numbers this September. This was because there are a number of factors beyond the University's control that influence whether or not a student enrolls, such as difficulties in securing funding and in gaining visa entry. Further information on enrolment would be provided at the November meeting.
- (vi) That the overall result for student satisfaction in the 2011 National Student Survey (NSS) for this University was 79%, which was below the University's benchmark figure (84%) and very much lower than comparable institutions. While this result is the same as last year, the University had fallen significantly in this league table to the bottom half of all universities in the UK. The President and Vice-Chancellor recognised this was very disappointing given the effort invested, and very disturbing because it suggested that many students are not completely satisfied with their experience at The University of Manchester. The NSS score would be a major component of the Key Information Set (KIS) data that would be made available for all HE courses next year and the results will be reflected in the league tables produced by most of the National newspapers. These in turn were likely to have a major impact on the University's reputation more widely and would play a key role in the choices that students from the UK and overseas will make about where to study. The President and Vice-Chancellor described the NSS performance across the University as very variable. The detailed results showed some encouraging signs of improvement in specific areas of teaching and learning, such as transparency of assessment, quality of feedback, academic support and staff contact. Some of our courses have performed exceptionally well, with many subjects demonstrating more than 90% student satisfaction. These included: Archaeology, Biology, Dentistry, Italian studies, Electronic and Electrical Engineering, Physics and Astronomy, Chemistry, Anatomy, Physiology and Pathology, Geology, Classics, Anthropology, and Theology and Religious Studies. But the University's overall performance remained unacceptable. The University would therefore seek to address the quality of student experience as a matter of urgency. In the week following the publication of the NSS result the President and Vice-Chancellor had endorsed the establishment of a Student Experience Review Group which Professor Agnew will Chair and which will focus on poorly performing areas and would report in October. The University would also radically redesign how some courses were delivered, increasing the number of staff available to teach, where necessary and making significant investment in student

support, new lecture theatres, laboratories and student study facilities, such as the new £25 million “Learning Commons”, due to open next year.

- (vii) That the “Academic Ranking of World Universities” carried out annually by the Institute of Higher Education in China’s Shanghai Jiao Tong University is generally regarded by research-led universities around the world as the most reliable of international rankings and has been the only objective ranking to date. While there are some methodological issues with this Index, it is generally considered to use credible, consistent criteria, and is developed in a largely transparent, contestable manner. For these reasons, Manchester had identified the Jiao Tong Index as a primary indicator of its international standing and competitiveness. However, significantly for the University, the Jiao Tong does not assess most of its disciplines in humanities or in subjects allied to medicine, many of which are particularly strong. However, given the importance this Index as a barometer of the University’s progress the President and Vice-Chancellor was pleased to report that in the 2011 Rankings the University has risen 6 places to 38th, largely as a result of the Nobel Prize for Physics.
- (viii) That in managing the finances of the University in 2010 -11, the over-riding imperative had been to consolidate the financial position of the University by generating a surplus - both pre-and post-exceptionals. Since embarking on these deficit–elimination strategies early in 2007, this has been a University priority. The President and Vice-Chancellor was therefore delighted to report that the 2010-11 financial result (pre-audit) not only fully met that important priority, but indicated an operating surplus that leaves the University better placed than was expected at this stage. It is essential that the University had strong cash reserves, especially given the economic climate and the University has stated that in the longer term it aims to be generating approximately 7% of turnover for investments in capital, students and research.
- (ix) That a second UCU ballot on changes to USS pension scheme had resulted in a majority of those voting for both strike action and action short of a strike (ASOS). This action might start as early as October 2011. UCU had suggested that this may begin with work to contract, then escalating to one day strike action followed by action short of a strike . In the meantime, the University’s Industrial Action Contingency Group has been reconvened to discuss potential implications for the University and its operations. In commenting upon this, the President and Vice- Chancellor reported that it is always regrettable when the collegial culture of higher education becomes embroiled in the adversarial realities of industrial action. However the President and Vice-Chancellor assured the Board - and the wider university community – that, should strike action, or action short of a strike, take place, the University would employ best endeavours at all times to safeguard the core mission of the University and its integrity as a collegial community.
- (x) That the President and Vice-Chancellor reported on some recent data security issues within the University, and provided an update to the Board on the action being taken in response. The Audit Committee had also received a report on the issues, and follow-up action would be reported in that forum.
- (xi) That Dr David Barker, Head of Compliance and Risk provided an update to the Board on the University risk management framework, and recent issues discussed within the University’s Risk and Emergency Management Committee (REMG). Within this academic session, the University had made some changes in reporting structures, to present REMG papers to the Audit Committee, and to provide Health and Safety Minutes directly to the Board of Governors (q.v. agenda 10).
- (xii) That the President and Vice-Chancellor reported on the decision taken by the University to explore whether a private provider might be approached to take on responsibility for nursery places to staff and students of the University at

the Dryden Street Nursery. This option was currently being progressed by the University. .

- (xiii) That Dr Barker provided an update on the annual compliance exercise, which was proceeding well but which had identified two issues. The first concerned mandatory laptop encryption and the second concerned the identification and appointment of Fire Marshalls within Schools. Mandatory laptop encryption, for all university owned devices, had been introduced within the previous year. Although the message had been communicated heavily, there remained some areas of non-compliance and further efforts were being made to address some of the technical issues that had been identified. A further reminder message would be issued to staff to include a reference to the fact that 80% of laptops have now been encrypted. Unencrypted laptops would be identified and users would be requested to contact IT Services to have their machine encrypted. In respect of Fire Marshalls, Dr Barker had contacted those Heads of School and PSS directors whose schools/areas had not yet complied to ask them to identify individuals to undergo fire marshal training. Additional training was arranged to accommodate this. PSS directorates have now been resolved and significant progress had been made with the schools. Dr Barker also provided a short report on the Rutherford inquests, which were ongoing, and on a recent HSE inspection in the area of Nanomaterials.

Noted:

- (i) That the Board noted its gratitude to all the staff involved in recruitment and admissions of students, centrally and in Faculties and Schools, for the contributions they have made which have resulted in the University's strong position with regard to the 2011 student intake.
- (ii) That the Board noted its gratitude to the Director of Finance and his team, to the five primary budget holders (the Vice-President/Deans and the Registrar & Secretary), and to senior academic and professional support managers across the University, for the contributions they continued to make to the sound financial management of the institution.
- (iii) That the University was committed to developing sound, strategically-informed five-year forecasts predicated on the need to generate re-investable surpluses into the foreseeable future on a scale commensurate with the strategic objectives of the University. In compliance with this obligation, our 2011 forecasts (covering the period 2011-16) were being finalised for submission to Finance Committee at its November Meeting and for approval by the Board at its meeting later the same month. The Board of Governors endorsed this approach to the development of the Five-Year Forecasts to HEFCE.
- (iv) That the Board of Governors noted the paper prepared by Clive Agnew, Vice-President of Teaching, Learning and Students. In discussing the item the Board noted that seven Schools were identified as having difficulties. All Schools had been asked to develop action plans to drive improvements and the actions plans would robustly address poor performance. The provision of adequate feedback was a key area of focus, and the plans would target the quality, timeliness and ensure that the feedback policy, which had been introduced but was not yet embedded, would be fully implemented to ensure all Schools met its provisions.
- (v) That the Board also noted that a number of the qualitative comments picked up issues in the first year, and that therefore there would be some lead time in turning round the situation and seeing the points addressed in future surveys. Though the problems in some areas might be linked to high Student Staff Ratios (SSR), this was not the only issue as some Schools had performed well in spite of this position. In commenting on the paper, Professor Agnew acknowledged the problems, but stressed that making improvements in personal contact was vital, and enhanced mentoring and

tutoring would be pursued. Academic staff across the institution were taking the issue seriously and working hard to drive improvements. The Board acknowledged the action being taken, but expressed its concern at the pace of improvement. It sought further assurances on the plan and its implementation, and requested updates at future meetings, and suggested that the Plan should be the focus of a session at the Planning and Accountability Conference in March 2012.

- (vi) That in addition to developing staff, the University would seek to improve the teaching and support provided on-line, in a form that matched student needs and working methods. Members also reflected that while research successes, e.g. the achievement of the Nobel Laureates, were well promoted, the University's successes in teaching were not so well recognised. Some of the Members of the Board representing the Senate felt it was important to acknowledge where best practice arises, learn from it, and to reward and recognise teaching at the same level as research achievements.

Resolved: The Board agreed that regular reports on the Teaching and Learning Agenda, and on the action plan to correct weaker NSS performance would be provided, and that further time to consider the issues would be scheduled as part of the Planning and Accountability Conference in March 2012.

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

Reported:

(i) Professorial Appointments

The following appointments have been approved on behalf of Senate and the Board of Governors:

Faculty of Humanities

Ad Personam Promotional Chair in Politics

Andrew Russell, BA, MA, PhD at present Senior Lecturer in the School of Social Sciences at this University as Professor of Politics in the School of Social Sciences from 1 August 2011.

(ii) Award of the title Professor Emeritus

Acting on behalf of Senate and the Board of Governors, the President and Vice-Chancellor approved the conferment of the title of Professor Emeritus on the following:

Professor Andrew Mayes Professor of Psychology, School of Psychological Sciences.

(with effect from 1 January 2011)

Professor Timothy Cornell, Professor of Ancient History, School of Arts, Histories and Cultures.

Professor John Dold, Professor of Applied Mathematics, School of Mathematics.

(with effect from 1 September 2011)

Professor Maynard Case, Professor of Physiology, Faculty of Life Sciences.

Professor Vivien Gardner, Professor of Theatre Studies, School of Arts, Histories and Cultures.

Professor John Pickstone, Wellcome Research Professor, Faculty of Life Sciences.

Professor Alan Rector, Professor of Medical Informatics, School of Computer Science.

Professor Arthur Weston, Professor of Pharmacology, Faculty of Life Sciences.

(with effect from 1 October 2011)

(iii) Appointment of Head of School

Acting on behalf of Senate and the Board of Governors, the President and Vice-Chancellor approved the appointment of:

Dr Rachel Calam as Interim Head of the School of Psychological Sciences with effect from 1 September 2011 to 31 March 2012.

(iv) Outside Representation

Acting on behalf of the Board of Governors, the President and Vice Chancellor approved the appointment of:

Professor Tony Freemont as University-nominated member of the Council of the Manchester Medical Society with effect from 1 September 2011.

(vi) Change of Regulation

Acting on behalf of Senate, the President and Vice Chancellor approved the following change:

General Regulation XVII, Conduct & Discipline of Students: Add in paragraph 3(p), MA in Counselling.

Note: paragraph 3(p) lists the programmes whereby "a student may be liable to disciplinary action in respect of conduct which renders a student who is enrolled on a programme of study leading directly to a professional qualification or eligibility for registration to practise, or to the right to practise a particular profession or calling not fit to be admitted and practise that profession or calling".

(vii) Disposal of Cheshire Hunt

Acting on behalf of the Board of Governors, the President and Vice Chancellor approved the disposal of:

Cheshire Hunt

Cheshire Hunt is a Grade II listed farmhouse with associated buildings, situated on the north-eastern boundary of Jodrell Bank. It was declared surplus to requirements in 2010 having been retained vacant for several years pending possible re-use in connection with the proposed re-development of Jodrell Bank.

(viii) Seal Orders

Pursuant to General Regulation VII.4, the Common Seal of the University has been affixed to the instruments recorded in entries no **1059 – 1085** Seal Register 1.

10. Health and Safety

Received:

- (i) The minutes of the meeting of the Health and Safety Committee held on 2nd September 2011.
- (ii) The recommendation to approve a revised Health and Safety Policy Statement and Procedure for adoption by the University, and to approve the proposed consultation exercise in order to bring forward a revised Policy in July 2012.

Resolved: To approve the revised revised Health and Safety Policy Statement and Procedure.

11. Board committee reports

(1) Audit Committee (23 September 2011)

Received: A summary report from the meeting of the Audit Committee held on 23 September 2011. The Statement on Public Benefit and Corporate Governance, together with the Annual Opinion of the Internal Auditors was also enclosed, for information.

Reported:

- (i) That the Secretary to the Committee would consider suggestions made to review the terms of reference alongside the HEFCE guidance before bringing back any proposed revisions to the Committee.
- (ii) That Deloitte LLP had provided an update on the progress of the audit. The external audit team were at the review stage originally anticipated in the planning and no serious issues had been identified at the time of report. In terms of the subsidiaries, the audit process for all but one had been completed. Close-down meetings to agree any observations would take place in due course to allow the Team to bring their final report together.
- (iii) That the Committee had been asked to review two documents for inclusion within the narrative section of the financial statements. The first was the Public Benefit Statement, required under charities legislation and included for the first time in the financial statements in 2010. The second document was the Statement on Corporate Governance, which outlined the governance structure of the University, and was largely unchanged on that presented in the previous year. The Committee suggested that Public Benefit Statement might be revised further, and should also focus on the public benefit that the students of the University offer to society through employment across a variety of roles and sectors. The Statement on Corporate Governance would also need to be revised to reflect changes in the responsibility for risk and compliance at VP level.
- (iv) That nine Internal Audit reports had been finalised within the time period. Of those, one, on University Web Hosting arrangements, had identified significant opportunities to improve the efficiency and economy of the system of internal control and had identified significant weaknesses in the system's effectiveness.
- (v) That the draft internal audit annual opinion, prepared by Uniac, was considered by the Committee. This is prepared for the Audit Committee and the Board of Governors, and provided to HEFCE each year. The opinion concluded that internal controls were generally effective and that the University had continued to develop the standardisation and consistency of operational processes and controls across the institution. However, some reviews had identified room for significant improvement, and in other areas,

progress had been limited. The opinion also concluded that the University's arrangements for governance, risk management and data quality, were effective. In addition, Uniac had concluded that overall, the University's arrangements for securing value for money were effective. The Board is asked to note the report at this stage.

- (vi) That the Audit Committee agreed that it would receive the risk registers, at School, Faculty and University level for due consideration in January 2012. Under this item the Deputy Secretary also provided the Committee with brief details of two recent and ongoing potential data security issues that were being investigated by the University. In investigating, the University would take all appropriate steps to address any weaknesses identified, notify relevant parties affected and assess whether further notification was required or warranted. A further report on the incidents, post investigation, would be provided to the Audit Committee at the next opportunity.

(2) Staffing Committee (14 September 2011)

Received: A summary report and the minutes of the Staffing Committee meeting, held on 14 September 2011, were brought to the attention of the Board.

Resolved: To approve the recommendations of the Staffing Committee that:

- (i) That the University proceeds with the process outlined in the agreed contracts policy and procedure to deal with those staff considered to be at risk on open ended contracts linked to finite external funding for the period between February and March 2012.
- (ii) That the University, through the oversight of the Staffing Committee, continues to ensure that all suitable and appropriate alternative strategies for resolution, including redeployment and restructuring, have been properly considered.

(3) Finance Committee (26 September 2011)

Received: A summary report and the minutes of the Finance Committee meeting, held on 26 September 2011, were brought to the attention of the Board.

Reported:

- (i) That the Finance Committee noted two changes to the membership, Professor Nancy Papalopulu and Ms Letty Newton. It was also agreed that the Registrar, Director of Finance and Deputy Secretary would review the terms of reference to ensure they reflect the remit of the committee and to ensure there was no overlap Audit Committee.
- (ii) That the Finance Committee resolved to recommend for approval by the Board the uplift of the threshold for quotations from £2k to £5k.
- (iii) That it was reported that the Investment Committee and PRC Finance Sub Committee had reviewed the outcomes of the review of the University's investment strategy carried out by Aon Hewitt. The recommendation was for a phased move from current benchmark to one based on diversification to improve long term returns and reduce volatility. The Finance Committee approved the initial phase of this change to the benchmark which required switching fixed bonds into index linked and corporate bonds and switching UK equities into bonds and global equities.
- (iv) That the Finance Committee approved a loan scheme arrangement with an independent provider for MBA students (subject to circulation of some additional information from the Director of Finance). It was noted that the University was not required to underwrite the scheme, nor recommend it to alumni.

- (v) That the Finance Committee noted the progress that had been made in managing Capital Projects and that there were no financial risks associated with these projects at this time.
- (vi) That it was reported that a meeting had taken place with the Trustees of the UMSS Pension Scheme in July 2011 to discuss the future of the Scheme and changes that will be required. A letter had now been sent to all members of UMSS advising that the consultation period was about to begin. The key proposal was the change (for new members) from a final salary to a CARE scheme, with the option for existing members to move to the CARE scheme. The consultation period will close in December 2011 and changes will be implemented with effect from April 2012.
- (vii) That the Finance Committee considered the outcomes of an extensive benchmarking exercise. The exercise would be roll-forwarded once the annual accounts of universities were available. Additional work was also being carried out on staff numbers and the categorisation of roles.
- (viii) That the Finance Committee noted that the positive position of the financial results at the year end.

Resolved: The Board of Governors approved the uplift of the threshold for quotations from £2k to £5k.

12. Planning and Resources Committee (3 October 2011)

Noted: That the Planning and Resources Committee had met earlier in the day and a full report on the business conducted would be provided at the November meeting of the Board of Governors.

Taken as read and signed as a correct record on 23 November 2011.