

July 2017

1. Update from Steve Dauncey

I am fully aware that the proposed restructure in FSE and Humanities continues to cause uncertainty for those staff 'at risk' and the impact has spread as we have placed vacancies on hold which causes workload pressures elsewhere. This vacancy management was essential in order to maximise our ability to redeploy staff and we have started a process where expressions of interest in roles can be made by those 'at risk' staff. The Voluntary Severance scheme has also been opened to these same staff. I am in continued consultation with the Unions and the questions I have been asked directly are being addressed as part of this consultation. I want to thank all staff for their professionalism, personal resilience and mutual support as we step through our agreed processes.

I have been observing the increased level of high profile cyber-attacks with some concern. Our firewalls, networks and tools would appear to be resistant to the current wave of attacks, but we can certainly not afford any complacency. I certainly continue to receive phishing e-mails and report these as required. Finance and procurement staff are often seen as good targets for this activity given our roles so I do continue to stress the need for personal vigilance, on line awareness courses are available covering this.

The budget and five year plan was discussed at the Finance Committee and approved for submission to the Board in July. This marks a major milestone for the finance teams across the University and is a culmination of a huge amount of effort. The budget year is as expected but it is accepted that the outer years will be kept under review as the costs and benefits of the full M2020 programme become more certain. These programmes will require our active engagement in terms of research support, closer working with Planning (which should continue to improve as the Planning Directorate is now my responsibility), improved management information and effective use of category management. There was also an Audit Committee where our approach to the Modern Slavery Act was discussed and it was clear that we have made good progress in ensuring our supply chain are aware of their responsibilities, however there is more we can all do to ensure that exploitation of vulnerable individuals is stopped. The Committee will continue to monitor our progress against the agreed action plan developed as a result of the FAP audit.

A thank you to all for the full completion of the staff survey. I was in the fortunate position of having over 100% response rate as respondents self-select their reporting unit. As you might expect there were some improvements and some deteriorations in the results when compared to 2015 and I fully accept that if the survey had been run later, then results would have been different. A few of the highlights were improvements in feeling proud to work for the University, having clear objectives set in the PDR process (a reminder that these should be completed in July/August) and effective communications with line managers. Areas which showed a deterioration included work life balance, communication across the University, change management and delivery of agreed training and development. I have shared the results with my direct team and we will now develop a local action plan and feed into wider University themes.

I omitted reference to the Manchester 10k from my last update. Unfortunately I was unable to participate but congratulations to all who were part of the purple wave. The event was not only really effective in raising significant sums for good causes but contributed to the health programmes of many and also demonstrated the city's resilience.

2. May Management Accounts, Forecast and Budget

The May Management Accounts show an underlying contribution of £61.5m, which is £18.4m favourable to budget. Tuition fees are £2.9m adverse, which is consistent with the position reported last month and the Q3 forecast. Core other operating expenditure is £8.7m favourable, of which £4.8m is due to timing and the remainder largely unspent contingencies. The ambitious target for aspirational donation income has not been achieved resulting in a shortfall of £3.4m. This month, we have moved the income and costs relating to the SKA building from capital to revenue, resulting in a net contribution of £2.5m.

The Q3 forecast indicates that underlying contribution is expected to be £15.6m adverse. The movement compared to our current variance is in part due to year end pension costs of £12m and our contribution to the SKA project at Jodrell Bank of £4.8m. Excluding these costs, the underlying position is £1.2m favourable. The forecast assumes an increase in core other operating expenditure in the remaining two months. Additional spend is expected, however the predicted increase is significant and we believe that the forecast is prudent.

The Q3 forecast has been approved by Finance Sub Committee. The budget and five year plan have been approved by Finance Committee and will be submitted to the Board for final approval in July. Budgets are now being uploaded to Oracle, with a deadline of 21 July for this to be complete. Please ensure the Central Management Accounts team is aware of any movements compared to Corporate Planner due to organisation changes, and that a reconciliation is provided.

3. Procurement Hub – Green Impact

Over the course of the last 5 years, the Procurement Hub has enhanced its sustainability through the use of the University's Green Impact tool. This tool has helped bring into focus important environmental, waste, and energy issues. Each year we have developed a deeper understanding of the steps we can take to help our office become more sustainable and environmentally-friendly. What's more, it has also helped our office to network with other departments. For example, we have collaborated with students from the Geography department and CRUK. This experience provided us with an invaluable insight into sustainability and recycling issues across campus.

The overall impact of this environmental / social responsibility plan on our office has been extremely positive and this year we are proud to announce that we are on course in achieving Gold, the 4th award in 4 years. The Procurement Hub team is currently ranked 6th in the Green impact league.

4. Payments to Students – Will vouchers do nicely?

A [new section](#) has been added to the Finance website to guide staff on the correct processes when employing students for casual work. One example is when students help at Open Days.

The University must comply with HM Revenue and Customs' rules on both tax and the minimum wage. These require that students doing casual work must be paid through the University payroll, and not by means of vouchers.

The Finance website now has a series of [Frequently Asked Questions](#) to guide staff through how to deal with such situations.

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5. Rat Race Challenge - Adam Hilton

On Saturday 17th June I completed the final event in my Rat Race challenge, a 69 mile ultra marathon starting at Carlisle Castle, heading through the historic Hadrian's Wall country and finishing at HMS Calliope in Gateshead.

Starting at 07:00 in the morning, I set myself the target of trying to finish before midnight. On one of the hottest days of the year, I managed to finish in 16 hrs 39 mins 43 secs with only a few blisters and some very sunburnt legs.

In completing this challenge, I have managed to raise £1,435 so far for the mental health charity, Mind. I would like to say a big thank you to everyone at the University who has supported me these last few months and for helping me to smash my fundraising target.



6. Website Changes

Link to page	Update
Training	New area for older management accountant's training presentations
Personal Service Companies	Updated guidance on employment status
I&E Hierarchy	Overview to the I&E hierarchy with links to documents covering Income, Pay, Non-pay, Depreciation & Interest and Balance Sheet. Also links to resources for SoCI and Balance Sheet
I&E Code listing	A list of all Income & Expense codes set up on Oracle Financials
Policy on outside work and consultancy	Link added to Costing and Pricing policy webpage
Authorised Signatories Form	Updated authorised signatories form
Payments to Students	Guidance and FAQs
Payroll – fees and expenses audit evidence	Updated guidance
Purchasing card and FTCC transactions audit evidence	Updated guidance

In addition to the above, a full review of the website is currently underway to ensure all content is up to date. If you have any updates or suggestions for improvement, please contact [Adam Birch](#).

Finance Update

7. Staff Updates

BMH:

- Stephen Birch has moved from the Financial Operations team into SBS as a Finance Officer (on a temporary basis).
- Kathryn Brown has joined SBS as a Senior Finance Officer (on a temporary basis).
- Kamran Khan has joined SMS as a School Management Accountant (on a temporary basis).
- Adam Hilton has joined SHS as Senior Finance Officer (on a temporary basis).
- Fatima Darama has joined SHS as Finance Officer (on a temporary basis).

FSE:

- Najat Hussain has now left the University.
- Fakhar Rafique is returning from secondment in Research Finance to his role as Finance Officer in FSE Faculty Office.

HUM:

- No changes this month.

PSS:

- No changes this month.
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