

CONFIRMED

The University of Manchester

BOARD OF GOVERNORS

Wednesday, 4 May 2016

Present:

Mr Anil Ruia, (in the Chair),

President and Vice-Chancellor, Dame Sue Ion, Mrs Dapo Ajayi, Mr Edward Astle, Ms Naa Acquah, General Secretary of UMSU, Professor Colette Fagan, Mr Colin Gillespie, Dr Caroline Jay, Mr Paul Lee, Mrs Christine Lee-Jones, Dr Neil McArthur, Professor Cathy McCrohan, Dr Christine Rogers, Dr Pamila Sharma, Professor Liz Sheffield, Mr Andrew Spinoza, Dr John Stageman, Dr Angela Strank, and Professor Chris Taylor. (20)

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

Apologies: Mr Gary Buxton, Mr Michael Crick, and Ms Iram Kiani, and Mr Chris Petty.

N.B. That at the outset of the meeting, on behalf of the Board, the Chair congratulated Professor Brian Cox, Professor Phil Withers and The Board's Deputy Chair, Dame Sue Ion, on their election as Fellows of the Royal Society, and also congratulated Professor Graham Black and Professor Judith Allen as Fellows of the Academy of Medical Sciences. He also offered congratulations to Naa Acquah, as General Secretary of the Students' Union, on her re-election to the role for a second term.

1. Declarations of Interest

Noted: That the interests of the President and Vice-Chancellor as a Council Member of the Royal Society, and for Mr Will Spinks as a member of the AHUA Executive and as a member of the Joint Negotiating Committee of USS, previously declared, were noted. The interest of the Deputy President and Deputy Vice-Chancellor, as co-chair of the charity, Find a Better Way, was also declared, and Dr Neil McArthur, declared a new interest in respect of the Manchester Tech Trust. Finally, Mr Steve Dauncey, declared the directorships of University subsidiaries recently taken up in his role as Director of Finance.

2. Minutes

The minutes of the meeting held on 10 February 2016 and from the formal session held at the Planning and Accountability Conference on 16 March 2016, were approved.

3. Matters arising from the minutes

Noted: That the Board of Governors received a report on ongoing matters, for information. The Deputy Secretary reported that the Review of Fossil Fuels, which was considered by the Board in July 2015 and which the University had established at the outset of the academic year, was conducting a University-wide consultation and would be referenced in future action reports.

4. Summary of business

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

Noted: That at the last formal meeting in February several Board members commented on the length and complexity of the papers produced to support the meeting. As a consequence, the Deputy Secretary had reviewed the presentation and made several changes. The core papers, for essential reading, were provided separately from supplementary papers, which gave background or context. In addition, the summary papers ahead of each item now sought to provide greater clarity about the content and action required from the Board. The Board welcomed the changes in format and agreed that this provided greater clarity.

5. Chair's report

(a) HEFCE Statement on Institutional Risk

Received: The HEFCE Statement on Institutional Risk, produced annually by HEFCE and directed to the institution's governing body.

Reported:

- (1) That the purpose of the letter was to inform the University of HEFCE's assessment of the risk status of the University and any failure to comply with the accountability obligations as set out in the Memorandum of Assurance and Accountability.
- (2) That HEFCE monitor the risk of the institutions they provide funds for and formally share the results of their risk assessment with institutions on an annual basis. These assessments are based on the institutional returns and upon information covering a wide area, including student recruitment and retention, financial performance, audit findings and estates management.
- (3) That only two classifications are employed by HEFCE within this assessment. A small number of institutions are judged "at higher risk" and the majority are considered "not at higher risk". HEFCE's overall assessment of The University of Manchester is that it is "not at higher risk". In making this assessment they conclude that the University is meeting the accountability obligations set out in the Memorandum of Assurance and Accountability and other associated HEFCE guidance.

(b) HEFCE Assurance Review

Reported:

- (1) That HEFCE conduct these high-level HEFCE assurance reviews (HARs), in order to focus on institutions' accountability for the public funding they receive. HEFCE discuss with senior managers and members of governing bodies the institution's processes and supporting evidence for the information and assurances that we provide each year.
- (2) That this was their second cycle of HARs, which followed broadly the same pattern as in recent years. The main change is that they no longer explore data returns in detail, because they are subject to direct work by HEFCE's data audit team. However, in view of the changing funding environment and HEFCE's new

responsibility to protect and promote the collective student interest they now explore how these important issues are reflected in governance processes.

- (3) That during the HAR, HEFCE discussed the changing risk environment arising from external economic conditions and government policies, important sector-wide issues such as the quality and management of institutional data, as well as institution-specific governance and accountability arrangements. The emphasis was on the University's processes for ensuring the evidence base for, and quality of, the assurances provided each year to HEFCE.
- (4) That HEFCE's overall conclusion was that they were able to place reliance on the University's accountability information and the final report made only a small number of minor recommendations concerning current arrangements and future reporting. These would be taken forward by the Deputy Secretary and overseen by the Audit Committee.

6. Secretary's report

(a) Report on Senate Elections

Noted: That following the call for nominations for the elected positions on Senate in February 2016, the following members of the academic and research staff in the faculties below have been elected to the Faculty positions as follows:

Faculty of Science and Engineering The following staff will serve as Senate members - Dr Sarah Heath, School of Mechanical, Aerospace and Civil Engineering; Professor Sarah Cartmell, School of Materials (re-appointed); Dr Helen McCormick, School of Materials; Dr Delia Vazquez, School of Materials; Dr Gregory Lane-Serff, School of Mechanical, Aerospace and Civil Engineering. Each will serve from 1 September 2016 to 31 August 2019.

Faculty of Biology, Medicine and Health After a ballot of all academic and research staff in the Faculty, the following staff had been elected: Professor Aneez Esmail, Division of Population Health, Health Services Research & Primary Care; Professor Colin Sibley, Division of Developmental Biology and Medicine, Dr Dawn Edge, Division of Psychology & Mental Health; Dr Janine Lamb, Division of Population Health, Health Services Research & Primary Care; Professor Anne White, Division of Diabetes, Endocrinology & Gastroenterology; and Dr Enam el Haque, Division of Medical. Each will serve from 1 September 2016 to 31 August 2019.

Faculty of Humanities After a ballot of all academic and research staff in the Faculty, the following staff had been elected: Dr Steven Jones, School of Environment, Education and Development; Dr Ina Berg, School of Arts, Languages and Cultures; and Dr Soumhya Venkatesan, School of Social Science. Each will serve from 1 September 2016 to 31 August 2019. Due to a member of Senate leaving the University part way through their term on Senate, an additional place for a 2 year term has arisen and Professor Mark Elliot, School of Social Sciences will fill this place, from 1 September 2016 to 31 August 2018.

(b) Appointment of the Chair of the Board of Governors

Reported:

- (1) The appointment of the Chair of the Board of Governors is the responsibility of the Board of Governors. The current Chair, Mr Anil Ruia, will stand down from the Board on 31 August 2016, having served continuously for a period of six

years (two terms of three years). Statute II of the University Charter states that the Chair shall be appointed by the Board from among the members of the Board who hold membership in Category 2 (lay members).

- (2) That at the meeting of the Board of Governors on 25 November 2015, the Board agreed that the process of selection for the Chair from 1 September 2016 should begin immediately and recommended that a Search Committee to identify a suitable Chair should be established. At the same time, the Deputy Chair of the Board invited lay members to lodge expressions of interest in the role with the Registrar, Secretary and Chief Operating Officer, ahead of the next Board meeting.
- (3) That the Board agreed that the Search Committee would have the following composition:

Four members of the Board in Category 2 (with one nominated as Chair of the Search Committee)
A member of the Board in Category 3, members of Senate
A member of the Board in Category 4, members of staff other than academic or research staff
The President and Vice Chancellor
The General Secretary of the Students' Union
The Registrar, Secretary and Chief Operating Officer (as Secretary)
In attendance: Pro-Chancellor and Chair of the Nominations Committee
- (4) That two expressions of interest were received concerning the role from among the Board's lay membership, from Mr Edward Astle and Dr John Stageman.
- (5) That at the outset of their deliberations, the Search Committee spent some time considering whether an external search process should be conducted in parallel with the Committee's assessment of the two declared candidates. After due consideration and with knowledge of the Board's wider membership, the Committee declared that both individuals were highly regarded, deeply committed to the University and that both candidates met the role criteria and could serve the Board extremely well. The Committee therefore agreed that an external search was unnecessary.
- (6) That the Search Committee also reviewed and updated the role description for the Chair. It was then tested with the current Chair of the Board of Governors who provided feedback in relation to his experience of the role. The revised description was then provided to the candidates with a request for additional information on their suitability for the role.
- (7) That the Committee reviewed the honorarium previously agreed for the Chair. As previously established, this was not remuneration (being a nominal sum for a voluntary service) but was intended to acknowledge the commitment required to fulfil the role. Reflecting on similar payments elsewhere and, since it was originally set the Committee agreed that an honorarium of £10k should be paid to the office holder on an annual basis.
- (8) That the Search Committee met on two occasions. At the meeting held on 16 March 2016 the Committee reviewed the submissions and held separate discussions with the candidates. The Committee confirmed that they were both exceptional candidates who could fulfil the role, but recognised that they offered different qualities, not only in respect of the office of Chair but also in relation to their ongoing membership and broader contribution to the Board of Governors. Therefore, after due consideration, the Committee:

Resolved: To recommend to the Board of Governors that Mr Edward Astle should be invited to accept appointment as Chair of the Board of Governors, for a period of three years, from 1 September 2016.

- (9) That the recommendation was made to the Board of Governors via an email resolution and, in line with the Board's standing orders, by 21 March 2016 this had received the endorsement of more than 75% of the Board's membership. The resolution was therefore confirmed and Mr Edward Astle will take up the role of Chair of the Board of Governors on 1 September 2016.

(c) Report of the Nominations Committee

Received: A report from the Nominations Committee on appointments and re-appointments to the Board.

Reported:

- (1) The membership of the Committee is:

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

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

Lay: Mr Andrew Spinoza

Senate: Professor Chris Taylor

Staff: Ms Iram Kiani

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

Professor Sir Robert Boyd

Ms Catherine Barber-Brown

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

Mr Wakkas Khan

Mrs Susan Lipton

- (2) That the Committee's principal matters of business are:

- to recommend to the Board of Governors appointments and re-appointments to Category 2 of the Board (lay members);
- to recommend to the Board of Governors re-appointments to Category 3 of the General Assembly (lay or former members of the Board who are not otherwise members of the General Assembly);
- to recommend to the Board of Governors appointments to Category 9 of the General Assembly (lay members appointed by the Board);
- to recommend to the General Assembly co-optations to Category 10 of the General Assembly (members co-opted by the General Assembly);
- to recommend to the General Assembly the appointment to be made to the office of Pro-Chancellor;

- At regular intervals, to recommend to the Board on the representation afforded by the sponsoring organisations within Categories 5 through 8 of the General Assembly.
- (3) That, following detailed discussions and an interview, the Committee agreed to make the following recommendation for appointment to the Board of Governors in Category 2 (lay members), in order to replace the vacancy created by the departure of Mr Stephen Dauncey on 18 January 2016:

Mr Robin Phillips

This appointment, to take place with immediate effect in respect of this causal vacancy, is for a two year term extending to 31 August 2017.

- (4) That two further recommendations in Category 2 will follow and these candidates will take up the places that arise on 1 September 2016, due to the retirements of Mr Anil Ruia, as Chair, and Mrs Christine Lee-Jones. Candidates for these vacancies are currently under consideration by the Nominations Committee.
- (5) That, following discussion, the Committee agreed to make the following recommendations for reappointment to the governing body in Category 2, each for a further term of three years from 1 September 2016:

Mr Paul Lee
Dr Neil McArthur
Dr John Stageman
Dr Angela Strank

Resolved: That the Board of Governors approved the appointment of Mr Robin Phillips in Category 2 of the Board of Governors, from 1 June 2016, and the re-appointments of Mr Paul Lee, Dr Neil McArthur, Dr John Stageman, and Dr Angela Strank to the same category of membership, with effect from 1 September 2016.

7. President and Vice-Chancellor's report

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

Reported:

- (1) That the Report of the President and Vice-Chancellor in February commented on the outcome of the 2015-16 Comprehensive Spending Review (CSR), together with the Autumn Statement, noting that while the outcome for universities was in the main considerably better than had been feared, there were some likely significant cuts in funding. Set against this background in early March the HEFCE received its annual grant letter from the department of Business, Innovation and Skills (BIS) which set out the funding for the financial year 2016-17 (April–March) and the policies and approaches that are to underpin the grant. The grant letter included indicative figures for financial year 2017-18. It also provided confirmation of research funding for the 2017–2018 financial year (and indicative spending for the whole of the spending review period to 2019-20) and indicative funding for teaching for the same period.
- (2) That the Grant Letter reaffirmed that the Government considers higher education to be a priority and amongst other things the letter highlighted the following:

- In terms of teaching: HEFCE has been asked to protect, in real terms, the total amount of funding for STEM and other high cost subjects, as announced in last year's Autumn Statement.
- The letter asks HEFCE to target Student Opportunity funding 'more effectively' to support the delivery of the Prime Minister's participation goals for students from disadvantaged backgrounds, with a particular focus on geographical areas with lower than expected participation levels. HEFCE is also asked to focus on institutions recruiting the highest proportions of at risk students from disadvantaged backgrounds.
- The letter requested that HEFCE takes responsibility for implementing the second year of the Teaching Excellence Framework (TEF), working with BIS and the sector towards a single coherent system for quality assessment and teaching excellence, as set out in the Government's Green Paper on higher education.
- In terms of research: the letter emphasised the importance of quality-related research funding in supporting sustainable economic growth, and reaffirms the Government's commitment to the dual support system.
- HEFCE has been asked to work with the sector and other HE Funding bodies on the Stern Review of the Research Excellence Framework (REF), and to take account of the outcomes in developing proposals for the next REF exercise, which should be completed by the end of 2021.
- A further £400 million is to be allocated via the UK Research Partnership Investment Fund (UKRPIF) through to 2021, leveraging at least £800 million in private investment in the university research base.
- Recognising the importance of knowledge exchange and the important role that Higher Education Innovation Funding (HEIF) plays in supporting university-business engagement, HEFCE will maintain HEIF allocations at current levels, with a continued focus on outcomes-based funding approaches.
- Funding for museums and galleries is protected for one year with a review to take place of future funding.
- The letter also asks HEFCE to work with UUK and the sector to produce an annual report showing how the sector is driving efficiencies.

(3) That the Budget Statement delivered by the Chancellor of the Exchequer on 16 March 2016 contained a number of statements relating to higher education, these included:

- There were no changes planned to the BIS resource spending from the spending review 2015, although there would be minor revisions upwards to capital spending. However, an 'efficiency review' will report in 2018 which will cut a further £3.5 billion from unprotected areas of public spending in 2019–20.
- That the eligibility of postgraduate masters loans will be extended to include three-year part-time courses with no full-time equivalent.
- That there was confirmation that income-contingent loans for doctoral study will be in addition to existing grant support, and further details on eligibility.
- That there was confirmation of the first five regions to undergo a science and innovation audit. These are Greater Manchester and East

Cheshire (i.e. our own submission), Edinburgh and the Lothians, South West England and South East Wales, the Sheffield City Region and Lancashire, and the Midlands. The audits are designed to map out local research, innovation and infrastructure across the UK. As such they are intended to identify the potential of each region and ensure investment is properly targeted, thereby strengthening global competitiveness.

- That there was a commitment to review gaps in support for lifetime learning, including for flexible and part-time study.
- That there was a commitment to continue to free up student number controls for alternative providers offering degree level courses, and to offer student places through the performance pool for others.
- That there was a downward revision in loan outlay and repayments to 2020–2021, now expected to be £1.4bn and £700m lower over the period when compared to forecasts in the Autumn statement.
- That there was a reiteration of the plans to sell the student loan book in 2016–2017.

In addition, the President and Vice-Chancellor reported that the threat of a cut of a further £3.5bn from unprotected government areas in 2019-20, introduces financial uncertainty. Added to this there was the continued uncertainty arising from the performance of the global economy and the outcome of the EU referendum.

- (4) That the President and Vice-Chancellor reported that this year's planning and accountability conference reviewed progress towards the goals in the Strategic Plan and debated the future strategic direction of the University, in the context of Manchester 2020 (the detailed report from the Conference was provided as an appendix to her Report). The University's ambition to be amongst the leading universities in the world was reaffirmed. In the review of progress towards Manchester 2020 goals based on the 2014/15 Stocktake report it was recognised that the University had performed well in many areas over the past year, but that it would need to significantly improve performance if it was to reach its ambitions in the face of rising costs, declining public funding and increasing global competition.
- (5) That the University remained focused on the recruitment for the 2016 intake. The priority continued to be on maximizing the quality and number of the student intake while being mindful of the importance of the student experience. From the latest data, the following observations were reported:
 - Applications to the University for undergraduate courses are similar to this time last year with nearly 60,000 applications for fewer than 9,000 places. The national picture is much the same with applications to all institutions including UCAS competitor universities showing little change on last year. Applications to Manchester from students with a widening participation 'flag' have increased by 3%. Some subject areas are facing challenges notably over lower than expected acceptances compared to last year but overall Faculties remained confident of meeting targets. As in previous years the challenge was to recruit those students with the greatest potential.
 - For the non-UK population, applications are holding up across a broad range of markets, with 20% from China, 15% from Malaysia, though the pressure on Malaysian sponsors was notable following oil price falls.

- For taught postgraduate programmes applications for home/EU and overseas have increased by 8% compared to this time last year, while acceptances have increased by 16%. Increases in applications from home/EU students are particularly strong across Humanities, despite concerns that student debt would act as a deterrent.
 - While it is still early in the cycle for postgraduate research students, total applications for research postgraduate students were down by a small margin overall.
- (6) That the President and Vice-Chancellor reported on the national referendum to determine the UK's future membership of the EU, which would be held on 23 June 2016. Following this a number of bodies in the UK have set out their position on this matter. Notable in the context of the HE sector is Universities UK (UUK), of which this University is a member, which supports continued membership. The President and Vice-Chancellor appreciated that many members would have strong views on this important issue and had encouraged staff and students to take part in the debate and use their vote as they deem appropriate. As an educational charity, The University of Manchester was constrained in expressing institutional views on political matters. However, the University had wide and deep ties across Europe, in teaching, research and wider activities, which it aims to preserve and enhance as an international institution. It also had many European staff and students from outside the UK who greatly enrich its global community. In terms of her personal position, the President and Vice-Chancellor firmly believed that the UK and University would benefit greatly from continued membership of the EU.
- (7) That the President and Vice-Chancellor updated the Board on the appointment of the University's Director of IT, on which an announcement would be made shortly with an expected start date in early June.
- (8) That the President and Vice-Chancellor provided a briefing on the contents of the proposed HE Bill, in relation to the Teaching Excellence Framework, the review of the Research Excellence Framework, and the implementation of the review led by Sir Paul Nurse, with research councils, to explore how they can support research most effectively.
- (9) That the President and Vice-Chancellor provided an update on the staffing changes within UMC Limited, which had been achieved via voluntary means and without recourse to compulsory redundancies. Constructive engagement with the campus trade unions was also continuing.
- (10) That the President and Vice-Chancellor reported on the planning underway for ESOF 2016, the Steering Committee for which she chairs. The EuroScience Open Forum (ESOF) is a biennial, pan-European, general science conference dedicated to scientific research and innovation. Each conference aims to deliver stimulating content and lively debate around the latest advancements and discoveries in the sciences, humanities and social sciences. The Conference would take place over 23 – 27 July and the programme had attracted some high profile speakers and strong levels of corporate sponsorship.
- (11) That the President and Vice-Chancellor, supported by the Vice-President for Research and Innovation, provided a briefing for the Board on the Science and Technology Committee Inquiry, which is exploring the lessons from graphene for research and innovation in other areas, as well as the management and commercialisation of graphene's intellectual property. Prior to the Inquiry, the University had strongly refuted the allegations made within the Sunday Times

reporting and since that the time the Committee had held two evidence sessions; with representation from business engaged in Graphene research and from a small group of entrepreneurs that were critical of the NGL's approach to commercialisation. Sir Andre Geim and Professor Luke Georghiou had represented the University at the Inquiry. The University's evidence had sought to bury some of the myths in relation to patents and had defended the NGL approach and sought to clarify the role of the University in terms of its principles of research and industrial engagement. The outcome of the Inquiry was expected in the autumn.

Noted:

- (1) That the Board noted the fall in applications for postgraduate research students and queried whether this might lead to shortfalls in recruitment. In responding, the President and Vice-Chancellor and the Vice-President for Research and Innovation assured the Board that, despite the fall, supply remained strong and that the University continued to attract students of good quality. Similarly, in relation to falls in the level of international applications, this was confined to certain markets and would be addressed through increased recruitment in other areas where demand remained strong.
- (2) That the Vice-President and Dean of Medical and Human Sciences provided a detailed briefing for the Board on the transition towards the establishment of the Faculty of Biology, Medicine and Health, from 1 August 2016. At the time of report, a significant majority of staff had been appointed to their new roles within the structure and the transition would realise some savings across the administration, but future investment might be required in some academic areas to unlock potential. The budget process for the next academic year was underway, and the Faculty was already working to realise benefits in terms of discovery science and translation, particularly in relation to external positioning, as evidenced in respect of the Biomedical Research Centre bid. The faculty was also seeking to establish a single research hub, and seeking to improve the level of support available for clinical trials.
- (3) That in responding to questions about the speed of the transition process, the Vice-President and Dean highlighted the consultative nature of the process, and stressed the importance of working with the ongoing engagement and support of colleagues. The current leadership teams of the Faculty of Life Sciences and the Faculty of Medical and Human Sciences were focussing on operational issues, with strategic considerations being taken forward by the leadership team for the new faculty. In response to questions about teaching, the Vice-President and Dean reported that efforts had been made to ensure business as usual in relation to the faculty teaching programmes, while opportunities would become available to enhance provision, particularly in relation to postgraduate, noting that increased continuing professional development in health related fields had great potential. In terms of undergraduate teaching, specifically medicine, students were with the University for six years and there were opportunities to improve engagement and integration across campus and hospital/medical placement. The briefing also made reference to opportunities as part of "DevoHealth", which the new faculty would be well positioned to benefit from.
- (4) That the Board considered the outcomes and summary of the discussions held within the Planning and Accountability Conference, in March. The Board agreed that the following actions would be undertaken in response to the issues raised:
 1. To present a gap analysis to the Board based on benchmarking analysis and performance in league tables, identifying scenarios and actions that could

be taken to improve the University's position with an assessment of the associated cost, risk and impact.

2. The International Strategy Group to give consideration to the issues raised by the external speaker on Internationalisation, and the suggestion to identify 2-3 pivotal international research collaborations around University beacons.
3. To identify routes through which we can generate funding to meet University ambitions and the risks associated with these.
4. In the light of the discussions at the Conference, to consider the level of investment required to make the step change to meet the ambitions of Manchester 2020, including support for leaders.

In terms of the first of these actions, the gap analysis, when available should be discussed at an extended meeting of the Board or a Strategic Briefing.

- (5) That in terms of Internationalisation, the Board noted that greater use might be made of relationships with external industrial partners, in order to leverage access to expanding countries (in terms of recruitment). These links were considered by the University, and across the University, routine staff engagement was used to facilitate and expand new country relationships.

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

Reported:

(1) Emeritus Professors

That, acting on behalf of Senate and the Board of Governors, and on the recommendation of the relevant Head of School and Dean of the Faculty, the President and Vice-Chancellor awarded the title of emeritus/emerita professor to:

Professor Tom Mullin, School of Physics and Astronomy, with effect from 1st April 2016

Professor Paul Madden, School of Social Sciences, with effect from 1st September 2016

Professor Penny Summerfield, School of Arts, Languages & Cultures, with effect from 1st September 2016

(2) Appointment of Head of School – Engineering and Physical Sciences

That, acting on behalf of the Board of Governors, and on the recommendation of the Vice – President and Dean of the Faculty of Engineering and Physical Sciences, the President and Vice-Chancellor approved the appointment of:

Professor Robert Stevens as Head of School of Computer Sciences for the period 25 July 2016 to 30 August 2019

(3) Appointment of Heads of Schools – Biology, Medicine and Health

That, acting on behalf of the Board of Governors, and on the recommendation of the Vice – President and Dean of the Faculty of Biology, Medicine and Health, the President and Vice-Chancellor approved the appointment of:

Professor Jane Worthington as Head of School of Biology for the period 1 August 2016 to 30 August 2021

Professor Kay Marshall as Head of School of Health Sciences for the period 1 August 2016 to 30 August 2021

(4) The University of Manchester Superannuation Scheme

That, acting on behalf of the Board of Governors, on the recommendation of the Registrar, Secretary and Chief Operating Officer, and in accordance with the terms of the Memorandum and Articles of Association of UMSS Ltd, the President and Vice-Chancellor confirmed the appointment of Mr Huw Peters as University Nominated Director of UMSS Ltd, for a three year term, with effect from 1 April 2016.

(5) Manchester High School for Girls

That, acting on behalf of the Board of Governors, and on the request of the Manchester High School for Girls, the President and Vice-Chancellor approved that the University:

- (i) Would cease to have any Governor appointment rights in relation to the existing unincorporated charity, Manchester High School for Girls (registered charity number 532295);
- (ii) The University would have the right to appoint one Governor of the new incorporated charity, Manchester High School for Girls (registered charity number 532295); and
- (iii) That the future changes to the Governor appointment rights set out in the governing documents of the new incorporated charity would not require Charity Commission consent and would instead be a matter for consideration and agreement between the University and the Governors.

(6) Seal orders: That in line with General Regulation VII.4, the Common Seal of the University has been affixed to instruments recorded in entries 1642 to 1684, as supplied to the Board.

(c) Compliance and Risk Update

Received: A report from the Director of Compliance and Risk, including Accident Statistics: Quarter 4 2015 and the Safety, Health and Environmental Committee minutes from 10 December 2015

Noted:

- (1) That members considered a rise in the numbers of accidents recorded for the period and asked about any analysis of these patterns and the tracking of continuous improvement and monitoring of underlying performance. Compliance and Risk did use key performance indicators in their monitoring, however, no statistically valid patterns had been identified in the data and the numbers were low, making consistent comparisons difficult.

- (2) That members also queried the days lost to absences and the level of HR engagement with staff. In respect of this, the Director of Compliance and Risk highlighted the role of external medical professionals, who use their judgement to provide a fit note as evidence of the advice they have given to the individual about their capacity to work. These judgements are not routinely challenged. One of the issues is ensuring that line managers document long term sickness properly and the greater engagement of HR Partners and line managers has improved this area of reporting, which provides for appropriate intervention where absences are a long term issue.
- (3) That the Director of Compliance and Risk provided an update on the meeting of the Safety, Health and Environment Committee. This referenced the information that was available on staff and students in Paris and Brussels at the time of the recent attacks and the travel advice that was then issued within the University. For students, our student information system captured data on placements. For staff, travel booked by the University system Egencia, did capture destinations and dates, but the system was not used by all staff. By way of redress, the University was introducing a revised travel policy to change behaviour and track staff, under our duty of care.

(d) Report from the Director of Finance

Reported: That the Director of Finance provided a brief update on the University financial and cash position and made reference to the most recent management accounts provided in the papers. While cash balances were healthy, the introduction of the new accounting Statement of Recommended Practice (SORP) would have a detrimental impact on the year-end figures and could complicate interpretation and make year on year comparisons more difficult. In terms of concerns, the level of research contribution (towards overheads), the project levels of income from donors and meeting the costs of IT infrastructure were the areas of greatest challenge.

8. Voluntary Severance Scheme

Received: A paper from the Director of Human Resources outlining the terms of the Voluntary Severance scheme, with the approval and proposed review processes.

Reported:

- (1) That the University and the campus trade unions had reached an agreement, in principle, on changes to the implementation of the Redeployment Policy and the use of the Redeployment Register. One element of the agreement related to the introduction of a targeted voluntary severance scheme for staff who are placed “at risk” and which will remain in place and be reviewed annually.
- (2) That the purpose of the Voluntary Severance (VS) Scheme may be, for example, to achieve a headcount reduction as determined by individual restructuring or re-profiling exercises in accordance with strategic priorities. The Voluntary Severance Scheme is therefore targeted only for staff who have been identified as potentially at risk of redundancy (“at risk”) within any affected area(s) in each exercise.
- (3) That the parameters of the voluntary severance package are as follows:
 - Up to 5 years continuous service – 6 months basic salary
 - Between 5 years and 10 years continuous service – 12 months basic salary
 - Beyond 10 years continuous service – 14 months basic salary

All Voluntary Severance payments will be paid inclusive of statutory redundancy provisions and will be subject to HMRC rules. All successful applicants will be required to entering into a legally binding settlement agreement with the University.

- (4) That the paper was presented to and considered by the Staffing Committee on 19 April 2016. Whilst supportive of the proposals, the Staffing Committee has not made a formal recommendation as it was not formally within its remit to do so, pending amendment of its terms of references. The paper is therefore presented to the Board of Governors for approval.
- (5) That the proposed scheme has been recommended for approval by the Human Resources Sub Committee on 22 March 2016 and the Planning and Resources Committee on 12 April 2016.

Resolved: That the Board of Governors approved the proposals for a standing Voluntary Severance Scheme as outlined.

9. Board committee reports

(a) Staffing Committee, 19 April

Received: A covering report and the minutes of the meeting held on 19th April.

Reported:

- (1) That the Staffing Committee terms of reference were broadly unchanged, but were amended to further clarify its responsibilities and, additionally, to allow for the Staffing Committee to extend its role beyond the mandatory requirements of Ordinance XXIII, Part IV in order to consider any targeted voluntary severance arrangements brought forward. This would therefore enable, where necessary, the Committee to consider and advise the Board of Governors upon:

(a) proposals for the possible dismissal of members of staff in accordance with Part II (The preliminary stage and determination by the Board) and Part III (Further consultation with the affected staff)

(b) targeted voluntary severance arrangements

The Committee acknowledged that the Board of Governors was required to endorse the changes proposed to the Staffing Committee's Terms of Reference, before the Committee was formally empowered to consider and advise the Board of Governors on the adoption of any Voluntary Severance Scheme. These proposals would be considered directly by the Board until the Committee's terms of reference were amended.

- (2) That in reviewing the proposals, the Committee noted that, as previously established, compulsory redundancy would remain a last resort and would only be pursued after the exploration of all available options. The Committee noted that in restructuring or re-profiling situations, where it was necessary to achieve a headcount reduction, it was established practice within the University to offer Voluntary Severance terms while exploring all available alternatives. The Committee also noted that, if the proposals were subsequently approved by the Board of Governors, the Staffing Committee should carefully monitor relevant equality data in respect of the Scheme's operation and ensure that impact assessments of restructuring or re-profiling proposals are undertaken, as appropriate.

- (3) That the Committee considered the Report of the President and Vice-Chancellor on proposed redundancies for those staff members on fixed term employees and those on open-ended contracts with finite funding, in line with the obligations of paragraph 5 of Ordinance XXIII.
- (4) That the Committee considered the Report of the Director of Human Resources and agreed that, in future, an appendix would supplement each formal Report, showing the number of contracts at risk each month over the past 3 years for the purposes of comparison.
- (5) That the Committee received a Progress Report from the President and Vice-Chancellor on the progress of establishing the Faculty of Biology, Medicine and Health.

Resolved:

- (1) That on the understanding that the Board of Governors provides approval separately for the Voluntary Severance Scheme proposals (q.v. *agendum* 8), the Board approved recommended the revised terms of reference (provided at Appendix 1 of the minutes).
- (2) 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 or special projects for the period from 1st January 2017 to 31st July 2017; and
- (3) That the University continues to ensure that all suitable and appropriate alternative strategies for resolution, including redeployment and restructuring, have been properly considered.

(b) Finance Committee, 18 April

Received:

- (1) A covering report and the minutes of the meeting held on 18th April.
- (2) A paper seeking approval for the revised Financial Regulations

Reported:

- (1) That Finance Committee received an update on the capital programme and noted the progress that had been made. Two projects have been completed since the last meeting - Clinical Proteomics Centre for Stratified Medicine and Jodrell Bank Star Pavilion (£980k). The Capital Programme continues to be under severe inflationary pressures which are forcing project scope reviews, value engineering and continual careful prioritisation.
- (2) That Finance Committee noted the report in relation to the Bond and the Campus Masterplan. There were no approvals required at this meeting. Finance Committee was informed that two approvals would be needed in the next six months and that these will be presented to Finance Committee for approval. Finance Committee received an update on the University's approach and progress toward introducing a Combined Heat and Power (CHP) solution across the Campus. The Finance Committee noted the report and welcomed the new distributed and staged approach.

- (3) That Finance Committee noted updates on the budget for 2016/17, adoption of the new statement of recommended practice (SORP), the endowment project, the RDEC claim for 2014/15 and the corporation tax return for 2014/15. Finance Committee approved the recommendations for the forward Energy Procurement Strategy to secure prices and supply. It also approved the strategy for investing part of the University's cash with Challenger Banks which was a maximum term deposit of 12 months, with a maximum limit per bank of £10m and an aggregate limit of £50m.
- (4) That Finance Committee **noted** the management accounts for March 2016:
- The underlying surplus as at the end of March was £3.9m, £11.2m favourable to budget, which includes £3.7m ERVS costs. This is £6.6m higher than the prior year deficit of £2.7m.
 - When the impact of the new SORP is factored in, the surplus as at the end of March is £34.5m, £18.6m adverse to budget. The SORP related variances, which are £29.7m adverse, are capital grant income which is £27.0m adverse to budget and the loss on investments which is £2.7m adverse to budget.
 - Cumulative income was £656.7m, £42.9m adverse to budget and £14.9m (2.3%) higher than prior year;
 - Research income was £167.3m, £27.4m adverse to budget and £12.5m (8.1%) higher than prior year. Research income continues to be a concern;
 - Cash balances stood at £442.3m which represents an increase of £10.8m on the prior year. This comprises free funds of £359.7m (£6.2m higher than prior year) and earmarked funds of £82.6m (£4.6m higher than prior year).
- (5) That Finance Committee noted the forecast for 2015/16 as at February 2016:
- Net forecast contribution is £66.0m which is £10.7m lower than budget. This includes SORP related amounts of £37.1m, all of which is due to capital grant income;
 - The £10.7m adverse variance breaks down as £10.9m adverse capital income variances, £3.4m higher than budgeted depreciation, £3.5m favourable one-off variances and £0.1m favourable business as usual variances;
 - Excluding the impact of the SORP, the underlying forecast contribution is £28.9m which is £0.1m higher than budget.
- (6) That Finance Committee received the revised draft Financial Regulations and Procedures for the University. These had been thoroughly reviewed by our Auditors and the Audit Committee before coming to the Finance Committee. Finance Committee commended the draft new Financial Regulations to the Board of Governors for approval and approved the new Financial Procedures which will take effect on approval of the Financial Regulations.
- (7) That Finance Committee received reports on the latest University debt position, a benchmarking analysis between the University and peer group Universities and the latest position regarding the University pension schemes. The Committee noted that the significant deficit position with Pension commitments would come onto the balance sheet under the new SORP.

Noted: That in considering the Financial Regulations, it was noted that the wording limited successive re-appointment of the external auditors up to a maximum period of six years, which the Audit Committee had suggested should be changed to allow further engagement and to reflect wider best practice. This would be amended outside the meeting.

Resolved: That the Board of Governors approved the revised Financial Regulations.

(c) Audit Committee, 19 April

Received: A covering report and the minutes of the meeting held on 19th April.

Reported:

- (1) That the Deputy Secretary provided an update to the Committee on two cases raised under or linked to the University's Public Interest Disclosure Procedures.
- (2) That the Committee annual training and update session for members of the Audit and Finance Committees (and to which all Board members are invited) would be held on the morning of 28th June 2016. In addition to a presentation on any developments within the regulatory framework or landscape, the Committee suggested topics including endowments, big data or data analytics, and Cyber (at UoM), which the Deputy Secretary will be taking forward.
- (3) That the Committee considered and recommended the HEFCE Assessment of Institutional Risk to the Board of Governors. In addition, the Committee reviewed the final report of the HEFCE Assurance Review.
- (4) That under the Report of the Internal Auditors, the reports from four audits/reviews were presented to the Audit Committee at this meeting. These were: a review of UMC Limited (graded 3/3), an audit of the Starbucks Outlet operated by the University on Sackville Street (grading n/a), a review of Payments to International Agents (graded 2/3) and a follow-up review of Cyber Security (graded 2/2). The UMC report generated some discussion and prompted the Committee to query about whether the business case, for a new finance system, should come forward more quickly than December (when the report indicates it will be produced). In relation to International Agents, the Committee was broadly satisfied but would like to see a follow-up report from the Director for the Student Experience on the arrangements for the management and oversight of agent relationships.
- (5) That the Report of the Internal Control Accountant included details of a significant case of fraud, using Egencia, the University's travel booking system, and the theft of cash from a safe in University Place.
- (6) That the Committee received the Report of the HEFCE Audit of Key Information Sets (KIS) Data and the Management Responses. Louise Walmsley, Director of Teaching and Learning Support attended the meeting for this item. Following consideration of the report, and the management action plan, the University committed to a two stage response; a follow-up Uniac review and the provision of a regular (annual) assurance to Audit Committee on the compilation of the data. Within the Committee's consideration of this item the external auditors highlighted the data quality implications. This implied that the necessary management action should be completed in year and the University should schedule the Uniac follow-up audit before the production of their annual opinion and that provided by the Committee in the Annual Report to HEFCE
- (7) That the Deputy Secretary provided information on the review of the University's Technology Transfer Operations and concerning graphene IP strategy and practice (led by the then President of the Chartered Patent Agents' Society) that had been conducted in June 2014. The report of the review had been provided to the University under legal and professional privilege and therefore could not be published to the Committee at this time. The review

endorsed University practices and its commercialisation arrangements and the decisions previously taken in respect of graphene.

- (8) That the Committee received a comprehensive report from the external auditors, E&Y on their approach to the audit of the financial statements to 31 July 2016. The Report outlined the key risks in the audit year. These included: Income Recognition, Management Override of Controls, and Accounting for Property, Plant and Equipment. The Report also provided comprehensive information on the additional risks identified by the auditors and included Accounting for Pension Obligations, the Research and Development Expenditure Credit (RDEC), which had been an area of prior focus in the previous year, Financial Reporting under the new SORP, Endowment, donation and investment income, and finally, Taxation. In particular, the Committee and Officers commented on the new SORP and how difficult this was likely to make interpretation of the financial statements, particularly in respect of underlying performance, and in assessing performance over time.
- (9) That Dr David Barker provided a short report on the operation of the University's risk management framework. By way of further information, the 2016 University risk register and map, were also provided, for information (and provided to the Board).

10. Report from the Senate

Received:

- (1) A report on the business initiated at the meeting of Senate held on 20 April is provided
- (2) On reference from Senate, a proposal concerning the responsibilities of the University Promotions Committee
- (3) Information on Academic Promotions and Academic Appointments for the period July 2015 to December 2015 is provided within the Supplementary papers

Reported:

- (1) That Senate received a summary of matters arising from the Grant Letter to HEFCE 2016 and the Chancellor's Budget Statement, a report from the recent planning and accountability conference, and an update on student numbers.
- (2) That the Vice-President (Teaching, Learning and Students) led a discussion on the new national model for quality assessment, as published by HEFCE last month, and the University's performance across a number of criteria that are likely to be included in the Teaching Excellence Framework. Senate also received updates on the Student Lifecycle Programme and the Manchester Advantage project; the latter has been commissioned to more clearly articulate what is distinctive about an undergraduate degree from the University of Manchester.
- (3) That the Vice-President (Research and Innovation) reported on Open Access in the post-2014 REF; the University's response to Lord Stern's review of the REF; the outcomes from the February 2016 Research Strategy awayday; the national allocation for science and research funding 2016 to 2020, the establishment of the Manchester Urban Institute; and the University's achievement in retaining the HR Excellence in Research Award.
- (4) That Senate approved minor changes to the Policy on the Ethical Involvement of Human Participants in Research and the Policy for Compliance with The Medicines for Human

Use (Clinical Trials) Regulations 2004 and Subsequent Amendments (Investigational Medical Products) and other Research.

- (5) That Senate approved, subject to final approval by the Board, a proposal to change the final approval stage for Academic Promotions, moving the University Promotions Committee's current responsibilities to the Faculty Promotions Committees and the Human Resources Sub Committee of the Planning and Resources Committee
- (6) That Senate endorsed changes to the membership of Senate for 2016-17 as a consequence of the changes to the Faculty structure.
- (7) That the Director of Estates and Facilities provided a presentation on current and future projects within the University's Estates Masterplan.

Resolved: That the Board of Governors approved the proposals concerning the transfer of the responsibilities of the University Promotions Committee.

11. Report from the Planning and Resources Committee

Received: A summary of matters discussed at the meetings of the Committee held on 6 February, 8 March, and 12 April.

- (1) That during the period of this report, the Committee considered the draft management accounts as at the periods ended 31 December 2015, 31 January 2016 and 29 February 2016. It also received the rolling forecast outturn based on results to November 2015.
- (2) That the Committee received the Minutes from the Finance Sub-Committee meetings held on 8 December 2015, 12 January 2016, 9 February 2016 and 8 March 2016.
- (3) That at its meeting on 9 February 2016, the Committee agreed to endorse the tuition fees for 2017/18, as approved by Finance Sub-Committee at its meeting on 12 January 2016, for the following: minimum international tuition fees for students commencing a full-time programme in 2017/18; and minimum tuition fee for home full-time taught postgraduate students commencing their studies in 2017/18. It noted that there would not be a new non-standard tuition fees matrix every year but the expectation was that fees would increase by at least one matrix point annually and, if they were greater than £25,500, by two matrix points. The Committee endorsed the preliminary thoughts on Distance Learning, including the recommendation that all distance learning courses must make a contribution to the University's surplus, and also approved the tuition fee concession for asylum seekers.
- (4) That at its meeting on 9 February 2016, the Committee considered the Transparent Approach to Costing (TRAC) return 2014/15 which had been submitted to HEFCE on 29 January 2016 following its consideration by Finance Sub-Committee on 12 January 2016 and approval by Audit Committee on 26 January 2016.
- (5) That at its meeting on 9 February 2016, the Committee approved the budget of £500k for the University Language Centre in 2016/17. It also approved that the University Language Centre would become part of the Faculty of Humanities planning process and that the contribution targets for the Faculty of Humanities and the PSS would be adjusted accordingly.
- (6) That at its meeting on 8 March, the Committee agreed to approve the ring-fenced budget of £6,519,307 solely for the payment of educational advisers' (agent) commission in support of international recruitment in 2016/17 and that an internal review of agent commission should be conducted through the Internationalisation

Strategy Group. The Committee also approved a budget of £500,909 for the Equity and Merit, Fulbright and Marshall Programmes in 2016/17.

- (7) That at its meeting on 8 March, 2016, the Committee received the 2016/17 budget and 5 year plan guidance notes. At its meeting on 12 April 2016, the Committee considered a report prepared for Finance Sub-Committee providing benchmarking analysis for 2014/15 comparing the University's performance with Russell Group institutions, noting that the impact of RDEC claims on research income made comparison very difficult and the figures more volatile. At the same meeting the Committee considered the Students' Union block grant request for 2016/17 to 2018/19. It was supportive of the grant request for the next three years based on inflationary increases, but recognised that the Students' Union block grant would be agreed as part of the University's budget process.
- (8) That at its meeting on 9 February 2016, the Committee considered the final draft of the Stocktake Report 2014/15. It endorsed the final version, which incorporated a set of infographics, at its meeting on 8 March 2016, noting that the Report would be included in the papers for the Board of Governors' Planning and Accountability Conference on 15-16 March 2016. Also at the meeting on 9 February 2016, the dates and timing for the 2016 APRs were confirmed and the Committee considered the guidance and templates for the Operational Priorities process for 2016/17 and approved the University Operational Priorities for 2016/17 as set out in Appendix 1. At its meeting on 8 March 2016, the Committee considered the interim reports on actions identified from the 2015 APR process for the four Faculties, the PSS and the University of Manchester Library, as well as mid-year updates on progress against the Operational Priorities 2015/16 identified by the four Faculties and the PSS.
- (9) That at its meeting on 9 February 2016, the Committee received an update on the number of student applications for recruitment in September 2016 and noted that the position for undergraduate entry was very similar to the same stage last year, whilst postgraduate taught student numbers looked positive with increases in Home and Overseas applications.
- (10) That at its meeting on 9 February 2016, the Committee considered and approved the Review of Student Marketing, Recruitment and Admissions. At the same meeting, the Committee also approved the External Stakeholder Survey Action Plan.
- (11) That at its meeting on 8 March 2016, the Committee considered research applications and awards by HESA category group for each Faculty for the six month period August 2015 to January 2016 compared to the six month period August 2014 to January 2015. It noted concern over the reduction in the level of awards whilst acknowledging that a number of peer group institution were reported to be in a similar position.
- (12) That at its meeting on 9 February 2016, the Committee received the University's submission to the Government's green paper, *Fulfilling our potential: Teaching excellence, social mobility and student choice* (6 November 2015).
- (13) That at its meeting on 9 February 2016, the Committee considered and approved the income and expenditure levels and milestone information for 2014/15 detailing the University's Access Agreement and HEFCE Student Opportunity funding expenditure and reporting on the final National Scholarship Programme allocation for submission to the Office for Fair Access (OFFA) and the Higher Education Funding Council for England (HEFCE). At its meeting on 12 April 2016, the Committee considered a paper setting out the context and making recommendations for the University's 2017/18 Access Agreement expenditure. At its meeting in February, the Committee had noted that there had been a higher than predicted expenditure (£1,674,976) on centrally funded scholarships/bursaries for under-represented groups in 2014/15, which would have implications for the 2017/18 Access Agreement, and that there was a need for greater

certainty over future expenditure. In addition, there were a number of external policy and funding changes within which the 2017/18 Access Agreement was being developed. The Committee agreed reluctantly to the following, noting that the General Secretary of the Students' Union did not agree to the bursary reduction:

- the University's access activity expenditure should be increased by £350k from 2017/18;
- some of the student success expenditure already committed within the Access Agreement should be repurposed to mitigate any reduction to HEFCE student opportunity retention funding. This was in the context of HEFCE's plans to increase institutional funding to support disabled students;
- the University should adopt the bursary package proposed i.e. that the bursary award for the £0-£25,000 income threshold should be reduced from £2,500 p.a. to £2,000 p.a. and that the £1,000 award for the £25,000-£35,000 income threshold should be retained;
- bursary awards to students studying for a second degree (or equivalent level qualification (ELQ)) students from low-income backgrounds should continue, the process to be overseen by the Bursary Management Group.

It was agreed that these proposals would be kept under review. At the same meeting, the Committee considered a paper providing a summary of the 2016/17 Disabled Students' Allowance changes and the resource implications for the University. It was noted that the changes had been anticipated and relevant additional costs had been built into the Access Agreement.

- (14) That at its meeting on 9 February 2016, the Committee considered and approved the updated draft Contracts Governance Policy, including the Management of Major External Partnerships and The University of Manchester Contract Approval Processes and Limit. It noted that in relation to the IT Governance Framework, the Student Lifecycle Programme Board had been established, to be chaired by the Vice-President Teaching, Learning and Students, and that its role was to agree and direct the work of the three project streams (scoping the student lifecycle; the Student Information System Implementation Pilot for Blended and Distance Learning project; and eProg).
- (15) That at its meeting on 9 February 2016, the Committee considered the University of Manchester IT Strategy. The Committee agreed to approve the IT Strategy subject to some amendments noted in the meeting. Also at its meeting on 9 February 2016, the Committee received the Minutes of the meetings of the Change and IT Projects Sub-Committee held on 1 December 2015 and 12 January 2016. The Committee was updated on the situation regarding the Future IT Programme, specifically noting that the framework agreement proposal had been stopped on value-for-money grounds, and procurement under the Programme would follow the University's standard process. The IT Strategy Group was considering the prioritisation of projects, taking into account the current infrastructure and the challenge of future activities.
- (16) That during the period of this report, the Committee received the notes from the HR Sub-Committee meeting held on 17 November 2015, which included the report on the HR-related KPIs discussed as part of the annual performance review process, and from the meetings held on 2 February 2016 and 22 March 2016. At its meeting on 9 February 2016, the Committee was updated on the current situation regarding industrial relations. It noted that agreement had been reached on changes to the Redeployment Register and the revised policies and procedures would be forwarded, in due course, to HR Sub-Committee, PRC and the Board of Governors. The Committee also considered the Equality and Diversity Annual Report 2015 outlining progress against the five University equality objectives and setting out priorities for 2016 and recommended the Report to the Board of Governors for approval. It also received a paper outlining additional equality data and benchmarking information. At its meeting on 12 April 2016,

the Committee approved the University of Manchester Equality Objectives 2016-2020. At its meetings on 8 March 2016 and 12 April 2016, the Committee was updated on consultation with the Trades Unions and work on the national pay negotiating round. At its meeting on 12 April 2016, the Committee considered a paper detailing the targeted voluntary severance scheme and agreed to recommend it to the Staffing Committee and the Board of Governors for approval.

- (17) That at its meeting on 9 February 2016, the Committee received the minutes from the meeting of the Risk and Emergency Management Group held on 13 January 2016. It also considered the University Risk Map and The University Risk Register as at December 2015 and recommended them to the Board of Governors for approval. At the same meeting, the Committee received the Prevent Preliminary self-assessment which had been submitted to HEFCE by 22 January 2016 following consultation, and noted that the HEFCE Assurance Review had taken place on 26 January 2016. At its meeting on 12 April 2016, the Committee noted that two amendments had been proposed to HEFCE in relation to the draft report received following the University's assurance review. HEFCE had notified the University that it had incorporated the changes and proposed that the report was now issued as final given there were no recommendations. At its meeting on 12 April 2016, the Committee considered the letter relating to HEFCE's annual assessment of institutional risk for The University of Manchester. It noted that The University of Manchester was 'not at higher risk' and that it was a requirement that the letter was formally submitted to the next meeting of the Board of Governors.
- (18) That at its meeting on 8 March 2016, the Committee considered the updated Acceptable Use Policy and agreed to recommend it to the Board of Governors for approval. It noted that the existing Acceptable Use Policy and its associated Procedures had been reviewed as part of the Cyber Security Programme, and the Information Security Governance Group had recommended changes to the Policy, the most significant of which were the inclusion of statements which are required to fulfil the University's obligations under the Counter-Terrorism and Security Act (2015). The Committee also noted that, during the review, the Policy and associated procedures had been circulated for comment to various groups, including the Trade Union Negotiation Group, HR Sub-Committee and the Students' Union. At its meeting on 12 April 2016, the Committee considered the updated Information Security Policy and agreed to recommend it to the Board of Governors for approval. The most significant change was to require staff to undertake information security related training. The Committee noted that the Policy had been circulated for comment to various groups, including the HR Sub-Committee and the Students' Union. Procedures to support the Policy (e.g. responsibilities of staff, technical controls) were also being reviewed and would be issued for comment in due course.

Resolved: That, on recommendation from the Planning and Resources Committee, the revised Acceptable Use Policy, and a new Information Security Policy, were approved

12. Students' Union and University Relations Committee (UURC)

Received: That the Board received a verbal report from the General Secretary of the Students' Union on the matters discussed at the meeting of the University-Students' Union Relations Committee held on 27 April 2016. This included references to the Student Charter, the Memorandum of Understanding between the University and the Union, and the revisions made to the Union's Safe Space Policy.

13. Dates of meetings

Reported:

- (1) That members were asked to note the Annual Update and Training event for Finance and Audit Committee members and to which all Board members are invited, scheduled for the morning of 28 June 2016. Further details would follow.
- (2) That a Strategic Briefing would take place on Graphene and Commercialisation, at the NGI, at 4.00 pm on 10 June 2016.

Staffing Committee of the Board of Governors

Terms of reference and modus operandi

1. Introduction

The Staffing Committee is established by the Board under Ordinance XXIII to give full and proper consideration to any proposals duly notified to it by or on behalf of the President and Vice Chancellor to dismiss members of staff by reason of redundancy pursuant to Statute XIII Part II.

These are the terms of reference and modus operandi of the Staffing Committee. They have been approved by the Board and have been consulted upon with UCU, Unison and Unite, being the recognised campus trade unions.

2. Membership

The Staffing Committee must be made up of three lay members of the Board and two members of the Board from Categories 3 or 4 of the membership, selected according to the circumstances of the particular case or cases under consideration from a panel of at least five such members.

All members of the Board from Categories 3 and 4 will be deemed to be the panel from which the non-lay members of the Staffing Committee can be selected. Two members from Categories 3 and 4 will normally be appointed annually to the Staffing Committee. These members will be supported by substitute members, drawn from the remaining membership of both categories. This is required to ensure that meetings can proceed in the event of the absence of an appointed member of Category 3 or 4. In selecting a substitute, the Committee will endeavour to ensure a balance of representation between Categories 3 and 4.

Three lay members of the Staffing Committee (the “Core lay members”) will normally be appointed annually. One of the Core lay members will be designated by the Board as Chair of the Staffing Committee. In addition three lay members of the Board will be appointed annually to act as substitute members of the Staffing Committee. These lay members may attend Staffing Committee meetings where one or more of the Core members is unavailable to do so and act in all respects as Core members for the purposes of that meeting and any associated actions.

3. Support

The Staffing Committee will be supported in an advisory capacity by a member of the Office of the General Counsel of the University. The University will also provide administrative support in the form of a secretary. Minutes will be produced of each meeting.

4. Meetings

The Staffing Committee will meet on two occasions each year. If deemed necessary, additional meetings will be organised.

In order for meetings of the Staffing Committee to be quorate, at least 2 lay member[s] must always be present, subject to a minimum total number of 4 members being present.

With the prior agreement of the Chair of the Staffing Committee, a member of the Staffing Committee may join the meeting by telephone.

The Deputy President and Deputy Vice-Chancellor is authorised to deputise for the presentation of the Report of the President and Vice-Chancellor at any meeting of the Staffing Committee.

The Staffing Committee will be convened routinely as set out above in order to consider the proposed termination of permanent contracts which had at the outset a known or foreseeably greater risk of possible redundancy due to the finite nature of the project or funding for the post.

In addition the Staffing Committee may be required to consider and advise on:

- a) proposals for the possible dismissal of members of staff in accordance with Parts II and III of Ordinance XXIII; and
- b) [targeted voluntary severance arrangements]

5. Information provided in advance of the meetings

The proposal that there should be dismissals by reason of redundancy must be provided to the Staffing Committee in advance of a meeting to consider such proposal.

In addition, appropriate information shall be provided to enable the Committee to reach a reasoned assessment of the proposal and to consider alternative strategies for resolution of the circumstances leading to the proposal. This will include some or all of the following, depending on the circumstances:

- a. an identification and analysis of the alternatives to redundancy;
- b. the reasons for any discontinuation or reduction of activity or for the proposed redundancies;
- c. an outline of the relationship with the strategic plan of the relevant unit;
- d. an analysis of financial considerations;
- e. an analysis of the impact of the proposed redundancies on activities within the Unit and in other Units within the University;
- f. a report of consultations with the School or Unit Board;
- g. a review of the impact on the workloads of remaining staff.

6. Reaching a decision

The Staffing Committee will consider the information provided and decide whether to recommend the proposal to the Board. In preparing its advice to the Board, the Committee:

- a. may request such other information as it deems appropriate and necessary to reach a reasoned assessment of the proposal and of any alternative strategies for resolution of the circumstances leading to the proposal;
- b. shall take a pan-institutional view of the circumstances;
- c. shall consult with any persons or bodies within the University as are deemed relevant;
- d. shall ensure that all suitable and appropriate alternative strategies for resolution, including redeployment and restructuring, have been properly considered; and
- e. shall receive and respond to reports from the relevant trade unions (which may be encompassed in a report from the Joint University/ Trade Union Contracts Committee).

- 7. **Review:** A review of the terms of reference of the Staffing Committee will be undertaken by the Staffing Committee on an annual basis.