

August 2017

1. Update from Steve Dauncey

The consultation process on the proposed restructure of the finance teams in Humanities and FSE has taken longer than I expected, partially as each meeting has a number of themes and the academic proposals are dominating the process. As a result the time period of Voluntary severance applications has been extended which was something that was requested in our individual team updates. However I recognise that this continues the uncertainty for those involved but I hope that the transparency on other roles which will be available help individuals in their own decision making. I have indicated to the Unions that I hope to have the new structures in place by 1 September.

I expect that many of you will also have heard about Nicola Davies' appointment as Finance Director at Liverpool and will join me in offering up congratulations to her. This is a great opportunity for her and I will soon be shortlisting for her successor as the advertisement closes on 3 August. I would also welcome Matt Atkin to the University as Director of Planning and his appointment sees accountability transfer to me for the Directorate, this will help embed the closer working arrangements required to ensure student number and financial plans are consistent. We had identified improvements in this area and now need to ensure effective implementation.

At the beginning of July there were a couple of key PSS meetings to discuss change and the ongoing programme. The first meeting built on training that the wider leadership group had already received and generated greater engagement with the next steps. The second focused on opportunities which for our areas included category and demand management and greater automation of reporting. A project group is being formed for the category management which will involve staff from across the university and success will be dependent on changed behaviours, but the potential benefits are significant.

I also attended the Board on 12 July. The budget and five year plan were agreed at this meeting as was the quarter 3 forecast. We are now pulling together the year end results which may well show an improvement over this forecast. The board also approved the next steps in our major investment programme, MECD and Fallowfield accommodation, along with the proposals relating to the merged endowment funds.

I took time off in July to cycle in France and walk in the Pyrenees, a great break. I know many of you will also be planning breaks soon and I wish you all the best for your holidays. Enjoy the time away from work and remember to use sun cream!

2. June Management Accounts, Forecast and Budget

The June Management Accounts show that the underlying surplus is £16.2m favourable to budget. An element of the favourable variance is timing of other operating expenditure, which is likely to reverse by year end. Core pay costs are also favourable due in part to delays in recruitment, which are expected to continue towards year end. Tuition fees are adverse to budget; this is mainly due to lower Home Undergraduate student numbers, in particular in relation to the higher intake tariff in Humanities. Research income is behind budget, but has grown compared to prior year. The percentage contribution from research is also increasing and is ahead of budget.

The accounting surplus is £18.1m favourable to budget. This includes gains on investment at £31.3m. Depreciation this year is significant due to £17m write-offs and accelerated depreciation on buildings that are impacted by the AMBS and Fallowfield developments.

3. UniForum Update

UniForum is a benchmarking programme, designed to help higher education institutions gain insight into how their support activities are resourced. The programme will launch on 14th August 2017 and will run until 15th September. The exercise within Finance will involve HoFFs, HOFFRAs and equivalents who will be providing information to contribute towards the staff and supplier collections. Training for the staff collection has been completed and further practical guidance, FAQs and training materials are available on the website. There is ongoing support available through the programme team with weekly drop sessions on Tuesday mornings in the Finance Boardroom between 10-12pm.

For more information about the programme, visit <http://www.staffnet.manchester.ac.uk/uniform/>

4. Finance Projects

We have recently completed shortlisting of the Finance project proposals. The five proposals selected will each now develop a business case and a high level project plan. The proposals cover the following areas: Student Number Planning; Import and Export Processes; HESA Data Futures; Projects Ledger for Estates and Payroll Budgeting and Forecasting.

A Project Board of senior Finance leaders will be governing the projects and will meet in September to review the business cases, prioritise the projects and approve progression to the next stage.

5. Changes to the Financial Procedures

In June, the University's Finance Committee agreed some changes to our Financial Procedures.

Probably the most important was a clarification of our policy on paying for alcoholic drinks via expenses. The new wording is:

"The University will pay for one alcoholic drink per person per night when staff are on University business, a "drink" being no more than a single glass of wine or pint of beer. This rule applies regardless of the source of funds and covers all types of University business, including subsistence (when staff are away on University business) and business entertainment (when non-University staff are present). While overseas, staff must comply with all local laws on the consumption of alcohol." (Financial Procedure 7.67)

Please could this new rule be cascaded within Schools and Directorates. It applies to all expenses claims made since 19 June 2017.

The main change apart from this was to include the new rules (from 6th April) on taxing contractors working through Personal Service Companies. For more info on this please see the [PSCs webpage](#).

The other changes are mainly technical or update policies which have been amended recently - for full details please see the [Changes document](#) online.

6. Flexible Framework

The Procurement team is proud to announce that on 21st July they were acknowledged as now operating at Level 5. This was externally verified by an independent expert panel and more details can be found on the University's professional body's (HEPA) web page link:

<https://www.hepa.ac.uk/Resources/News/View?g=71560c64-6482-473e-87ce-3e6334661162&m=7&y=2017>

We are the first UK University to be externally verified, thus demonstrating that the University's documents, processes and practices embed principles of sustainable procurement and this helps to demonstrate how we are delivering against the Goal 3 Social Responsibility agenda.

7. Website Changes

Link to page	Update
Financial Procedures	The Finance Committee has recently approved changes to the Financial Procedures. These can be found along with the list of changes on the Compliance part of the website.
University Travel Policy	The University Travel Policy is now linked in to the Preparing for Audits section of the website under a new "Useful Links" page.
pFACT – Project Financial appraisal & costing tool	pFACT is the University costing tool and should be used to prepare all costings to Research funders. Links to the tool and userguides can be found on this new page.
Research Finance – Principal Investigators	Introduction letter and RCUK timesheets for Directly Incurred staff

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](#).

8. Staff Updates

BMH:

- Serina Khan has joined the GL team as School Management Accountant for SMS on a temporary basis.
- Lee Harrison has joined the Research team as Research Finance Officer for SBS to cover paternity leave.

FSE:

- Mark Booth has returned from paternity leave as Senior Research Finance Officer for MACE and EEE.

HUM:

- No updates this month.

PSS:

- Robert Cavallini and Jade Barrett joined the Credit Control team as of 3rd July.