

The background of the entire page is a photograph of the University of Manchester's main building. It features a large, ornate stone statue of James Watt in a niche on the left. The building has tall, arched windows and classical columns. The lighting is bright, suggesting a sunny day.

MANCHESTER  
1824

The University of Manchester

# STOCKTAKE REPORT 2012/13

A REVIEW OF PROGRESS  
AGAINST MANCHESTER 2020:  
THE STRATEGIC PLAN FOR  
THE UNIVERSITY OF MANCHESTER



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PROFESSOR DAME NANCY ROTHWELL,  
PRESIDENT AND VICE-CHANCELLOR

# INTRODUCTION



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## The 2012/13 Stock Take Report provides a detailed appraisal of progress against the goals and key performance indicators of the University's Strategic Plan, *Manchester 2020*, and is a key component of the University's Planning and Accountability Cycle.

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During 2012/13, the University continued to maintain a strong financial performance and achieved some notable successes. We made significant progress towards many of our strategic goals, but still face significant challenges in some areas to achieve the 'step change' that will be required to meet our ambitions.

Some notable awards and successes during 2012/13 included funding from the Higher Education Funding Council (HEFCE) to support a new facility for advanced materials and manufacturing (£18 million) and our new cancer building (£13 million). We received major awards for nuclear manufacturing (£14 million) and the Dalton Cumbria Facility (£10 million). Our bid to the European Regional Development Fund for £23 million for our National Graphene Institute was supported in full. We received £6 million from the Department for International Development for work on effective states and inclusive development, £6 million from the Department of Health for primary care research and £5 million from the Medical Research Council for our e-Health project. Our team also won University Challenge for the second successive year.

The School of Physics and Astronomy was awarded a prestigious Regius professorship by the Queen to mark her Diamond Jubilee and the inaugural Regius Professorship was conferred on Professor Andre Geim. Other key awards to individuals during the year included: Professor Martin Humphries elected Vice-President of the Academy of Medical Sciences; Professors Paul O'Brien, Robert Young and Terry Wyatt elected Fellows of the Royal Society; Professors Garth Cooper and Nancy Papalopulu elected to Fellowship of the Academy of Medical Sciences; and Professors Adisa Azapagic and Lin Li elected Fellows of the Royal Academy of Engineering. Amongst those recognised in the Queen's Birthday Honours were Professor Nicky Cullum, who was made a Dame for her services to nursing research, and Professor Rodney Brazier, who was made a member of the Royal Victorian Order for services to constitutional law.

On the research front, our research grant and contract income increased by 6.2%, reflecting significant growth arising from previous awards made to the University starting to flow through. An even more encouraging sign for the future was the dramatic 37% increase in research awards. Preparations for the University's submission for the Research Excellence Framework (REF), which will assess research quality, were made during the year, culminating in 35 submissions to 30 different units of assessment. This clearly demonstrates the volume and range of internationally-leading research going on here. This REF exercise differs from previous national assessments because it attempts to judge the 'impact' of research on wider society as well as academic quality. The REF submission will be evaluated by a panel of experts in each discipline and we expect to receive a judgment on our performance in December 2014.

The results of the 2013 National Student Survey (NSS) of undergraduate students show that we increased our overall level of student satisfaction by two percent to reach 85%. This is good progress, and represents an increase of six percentage points in the last two years following our sustained efforts in this area. These increases extend across individual questions (21 in total) and it was gratifying to note substantial improvements in the challenging area of 'assessment and feedback'. There were some tremendous achievements in individual subject areas with 23 subjects achieving 90% or more overall satisfaction (up from 16 subjects in 2012). This sets us well on the way towards our target to achieve 90% satisfaction. We are continuing to invest in the student experience and our students hail the Alan Gilbert Learning Commons, which was formally opened in the summer, as a great success.

We have been working hard over the past year to define a sharper focus to our work on Goal Three, Social Responsibility. We held a major consultation with staff, students, our local community and key stakeholders to establish our most important contributions in this important area. Consequently, our structures and activities have been realigned to focus on specific activities, ensuring we can measure and demonstrate more effectively the real impact we are making. We have launched a major campaign around specific themes to demonstrate the positive difference that we are making to the lives of people in our local neighbourhood and further afield.

Philanthropy is increasingly important. Record gift income of more than £9 million supported key elements across research, the learning experience and social responsibility. Alongside this, we made further progress in engaging with our global alumni, with more than 1,000 former students becoming directly involved in a variety of student experience projects.

All of these achievements are only possible because of the hard work and dedication of our staff. Their commitment to the University was reflected in their response to the staff survey, which was conducted on our behalf by Capita Surveys and Research in the Spring of 2013. An impressive 6,500 staff (71%) completed the survey and, remarkably, 92% of respondents said they are proud to work for the University and 94% felt that the University is a good place to work - the highest proportion in the comparator benchmark group of 28 higher education institutions also surveyed by Capita Surveys and Research recently. There are areas where staff indicated that we could make improvements and we have analysed the results and conducted consultations over the summer to inform detailed action plans that are now being implemented.

In early July 2013, the University raised a public bond to enable our Estate Masterplan. Rating agency Moody's issued a rating of Aa1 Stable for the University. The bond issue was nearly four times oversubscribed and raised £300 million on a 40 year basis at 4.25% annual interest. The bonds are listed on the London Stock Exchange.

The fact that we have generated a surplus and secured substantial funding to commence work on an ambitious capital programme in an uncertain economic climate should provide a valuable signal to the wider world that we are a confident and well-run institution with an ambitious vision for the future. Although first-class buildings and infrastructure are important features of any world-class organisation, people are by far our most important asset and we will continue to invest strategically in staff development and new appointments. It is important to emphasise, however, that investment will mean that we have to make hard choices about priorities and will require a concerted effort to make the savings and generate the income needed to make this possible.



**Professor Dame Nancy Rothwell**  
President and Vice-Chancellor



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GOAL ONE

# WORLD-CLASS RESEARCH



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The University will be one of the top 25 research universities in the world, where internationally-leading researchers produce research of the highest significance and impact. We will be recognised for our interdisciplinary research, for training outstanding researchers and giving parity of esteem to discovery, application, knowledge transfer and impact.

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### KPI 1 World ranking

**Target:** to be in the top 25 of the Shanghai Jiao Tong Academic Ranking of World Universities by 2020

The Academic Ranking of World Universities, published in August each year by Shanghai Jiao Tong University, ranks the top 500 world universities on six measures including numbers of staff and alumni awarded Nobel Prizes; numbers of highly-cited staff; total publications; publications in Nature and Science and per capita performance with respect to the size of an institution. Although Manchester remains the 5th highest ranked UK institution (8th in Europe), and its absolute score increased slightly compared to 2012, it has dropped a place to 41st, as a result of improvement of The Pierre and Marie Curie University (Paris 6).

### KPI 2 Research grant and contract income

**Target:** to increase total research income by 30% by 2015 and to double it by 2020, ensuring an increase in both international and business income as a percentage of total income and an increase in Manchester's share of UK research grant and contract income.

In 2012/13, the University increased its research grant and contract (RGC) income by 6.2% to £199.6 million from £188.0 million. The value of new awards has increased by 37%, which should translate into higher RGC income for 2013/14 and beyond. The value of applications submitted in 2012/13 was 21% higher than 2011/12.

Total RGC income is broken down into a number of agreed Higher Education Statistics Agency (HESA) categories from which the aggregates of business income and international income are derived. In 2012/13, international research income increased by 17.8% to £29.1 million, whilst business income increased by 23.5% to £23.1 million, and both have increased as percentages of total RGC income. The University's total share of UK RGC income rose slightly to 4.19% from 4.17% last year.

### KPI 3 Quality

**Target:** to improve the quality of research outputs, ensuring that 70% of staff are judged as world-leading or internationally excellent by peer review through REF or our own exercises, and to ensure that 20% of Manchester publications fall in the top 10% of cited papers in their field by 2020.

Preparations for the Research Excellence Framework (REF) have been the primary focus of attention over the past year, with the University making 35 submissions in 30 different units of assessment. It is too early to predict the actual REF outcome (due in December 2014), but the internal REF Preparation Exercise has shown positive results.

The citation KPI measures the percentage of publications which have citation levels that place them within the top 10% of their subject areas. In 2012/13, the University changed its citations data provider to Elsevier/Scopus, which surveys a broader range of journals and related outlets, and recorded that, overall, 22% of all University items published in the period 2008-12 were in the top 10% of their field, compared to 19.7% last year (items published 2007-11).

As a result of the change to how this KPI is being measured, the University will be reviewing its high-level target for the percentage of publications within the top 10% in their field. In the interim, it has benchmarked individual School performance against a provisional target of 27% and there are four areas within the University which meet or exceed this higher target.

### KPI 4 IP commercialisation

**Target:** a weighted portfolio of measures monitoring invention disclosures, licences, spin outs and other IP commercialisation activities, ensuring that the UMI<sup>3</sup> group is also a value for money operation.

2012/13 is the first year of the three-year cumulative target period. As detailed below, overall, UMI<sup>3</sup> (the University's innovation company) has met the majority of its targets for the full year 2012/13 and action is being taken to address shortfalls. The portfolio of measures combines indicators from UMIP (the intellectual property commercialisation services) and UMIC (the Innovation Centre with state-of-the-art incubator premises and an enterprise conferencing and networking centre). There is a break even target that over time, the income generated from UMI<sup>3</sup> activities covers the cost to the University. Sales of shares in spin-outs during the year, realising some £2.4 million, are contributing to a performance on track to continue to break-even by 31 July 2015.

In 2012/13, invention disclosures increased for the fourth successive year by 7% to 397. Fourteen pathfinder and proof of principle projects were approved compared to 25 in 2011/12, and there were 30 IP grants and translational awards compared to 13 last year. Forty-three licences were signed in 2012/13 and four spinouts were formed. The occupancy rate for the three incubators in 2012/13 was 95% compared to 87% last year. The number of innovation events almost doubled to 801 and there was a notable improvement in our position in the carbon reduction commitment league table.

# OUTSTANDING LEARNING AND STUDENT EXPERIENCE





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The University will provide a superb higher education and learning experience to outstanding students, irrespective of their backgrounds, and will produce graduates distinguished by their intellectual capabilities, employability, leadership qualities, and their ability and ambition to contribute to society.

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### KPI 5 Student satisfaction

**Target:** to achieve sector benchmark for Q22 in the National Student Survey by 2015 and at least 90% student satisfaction by 2020, ensuring that the University is in the upper quartile of Russell Group institutions by then.

Last year, overall student satisfaction in the National Student Survey (NSS) increased from 79% to 83%. This year, it increased further to 85%. We have now met our 2015 target of achieving sector benchmark (i.e. sector average), by 2015. However, the University is still below the average satisfaction score for Russell Group institutions.

There have been some areas of particularly strong performance. Overall satisfaction in Manchester Medical School increased from 71% to 85% and Mechanical, Aerospace and Civil Engineering (MACE) has increased 18% in two years. The highest overall satisfaction score was achieved by the School of Chemistry, with 97%, and five Schools (and 23 subject areas) achieved scores above 90% (including the whole of the Faculty of Life Sciences).

### KPI 6 Positive graduate destinations

**Target:** by 2020, to achieve a positive graduate destinations rate of at least 85% (as measured six months after graduation in the Destinations of Leavers from Higher Education Survey), ensuring that the University is ranked in the upper quartile of Russell Group institutions on this measure.

The Destinations of Leavers from Higher Education Survey collects various data on the activities, job type and salaries (as appropriate) of all Home/EU graduates six months after graduation.

Overall, 91% of our graduates are employed or in further study six months after graduation, but the proportion of graduates in professional and managerial jobs and/or further study (positive graduate destinations) was 72% - the same as the previous year. The University has improved slightly against its Russell Group comparators (moving up one place) but is still in the bottom quartile on this measure.

A new employability strategy is being implemented addressing workplace experience, student engagement and the curriculum. Other actions include restructuring of the central support delivered by the Directorate for the Student Experience to students to support their employability, a particular focus upon final year students and more effective data gathering.

### KPI 7 Widening participation

**Target:** to outperform our OFFA Access targets for recruiting students from low-participation neighbourhoods and from lower socio-economic groups, ensuring that we are in the upper quartile of English Russell Group institutions.

Both KPIs are measured by HEFCE Performance Indicators and focus on UK-domiciled first degree new entrants, and are benchmarked against the 20 Russell Group institutions in England which are subject to the same undergraduate fee regime. The University performed well on widening participation. The University has the highest absolute number of students within the Russell Group from both lower socio-economic classes and from low participation neighbourhoods (LPNs). In addition, in 2011/12 data published in 2012/13, 27.4% of our home undergraduate students were from households with annual incomes of less than £25,000.

The KPI measures the percentage of young, first degree entrants from LPNs - postcode areas with a recognised low participation in higher education - and is based on the home postcode used in the Universities and Colleges Admissions Service (UCAS) application process. In the latest available data (2011/12 data published in 2012/13), the University had 7.5% entrants from LPNs, exceeding its Access Agreement target and placing the University second in the Russell Group for the proportion of students from low participation neighbourhoods.

Lower socio-economic group is an indicator based on the parental occupation classification declared through the UCAS application process. In data for 2011/12 published in 2012/13, the University had 20.4% of its young new entrants from lower socio-economic groups. The University met its Access Agreement target and was placed in the upper quartile of English Russell Group institutions on this measure.



SOCIAL  
RESPONSIBILITY





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The University will contribute to the social and economic success of the local, national and international community by using our expertise and knowledge to find solutions to the major challenges of the 21st century, and by producing graduates who exercise social leadership and responsibility.

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### KPI 8 Social responsibility

**Target: a weighted portfolio of measures to monitor progress against the social responsibility agenda, including equality and diversity profile, engagement with communities (especially those that are disadvantaged), sustainability, and economic and social impact.**

We have made significant progress in developing our Social Responsibility Strategy. We identified five core priorities and, following a major consultation with staff, students, the local community and key stakeholders, agreed a small number of new *Signature Programmes* within each priority which were subsequently launched formally in November 2013:

- Research with impact: *Addressing Inequalities Programme*
- Socially-responsible graduates: *Ethical Grand Challenges Programme*
- Engagement: *School Governors Initiative* and *Cultural Access Programme*
- Responsible Processes: *Manchester Works Programme* (which offers jobseekers in areas neighbouring the University help to improve their skills and employment opportunities)
- Environmental Sustainability: *Staff Steps to Sustainability Programme*

### Equality and diversity

We focus on three particular measures in equality and diversity. Firstly, the proportion of women who are senior lecturers, readers and professors, which increased from 27% in 2011/12 to 28% in 2012/13, compared with 22% in 2007/08. Three Schools (Chemical Engineering and Analytical Sciences, Chemistry and the Faculty of Life Sciences) have Silver Athena SWAN awards (a scheme which recognises and celebrates good employment practice for women working in science, engineering and technology in higher education and research) and five have Bronze. Secondly, the proportion of ethnic minority staff at Grade 6 and above in the professional support services, which remained at 7% in 2012/13; and thirdly, the proportion of BME staff who are senior lecturers, readers and professors, which was 10% in 2012/13.

### Engagement with communities

Progress continues to be made against the targets relating to volunteering. Student volunteering has been monitored regularly and over 5,000 students were engaged in volunteering activities in 2012/13. The number of staff who are school governors increased from the baseline figure of 53 to 117, the highest growth of any employer outside London and the highest in UK higher education.

Visitor numbers to the University's cultural institutions continue to increase. In total, the number of visitors to the Manchester Museum, Whitworth Art Gallery, Jodrell Bank Discovery Centre and John Rylands Library increased by 9% to 863,402 in 2012/13 from 793,486 in 2011/12, with all of the cultural institutions increasing visitor numbers.

### Sustainability

The University's environmental sustainability target is to reduce the absolute carbon footprint of carbon emissions from gas and electricity consumption and University owned vehicles by 40% by 2020 from a baseline year of 2007/08. The total carbon emissions from Scope 1 and 2 (direct emissions under the control of the University) increased by 1.5% during 2012/13 from 2011/12, which can be attributed to new campus buildings and additional University activities, alongside the installation and upgrade of plant and services. However, when gas consumption is normalised to account for weather conditions, carbon emissions in 2012/13 decreased by 3.9% from the previous year.

### Economic and social impact

A study assessing our social, economic, cultural and environmental impact was undertaken in 2012/13 to identify key outputs across a sample of some of our most significant initiatives for social responsibility (*Measuring the Difference: The economic and social impact of The University of Manchester* [http://www.socialresponsibility.manchester.ac.uk/includes/uploads/Impact\\_Report\\_1OCT.pdf](http://www.socialresponsibility.manchester.ac.uk/includes/uploads/Impact_Report_1OCT.pdf)).

The socio-economic impact analysis of the work of the Manchester Museum and Whitworth Art Gallery was valued at nearly £12 million per annum. In addition, 62% of the University's staff at grades 1 and 2 come from our most local neighbourhoods in the Manchester authority, and two programmes, the School Governor Initiative and The Works, received national and international award recognition.



ENABLING STRATEGIES

# ENABLING STRATEGIES





### KPI 9 Staff satisfaction

**Target:** to achieve 80% of staff satisfied with working at the University by 2020, ensuring that we are within the upper quartile of HEIs or similar organisations, and have at least a 50% response rate to the staff survey.

Our Staff Attitude Survey, undertaken in spring 2013 by Capita Surveys and Research, achieved a 71% response rate and won the Gold award in the Internal Communications Campaign category at the North West Chartered Institute of Public Relations 'PRide' Awards. On overall satisfaction, 82% of staff agreed they were satisfied with their job at the University and 94% of staff thought the University was a good place to work, which was the highest proportion in the comparator benchmark group of 28 higher education institutions surveyed by Capita Surveys and Research.

### KPI 10 Estate

**Target:** to achieve 80% of non-residential estate judged to be in good condition and functionally suitable by 2020.

The measures used here relate to two measures within the Estates Management Statistics (EMS):

- (a) 'good' condition refers to the condition of the estate;
- (b) functional suitability (grades 1 and 2) refers to the appropriateness of the estate for its intended use.

The figures are expressed as a percentage of Gross Internal Area, and exclude the University's student residences. The proportion of the University's non-residential estate judged to be in good condition has increased slightly from 72% to 73% but remains at 79% for functional suitability.

Work is now underway in delivering key projects associated with the Estate Masterplan. Clearly it will take time for these projects to be translated into an improvement in the KPIs above but the progress made on the Estate Masterplan has been a significant achievement in 2012/13.

### KPI 11 Financial outcome

**Target:** to increase underlying financial outcome as a percentage of income to 7% by 2015, in order to provide cash for investment in strategic priorities.

The underlying financial outcome is defined as retained surplus plus ERVS costs minus non cash pension credits. In the face of significant challenges, the underlying surplus in 2012/13 was £37.5 million, or 4.5% compared to £48.4 million (6.0%) the previous year.

Earnings before interest, taxation, depreciation and amortisation (EBITDA - a measure used very commonly in the commercial sector) was £74.0 million (9.0% of income) for the year compared with £76.3 million (9.5% of income) in the previous year. We will monitor EBITDA as a KPI in future as the surplus will be reduced by increased interest cost relating to the bond issue and increased depreciation charges as the fixed assets grow with the implementation of the Estate Masterplan.

Donations received in the year 2012/13 of £9.5 million were the highest to date.

### KPI 12 Reputation

**Target:** a weighted portfolio of measures, including reputation surveys, independent polling, media coverage and league tables.

The portfolio of measures includes the University's position in the *Times Higher Education World Reputation Rankings*. The 2013 table is based on a survey run in March and April 2012, which had 16,639 responses from 144 countries. The University improved its ranking from 51-60 to 47th in the world, remaining 7th in the UK.

A UK independent omnibus opinion poll in March 2013 asked the question, "Which University would you put in 3rd, 4th and 5th place after Oxford and Cambridge?" and 17% of respondents listed The University of Manchester in the top five. Increase in media coverage is based on print media and shows that there has been a significant increase of 20% in numbers of stories published in 2012/13, to 19,695 compared with 16,360 the previous year, although the corresponding Advertising Value Equivalency (AVE) measure has dropped from £5.1 million to £5.0 million, which reflects lower advertising cost, rather than reduced impact.

The league table measure is based on the average position of the University in The Times Good University Guide, the Guardian and the Independent. Our average position in 2012/13 was 27, which is seven places higher than in 2011/12.

### KPI 13 Management compliance

**Target:** a weighted portfolio of measures to include health and safety indicators, enforcement notices and internal compliance processes.

We measure 15 health and safety indicators against which an actual score is calculated to give a theoretical maximum. The outcome in 2012/13 was 92%, the same as in 2011/12. There were no enforcement notices in 2012/13 (these relate to areas of compliance currently reported through Health and Safety Committee and the Research Compliance Committee). Internal compliance processes relate to the percentage 'net' positive outcomes to core questions in the Annual Compliance Exercise. Core questions are the questions asked each year regarding key aspects of financial management, conflict of interest and health and safety. An important aspect of the Annual Compliance Exercise is to allow managers to answer negatively and then to ensure satisfactory resolution following the completion of an agreed action plan to defined timescales ('gross' and 'net' responses). There were 99.6% positive outcomes in 2012/13 compared to 98.5% in 2011/12.

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