

CONFIRMED

The University of Manchester

BOARD OF GOVERNORS

Wednesday, 23 November 2016

Present: Mr Edward Astle, (in the Chair), President and Vice-Chancellor, Mrs Dapo Ajayi, Ms Naa Acquah, General Secretary of UMSU, Mr Michael Crick, Professor Colette Fagan, Professor Danielle George, Mr Colin Gillespie, Mr Nick Hillman (by phone), Dr Caroline Jay, Mr Paul Lee, Mr Shumit Mandal, Professor Cathy McCrohan, Ms Isabelle Perrett, Dr Christine Rogers, Mr Andy Spinoza, Dr John Stageman, Dr Angela Strank (by phone), Professor Chris Taylor and Ms Ros Webster. (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 General Counsel, the Vice President Research and Innovation, the Vice President for Teaching, Learning and Students and Mr John Lauwerys.

Apologies: Dame Sue Ion, Mr Gary Buxton, Mr Robin Phillips and Dr Neil McArthur.

Opening remarks:

- (1) The Chair welcomed Nick Hillman, Director of the Higher Education Policy Institute (HEPI), to his first meeting. Nick joined the Board of Governors, as a lay member in Category 2, on 1 November 2017.
- (2) The Chair, on behalf of the Board of Governors, expressed his sincere condolences following news of the recent death of "Raj" Rajagopal, formerly Chair of UMI3.

1. Declarations of interest

Noted: That there were no new interests, not otherwise recorded in the Register of Interests or relevant to specific agenda items reported to this meeting,

2. Minutes

Resolved: The minutes of the meeting held on 5 October 2016 were approved.

3. Matters arising from the minutes

Noted: That the Board received a report on ongoing items that had been considered at previous meetings.

4. Chair's report

Received: A short update from the Chair on developments within the sector, covering recent CUC events and his meeting with the chief executive of HEFCE.

5. Secretary's report

(a) HEFCE Model Assurance Return

Received: The HEFCE Model Annual Assurance Return

Resolved: That on the basis of assurances from senior staff and via its consideration of other relevant material elsewhere on the agenda, the Board of Governors approved submission of the HEFCE Model Annual Assurance Return to HEFCE.

(b) Manchester Museum: Repatriation Request

Received: A summary paper and associated repatriation documentation from Manchester Museum.

Reported:

- (1) That Manchester Museum, having received a repatriation request from Te Papa, the New Zealand museum and organisation, concerning a human jawbone from the Chatham Islands, submitted the necessary repatriation form to the Board of Governors for consideration and approval.
- (2) That the Museum's Human Remains Policy commits the staff to discussing possible repatriation of relevant human remains with contemporary indigenous originating communities. Claims for repatriation are determined on a case-by-case basis following consultation with appropriate communities. In compliance with Manchester Museum's policy on human remains the curators consulted with academics Professor Andrew Chamberlain and Professor Karen Sykes at the University of Manchester and both agree with the proposal. It is the considered opinion of the curators that the ethical course of action is to repatriate the jawbone.
- (3) That if approved the jawbone will be returned to the Moriori people, so they may decide on a final resting place for their ancestor. The jawbone does not have a financial value. All costs for the return of the jawbone will be borne by Te Papa.

Resolved: That the Board of Governors approved the repatriation request.

(c) Constitution of the University of Manchester Students' Union

Received: A summary paper and constitution of the Students' Union.

Reported:

- (1) That the Education Act 1994 (Section 22(3)) requires universities to issue a code of practice, setting out the manner in which the requirements of section 22(1) and (2) of the Act, relating to the organisation and activities of the Students' Union, are to be put into effect. The provisions of the Act require that constitution should be subject to the approval of the governing body at intervals of not more than five years.
- (2) That as requested via the most recent meeting of the University Union Relations Committee (UURC), the Office of the General Counsel had reviewed UMSU's Memorandum and Articles of Association (the "constitution"). Subject to some minor cosmetic amendments to the Articles, it is their view that the constitution remains fit for purpose as currently drafted.

Noted: That a number of the provisions contained in the constitution refer to the need for further information to be contained in UMSU's Bye-Laws, which set out much of the operational detail of UMSU's work. The Board noted, for completeness, the Bye-Laws should be therefore reviewed again, via UURC, to ensure that they remain aligned with the requirements of the constitution.

Resolved: The Board of Governors approved the Union constitution.

6. Report from the External Auditors and Financial Statements

Received: The Report to the Audit Committee from the External Auditors, EY LLP, for the year ended 31 July 2016 and the Financial Statements. The Board of Governors also reviewed the External Auditors Letter of Representation.

Reported:

- (1) That EY had not identified any changes to the strategic and financial statement risk assessments or their planned approach as described in their Planning Report as a result of their procedures to date.
- (2) That EY had documented and tested the controls of the University only to the extent necessary for them to complete their audit. Within this scope, they did not identify any significant deficiencies in the design or operation of an internal control system that might result in a material misstatement in the financial statements.
- (3) That the auditors noted recorded adjustments by management in respect of three audit differences; concerning the revaluation of land and buildings, a misstatement in respect of accrued research income, and in relation to pension and interest costs. Throughout the completion of the statements, the auditors discussed a number of presentation and disclosure matters in respect of the new SORP and these had been corrected by management to the extent that the auditors were satisfied in respect of compliance.
- (4) That during the course of their year-end procedures EY revisited the controls matters and action points raised in the prior period. Work in respect of three of these observations, namely the monitoring of research projects, the reclamation of any overpaid payroll taxes, and in respect of IT general controls, was ongoing and progress was noted. The remaining items were reported as closed, indicating that appropriate action had been taken.
- (5) That on the basis of their work, EY anticipated issuing an unqualified audit opinion on The University of Manchester Group, parent and subsidiary entity financial statements.
- (6) That these were the first set of Financial Statements to be prepared under the new Financial Reporting Standard, FRS102, though the figures for 2014-15 had been restated to comply with it.
- (7) That the significant change in the reported surplus was due to the accounting treatment of pensions liabilities (USS) that were included for this year. While the cash flow position remained strong, the University was not delivering a sufficient surplus to maintain investment and meet future liabilities. The University was also exposed to potential interest rate changes, which could have implications in terms of the value of previous borrowing arrangements.
- (8) That the Financial Review referred to the risk that exists regarding international students. It was agreed to amend the wording to make it clear that a drop in numbers is a risk, separate from the risk of being overly dependent on certain markets.

Resolved: That the Board of Governors confirmed:

- (1) That, as required by the HEFCE Audit Code of Practice, the Board approved the onward transmission of the External Auditors Report to the HEFCE Assurance Service.
- (2) That the Board of Governors, having due regard to the Letter of Representation, was not aware of any actual or potential non-compliance with law and regulations that could have a material effect on the ability of the University to conduct its business and, therefore, on the results and financial position to be disclosed in the Financial Statements for the period ended 31 July 2016.
- (3) That the Financial Statements for the period ended 31 July 2016 be approved for onward transmission to the Higher Education Funding Council for England (HEFCE), and that they be also forwarded to the General Assembly for comment in accordance with Statute IX.8 (b). *Action: Deputy Secretary.*

7. Prevent Monitoring Report

Received: The report that will be submitted to HEFCE on the University's implementation of the Prevent Duty guidance.

Reported:

- (1) That under the Counter-Terrorism and Security Act 2015, relevant higher education bodies (RHEBs) must have due regard to the need to prevent people from being drawn

into terrorism (the Prevent duty). HEFCE is responsible for monitoring whether RHEBs are demonstrating due regard to the Prevent duty.

- (2) That all providers were required submit a short annual report every year, summarising any relevant evidence which demonstrates their continuing active and effective implementation of the Prevent duty.

Noted:

- (1) That the Board of Governors discussed the report and asked questions about: the training proposals and the development of an appropriate institutional training plan, the escalation processes and any pastoral considerations, escalation or agency reporting might prompt, and the University's documentation of any issues it might deal with under the Duty.
- (2) That the Board of Governors noted strong NUS and UMSU opposition to the Prevent Duty, including their concerns about wider societal effects and the potential impact on the course choices of students. These negative perceptions about the Duty prompted challenges for the University in working with partners and it would continue to work from a safeguarding perspective. However, whilst the broader Prevent strategy had been criticised, this was unlikely to impinge upon the University's broader compliance responsibilities.

Resolved: That the Board approved submission of the Annual Prevent Duty Monitoring Report to HEFCE.

8. Strategic Gap Analysis

Received: Reports on the University's league table position and the development of the Internationalisation Strategy.

Reported:

- (1) That among the actions agreed at the Planning and Accountability Conference in March 2016, the Board noted the following priorities:
 - 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.
 - The International Strategy Group to give consideration to the issues raised by Vivienne Stern (Director of the UK Higher Education International Unit), and the suggestion to identify 2-3 pivotal international research collaborations around research beacons.
 - To identify routes through which we can generate funding to meet ambitions and the risks associated with these.
 - 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.
- (2) That in relation to item (i), the league table and benchmarking group led by the Deputy President and Deputy Vice-Chancellor, Professor Colin Bailey, had taken this forward. On (ii), the Internationalisation Strategy Group, also led by Professor Colin Bailey had progressed this.
- (3) That in respect of items (iii) and (iv), the Senior Leadership Team has had some further discussions about how already agreed actions are being progressed and offered some initial views on the sorts of investment that are likely to be necessary to achieve the University's stated aims. Together with the Director of Finance, the University is developing scenarios for this with a view to these being built into the financial and operational planning processes, and is anticipated that this will come forward for consideration at a future meeting in the session.

Noted:

- (1) That the paper on Internationalisation would be considered at the Accountability and Planning Conference in March.
- (2) That the Board of Governors welcomed the League Table paper and the detail provided in terms of the interdependencies within the league table positions, notably the balance between widening access, retention and academic performance. While the financial impact was an important consideration that determined strategic priorities, the University's commitment to wider access should be retained.
- (3) That the Board of Governors would also wish to further consider the strategic trade-offs and considerations prompted by this work, during the Conference.

9. Sir Henry Royce Institute

Received: A paper and appendices on the Sir Henry Royce Institute.

Reported:

- (1) That EPSRC had recommended funding the Royce Institute and the University brought forward its proposals to deliver the associated opportunities and manage the risks.
- (2) That the Sir Henry Royce Institute for Advanced Materials (SHRIAM), as a national institute, was intended to create the missing 'link' in the UK innovation chain allowing the iterative design of advanced materials for various applications, at speed and reasonable cost, providing a critical component to delivering on the government's economic strategy.
- (3) That the Institute's hub location at The University of Manchester was chosen to develop the north of England's innovation ecosystem and economy without compromising on excellence or wider national benefit.

Noted:

- (1) That the Board of Governors considered the information provided and, via questions, sought further clarification on the governance, research strategy, financial arrangements, and the management of the multi-partner relationships via the University.
- (2) That the Board of Governors noted the risks identified and the mitigation plans proposed, noting that the provision of matched revenue funding was a key consideration in delivering sustainability beyond the funding commitments agreed to 2020.
- (3) That the Royce project would provide a funding agency for the funding of research within the facility, in a hub building sited at the University and occupied by University staff. The University's ownership of the asset would minimise financial risk. The wider objective of Royce is to provide an impact on "UK plc", and its success in delivering this would be measured by key performance indicators. The success of the project was dependent on a shared, collaborative approach.

Resolved:

- (1) That based on the paper presented, the Board of Governors provided authorisation for the University to make such progress as is necessary in respect of the continued development of the Royce project through the delegated authority of the Chair of the Board of Governors and the Chair of the Finance Committee, in order to meet the planned timetable. This authority is subject to the proviso that appropriate due diligence, throughout the project, is completed under the oversight of the Finance Committee.
- (2) That a paper providing some additional assurances concerning the governance arrangements for the Institute should be provided at the February meeting (*Action: Deputy President and Deputy Vice-Chancellor*).

10. Academic Assurance

Received: A paper setting out the basis for the Board of Governor's assurances concerning the oversight of the academic experience and the setting and maintenance of standards, as part of the Annual Assurance Return to HEFCE on 1 December 2016.

Reported:

- (1) That the University's formal review of student experience, outcomes and standards is covered by the Annual Performance Review (APR) which includes Faculties and Schools, PSS, Library and Cultural Assets. The APR reviews high level KPIs:
 - Student satisfaction and National Student Survey (Q22 overall)
 - Widening participation (NS-SEC and LPN)
 - Employability (DLHE)
- (2) That in addition the following are reviewed annually through the APR:
 - NSS: Teaching quality; assessment and feedback; academic support
 - PTES and PRES
 - Employability and preparation for work
 - Average tariff score (summary only)
 - Student recruitment
 - Student staff ratios
 - Student attainment (trend; gender, ethnicity and domicile)
 - Student retention
- (3) That the Board of Governors receives a stock take report and the APR action plans. These are considered at the Board's Annual Conference.
- (4) That for the assurance required to HEFCE by 1 December 2016, a report provided to Senate and to the Board of Governors outlined:
 - The student outcome data provided to the APRs available separately from the Senate intranet site at <http://www.staffnet.manchester.ac.uk/governance/senate/meetings/>
 - A summary of the processes used for the annual review of undergraduate and postgraduate taught provision that is undertaken by the Teaching and Learning Group each December and the annual review of postgraduate research provision that is undertaken by the Manchester Doctoral College (MDC) in February/March.
 - A summary of the periodic reviews, and any institutional issues identified, undertaken during 2014-15 (i.e. as reported to the TLG annual review in December 2015).
 - A summary of the output from the annual review of postgraduate research provision undertaken by the Manchester Doctoral College (MDC) in March 2016.

Noted:

- (1) That the paper provided additional detail following the presentation to the Board as part of the Strategic Briefing held in early November.
- (2) That the University would reach a decision on entering the Teaching Excellence Framework at a future meeting of the Planning and Resource Committee.

Resolved: That on the basis of the information presented and the additional reporting undertaken through the year, the Board of Governors confirmed:

- that it had received and discussed a report and accompanying action plan relating to the continuous improvement of the student academic experience and student outcomes. This included evidence from the provider's own periodic review processes, which fully involve students and include embedded external peer or professional review
- The methodologies used as a basis to improve the student academic experience and student outcomes were robust and appropriate.
- The standards of awards for which the University is responsible have been appropriately set and maintained.

11. 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 provided a briefing on Government announcements of relevance to Higher Education, including the progress of the Higher Education and Research Bill through parliament. In addition to changes to research funding, with all public research funding including the Research Councils, Innovate UK and what is currently known as QR (quality research funding for universities based on the last Research Excellence Framework - REF - results), now to be called Research England, being brought together into UK Research and Innovation (UK RI), the Bill includes the dissolution of HEFCE, the formation of the Office for Students (OfS) and proposals for the Teaching Excellence Framework (TEF). The Bill is also designed, amongst other things, to make it easier for private providers to set up universities, leading to concerns about quality assurance and reputation. It has also aroused concerns about the continued independence of universities.
- (2) That in terms of the EU Referendum result, the University's own EU group had been monitoring developments carefully and issuing updates, Universities UK and the Russell Group of universities have been very active in lobbying and similarly the President and Vice-Chancellor had attended many meetings on Brexit, regionally and nationally.
- (3) That the 2016 round of Annual Performance Reviews (APRs), which will be nearing its conclusion by the time the Board meets, had proceeded well. APRs are held for the three Faculties (Humanities, Science and Engineering and Biology, Medicine and Health), the Professional Support Services and for the Library and the University's cultural institutions (the Whitworth Art Gallery and the Manchester Museum), whilst a report on the Jodrell Bank Discovery Centre is made to the Planning and Resources Committee (PRC). A review of Key Performance Indicators (KPIs) relating to human resources and diversity and inclusion is considered at the Human Resources Sub-Committee and environmental sustainability KPIs are considered at the Capital Planning Sub-Committee. Reports of the APR meetings will be available as part of the documentation for the Board's Accountability and Planning Conference.
- (4) That a number of changes are envisaged to the 2017 Conference (to be held on 21 and 22 March 2017). The conference has two distinct, main objectives: to review performance across key areas of the University, and to consider future challenges and short and longer term plans. The conference is also an opportunity for Board members to get to know each other and senior officers of the University better.
- (5) That the President and Vice-Chancellor, supported by the Vice-President for Teaching, Learning and Students provided an update on student recruitment and the likely reduction in levels of Home and EU applications.

Noted: That the Board of Governors considered the proposals for the Accountability and Planning Conference, providing support for the general purpose, but noting that some changes in the format should be incorporated. The comments received from Board members following the Conference in March 2016 would be circulated for review. *Action Deputy Secretary*

(b) Exercise of Delegations

Reported:

- (1) 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 George Lafferty, School of Physics and Astronomy, with effect from 1st October 2016.
Professor Peter Skeldon, School of Materials, with effect from 1st October 2016.
Professor Jeremy David Waddington, Alliance Manchester Business School, with effect from 1st September 2016.
Professor Martin Walker, Alliance Manchester Business School, with effect from 31st August 2017
- (2) That acting on behalf of the Board of Governors the President and Vice-Chancellor approved the recommendation from Manchester University Press that Professor Alistair Ulph be appointed as Chair of the Press Board, for the period to 1 June 2016 to 31 May 2019.
- (3) That acting on behalf of the Board of Governors, the President and Vice-Chancellor approve the grant of a restricted power of attorney from the University to FIDAL, cabinet d'avocats, 4-6 avenue d'Alsace – 92982 Paris La Défense Cedex, to complete and sign on behalf of the University any document or correspondence regarding the registrations in France of its employee(s) with URSSAF and other social security organisations if applicable, and for FIDAL to sign and send or E-file associated social contributions returns and declarations. This will:
 - Designate Gérôme Gbaya representing FIDAL, or any other person representing FIDAL whom he may deem to have the required experience, to complete and sign on my behalf any document or correspondence regarding the registration with the URSSAF, or any other social security organisations, of our employee(s) working in France.
 - Designate Gérôme Gbaya representing FIDAL, or any other person representing FIDAL whom he may deem to have the required experience, to complete and sign or E-file on my behalf any social return.The power of attorney does not cover the situation under the application of article L 243-1-2 of the French Social Security Code which provides that foreign companies may designate a legal representative in France. The power of attorney is valid upon signature regarding the documents and correspondence prepared or related to the year of signature. It will automatically expire on February 28, 2017.
- (4) That pursuant to General Regulation VII.4, the Common Seal of the University had been affixed to instruments recorded in entries 1709 to 1766:

12. Presentation from Senior Leadership Team Member

Received: A presentation on from Professor Luke Georghiou in his capacity as VP Research and Innovation.

Reported:

- (1) The presentation briefed members on the review of the Research Excellence Framework, the global challenges research priorities, the shifting research landscape in relation to industry and technology transfer, the science and innovation audit and progress in respect of the award of major research grants.
- (2) An update on the appointment process for the next Chair of UMI3, the University's technology transfer subsidiary.

Resolved: The Board of Governors provided a delegated authority to progress the appointment of the UMI3 Chair via the executive, ahead of the next formal meeting of the Board of Governors.

13. Board committee reports

(a) Finance Committee, 10 November 2016, including the Annual Accountability Return and presentation of the September Management Accounts.

Reported:

- (1) That Finance Committee received an update on the capital programme. No projects had been completed since the last meeting.
- (2) That Finance Committee approved:
 - the MECD project team to continue to progress contract discussions using NEC 3 option C.
 - the Graphene Engineering Innovation Centre (GEIC) project. The approval to proceed with the project was made on the basis that the University will underwrite any overspend to a maximum value of £1.8m (currently, the project is estimated to be £1.8m over the £50m budget).
 - the SKA2 project. The overall project cost is £16.5m with the University contribution being £5.7m. The Committee approved the full spend of £16.5m.
- (3) That Finance Committee approved the updated Terms of Reference
- (4) That Finance Committee recommended the 2015-16 Financial Statements for approval by the Board of Governors. This was formally carried out in the joint meeting held with Audit Committee.
- (5) That Finance Committee recommended the annual accountability return to HEFCE for approval by the Board of Governors.
- (6) That within its consideration of the Finance Report, the Committee noted the following:
 - New Rules for Taxing Off-Payroll Working and Intermediaries (Personal Service Companies)
 - The impact of the new SORP on capital income and associated depreciation
 - The change in how ERVS costs are reported – all future ERVS costs are recorded under General University Overheads (GUO). Any savings of salary costs resulting from these ERVS arrangements will be reported locally, and summarised at University level.
 - Updates on the USS and UMSS pension schemes
 - An update on NorthWest eHealth – this was incorporated on 1 November 2016. The University has a 40% shareholding and it will be accounted for as an associate company.
- (7) That Finance Committee received and noted the September 2016 management accounts:
 - The phasing of non-pay costs in the budget needs to be improved in future years.
 - Research income is a continued concern. Awards are up year-on-year but this is not translating into increased activity. Current performance is adverse to budget and similar to prior year. Further analysis is being completed.
- (8) That Finance Committee approved the Costing and Pricing policy on behalf of the Board of Governors subject to two minor amendments.
- (9) That Finance Committee recommended the updated Financial Procedures for approval by the Board of Governors. These had been updated to take account of the costing & pricing policy.
- (10) That the report of the Fossil Fuels Review Group (FFRG) was presented to Finance Committee. This had been established in September 2015 following a

request from the Board of Governors to the Committee to review the Board's Socially Responsible Investment Policy (SRIP).

- Finance Committee recommended further work to be carried out to test the feasibility of option 5 and to further explore option 2, including the definition of environmental degradation. A further paper will be brought to the January 2017 meeting of Finance Committee in order that any recommendation from the Committee can be made to the a future meeting of the Board of Governors in the session.
 - Option 5 is revise the Socially Responsible Investment Policy to promote investments in low or zero carbon investments, or to identify best-in-class.
 - Option 2 is revise the Socially Responsible Investment Policy to commit the University and its Investment Managers to further assess and acknowledge environmental degradation and therefore adopt greater levels of engagement with fossil fuel companies)
- (11) That Finance Committee recommended the Endowments Spending Policy for approval by the Board of Governors.
- (12) That Finance Committee approved the Draft Treasury Policy on behalf of the Board of Governors.

Resolved:

- (1) That the Board of Governors approved the Endowment Funds Spending Policy.
- (2) That the Board of Governors approved the revised Financial Procedures.
- (3) That the Board of Governors approved the minor change in the Finance Committee's terms of reference.

(b) Audit Committee, 10 November 2016, including approval of the Annual Report of the Audit Committee (and the Internal Audit Annual Opinion) for onward transmission to HEFCE.

Received: The minutes of the meeting of the Committee held on 10 November 2016.

Reported:

- (1) That the Committee agreed some minor changes to its terms of reference to clarify responsibilities and these were provided for approval by the Board.
- (2) That the Committee considered the Management Report and Accompanying Management Letter from the External Auditors (EY LLP) on the Financial Statements for the year ended 31 July 2016, which recorded the key features of the audit to date, and contained details of specific observations arising, the way they had been treated in the Accounts, and the management responses. The Committee also considered the Letter of Representation in relation to the 2015/16 external audit. Also presented, and considered jointly with the Finance Committee, were the Financial Statements for the year ended 2015/16.
- (3) That the external auditors, on satisfactory completion of a small number of outstanding matters, anticipated issuing an unmodified audit opinion as to the truth and fairness of the financial statements.
- (4) That the Committee resolved that the completed Report to the Audit Committee be accepted for onward transmission to the HEFCE Assurance Service, as required by the HEFCE Code of Practice on Audit and Accountability, and that both documents be commended to the Board of Governors along with the Letter of Representation.
- (5) That the Committee recommended to the Board the reappointment of the external auditors for the audit of the 31 July 2017 financial statements, under the terms of their existing contract.
- (6) That Uniac had finalised and completed six substantive audits since the last meeting of the Committee. These covered; IT Field Support, the Occupational

- Health Service, the Staff HESA Data Return, Payroll Suspense accounts, Pay cost amendments and Payment Card Industry Data Security Standard Compliance.
- (7) That Uniac commended the Annual Opinion of the Internal Auditors to the Board of Governors, and thereafter, for onward transmission to HEFCE as part of the Audit Committee's Annual Report
 - (8) That the Committee considered the Annual Report of the Audit Committee and agreed that subject to any amendments required to reflect the discussions, the Report be commended to the Board of Governors, for approval.
 - (9) That the Committee received a Value for Money report, prepared by the Directorate of Finance. The scope of the Value for Money had been widened beyond Procurement activity, building on the work undertaken on Value for Money in 2014-15. There is however now a requirement from Hefce to report on Value for Money in a broader sense but no format has yet been determined. The report therefore extended the scope and built on the overview completed by Uniac in April 2015. The report would be submitted as presented but it was accepted that further work is required to develop a holistic report over the next year.

Resolved:

- (1) That the Board of Governors approved the minor changes to the terms of reference recommended by the Committee.
- (2) That the Board of Governors approved the Annual Report of the Audit Committee to the Board of Governors, which includes the annual opinion of the Internal Auditors, for onward transmission to HEFCE.
- (3) That the Board of Governors approved the re-appointment of the external auditors for the financial year end 31 July 2017.

(c) Staffing Committee, 5 October 2016 and 9 November 2016

Received: The minutes of the meeting of the Committee held on 5 October 2016 and on 9 November 2016.

Reported:

- (1) That the business transacted at the meeting held on 5 October 2016 had been approved by the Board at its formal meeting later that day.
- (2) That the Staffing Committee received a briefing on the plans in development to deliver the Manchester 2020 strategic plan.

(d) Remuneration Committee, 23 November 2016

Received: A short report on the business undertaken at the meeting of the Remuneration Committee on 23 November 2016.

Reported:

- (1) That the Committee had approved the sign-off of the review of senior staff salaries and had been impressed by the rigour of the exercise and confirmed that the increase in the pot available was in line with the increase awarded to junior staff.
- (2) That the Committee also considered the effect of pension changes on those reaching lower HMRC levels and that a proposal was being brought forward to ensure that performance contributions continue to be appropriately rewarded.

14. Report from the Senate

Received: A report on the business initiated at the meeting of Senate held on 2 November 2016.

Reported:

- (1) That the Board of Governors received details of the business considered at Senate including: Brexit, the Stern Review of the Research Excellence Framework, the 2016 NSS and Postgraduate Taught Experience Surveys, the proposed International Medical School, engagement with Schools, and in relation to 'Devo Manc'.
- (2) That Senate approved changes to the following policies:
 - Policy for Split Site PhD Arrangements
 - Policy on Supervision for Postgraduate Research Degrees
 - Examination of Doctoral Degrees Policy/Examination of Master of Philosophy (MPhil) Degrees Policy
 - Nomination of Examiners and Independent Chairs for Postgraduate Research Degree Examinations Policy.
- (3) That Senate endorsed, for consideration for approval by PRC, a proposal that the University adopts the UK Scholarly Communications Licence and Model Policy.
- (4) That Senate approved a Copyright Policy and approved a list of academic members of staff eligible to serve on disciplinary or appeal panels relating to academic members of staff in accordance with Statute XIII and Ordinance XXVII.

15. Report from the Planning and Resources Committee

Received: A summary of matters discussed at the meetings of the Committee held on 4th October and 8th November was provided for the information of members.

Reported: That the Board received a full report on the recent activity of the Planning and Resources Committee including: membership changes, Financial issues, the Fossil Fuels Review, Student Satisfaction, the Division of Development and Alumni Relations (DDAR) Annual Progress Review and Gift Oversight Reports, the Manchester University Press Report, HR matters, Planning and Accountability, Risk, Estates, Information Systems, Sir Henry Royce Institute, TEF 2, Knowledge Exchange, Social Responsibility and other University matters.

Noted:

- (1) That PRC brought forward the following University policies and the Code of Practice on Freedom of Speech, for formal approval by the Board of Governors:
 - Costing and Pricing Policy
 - Anti-Slavery and Human Trafficking Policy
 - The Redeployment Policy
 - The Security of Employment Policy
 - The Pay Protection Policy
 - Introducing Change to Organisational Structures Policy
 - Copyright Policy
- (2) That the Registrar, Secretary and Chief Operating Officer provided a summary of relevant the policy issues and issues of update/amendment or additional coverage.
- (3) That a cover sheet should be developed for the process of obtaining Board approval for policies brought forward by PRC in the future (ACTION Deputy Secretary).

Resolved: That the Board of Governors approved the policies identified above and the revised Code of Practice on Freedom of Speech.

16. University Union Relations Committee

Received: A report of the meeting between the University and the Students' Union held on 26 October 2016.

Reported:

- (1) That there was an update by Union Director Ben Ward on the progress of the building project to upgrade facilities at the Students' Union and the sign of the Memorandum of Understanding (MoU).

- (2) That the Committee received a report from the Students' Union providing an overview of activity since the last meeting. Areas discussed included;
 - Officers report on current activities being undertaken
 - Raise and Give (R.A.G.) fundraising success in the past year.
 - 'JustFest' - Volunteer and Social Justice Festival
 - Editorial bye-laws review and temporary measures, relating to the 'Mancunion' newspaper
 - The Buildings Trust: Update on the current situation and plans to wind up the Trust and transfer assets to the Students' Union
 - Senate Policies: Report on the policies approved at the Senate meeting of 29th September.
 - Core Constitution of the Students' Union review (Memorandum and Articles of Association): To comply with the agreement to review this 5 years after initial charity registration (5th October 2011)
- (3) That the Committee received and considered information provided regarding the Teaching Excellence Framework (TEF) and an update on the NSS 2017 (National Student Survey).
- (4) That minor revisions to the Code of Practice on Freedom of Speech were agreed for forwarding to the Board of Governors, via PRC, for final approval. In addition, the Committee considered the Visiting Speakers report noting that some changes to the reporting format and categories may be agreed through further discussions.

17. Forward Agenda

Received: The Forward Agenda for the Board of Governors, for review.

Reported:

- (1) That the Board of Governors welcomed the Forward Agenda and the timeline of items for the Board's consideration.
- (2) That the items on IT Strategy and the raising of additional discretionary income would be important future considerations. The Board's responsibility for Equality and Diversity should also be reflected. The opportunities for the University arising from "Devo Health" and the Northern Powerhouse initiative should also be reflected in future iterations. In addition, the Board would need to give future consideration to the development of the University's strategy beyond 2020.

Close.