

UNIVERSITY OF SALFORD

COUNCIL

MINUTES OF THE MEETING HELD ON 25 NOVEMBER 2016

- Present: Dr Mike Burrows (Chair), Geoff Bean, Jonathan Carson, Phil Cusack, Julia Fawcett, Ben Gallop, Amina Helal, Professor Helen Marshall, Ian Moston, Jelili Mustapha, Sean O'Hara, Ceewhy Ochoga, Sam Plant, Susan Price, Joyce Redfearn.
- Apologies: Baroness Beverley Hughes, Garry Dowdle, Jill Evans, Tom Russell and Professor Tony Warne.
- In attendance: Julie Charge (Director of Finance), John McCarthy (Director of Marketing & Student Recruitment), Jackie Njoroge (Director of Strategy), Richard Stephenson (Deputy Vice-Chancellor) and Martin Toner (Secretary)
- By invitation: Rik Sterken (HR Policy Projects & Employee Relations Manager) and Nas Yasin (Inclusion & Diversity Consultant) for minutes COU.16.102-3.

COU.16.87 MINUTES OF THE PREVIOUS MEETING (COU/16/62)

Confirmed: the minutes of the meeting of Council held on 14 October 2016, subject to the undernoted amendment

COU.16.72 Campus Framework: beginning of second sentence under Noted to be removed so that sentence begins: "Some members...".

COU.16.88 MATTERS ARISING FROM THE MINUTES

Noted: the update on the previous meeting's actions appended to the minutes.

COU.16.89 STARRED ITEM

Confirmed: that agenda item 25 (Use of University Seal) would be noted without discussion.

COU.16.90 CHAIR'S ACTION(COU/16/63)

Reported: that the Chair had taken action to note the opening of an investment account with the Nationwide Building Society and confirmed the University officers authorised to make investments in the account.

COU.16.91 ANNUAL ACCOUNTABILITY RETURNS – SUMMARY OF REQUIREMENTS (COU/16/64)

Received: the summary of HEFCE annual accountability requirements.

COU.16.92 EXTERNAL AUDIT HIGHLIGHTS MEMORANDUM AND MANAGEMENT LETTER (COU/16/65)

Considered: the Audit Highlights Memorandum and Management Letter for submission to HEFCE.

Reported: that the format of the report had been changed from previous years to reflect the adoption of the revised accounting standard. The only change from the version which had been considered by the joint ARC/FRC meeting was the inclusion of a more detailed narrative around the land swap with Salford City Council. Council had not been informed of the value of the land involved, as it had not been known at the time.

Noted:

i) that at the joint ARC/FRC session there had been a discussion of regarding the constitution of the USE Board as one of its directors was also on the board of directors of one of its subsidiary companies. It was confirmed that there was no ownership or financial

reward involved in the subsidiary company role, which was intended to provide the University with oversight;

ii) that the large decrease in staff costs noted in the report was due to some areas of the University finding it difficult to recruit and issues around the phasing of new arrivals. It was important that the University found the optimal balance between staffing numbers and costs.

Agreed: that the Quarter 1 2016/17 Financial Report which was due to come to Council in January should include a detailed analysis of current staffing levels and cost.

[ACTION 1: DIRECTOR OF FINANCE]

COU.16.93

FINANCIAL STATEMENTS FOR YEAR ENDED 2016/17 (COU/16/66)

1. Loan Covenant

At the meeting of Finance & Resource Committee on Thursday 3rd November, FRC reviewed the revised Barclay's loan covenants and approved that Helen Marshall [VC], Julie Charge [Director of Finance] & Andrew Hartley [University Secretary] could sign the covenant on behalf of the University. Formal ratification of this FRC recommendation was required from Council.

Council noted and ratified the recommendation of FRC that the University of Salford agreed to the revised Barclay's loan covenants and that Helen Marshall [VC], Julie Charge [Director of Finance] and Andrew Hartley [University Secretary] were authorised to sign on behalf of the University.

2. Financial Statement

Considered: the financial statements for the year ending 31 July 2016.

Reported: that the cash flow situation for the University remained healthy and the revised banking covenants would leave the University in no better or worse a situation than previously. The introduction of FRS102 meant that not all universities now used the same standard. Going forward, this would make it more difficult to compare performance against competitors.

Noted: that a student-friendly summary version of the statement would be produced and made available on the University website.

The Financial Statement was **approved** for submission to HEFCE.

COU.16.94

FINANCIAL COMMENTARY (COU/16/67)

Considered: the financial commentary for 2015/16.

Reported: that the Commentary, which compared the financial forecast submitted to HEFCE in July with actual performance, was one part of the HEFCE return which was not previously considered by ARC or FRC. A gap of £1.5m against budget was now forecast, due to the position around recruitment of international students. It was anticipated that much of the HE sector would be in a similar position. Despite this, an annual surplus of 3.6% was still forecast. A fuller update would be provided when the Quarter 1 update came to the next Council meeting.

Noted: that Council would welcome assurance that the measures being taken to mitigate the anticipated shortfall against forecast international income would not impact adversely on the student experience.

Agreed: that this information would be included in the Quarter 1 financial update.

[ACTION 2: DIRECTOR OF FINANCE]

The Commentary was **approved** for submission to HEFCE.

COU.16.95 **ANNUAL ASSURANCE RETURN (COU/16/68)**

Considered:

i) the Annual Assurance Return to HEFCE;

ii) a report identifying those areas of the Research Ethics Concordat with which the University did not currently comply.

Reported: that as the Return required only a Yes/No answer on the University's compliance in response to each question, a commentary which set out in more detail the University's level of compliance had been produced to provide additional assurance to ARC, which had considered the Return prior to its submission to Council. As the University did not yet comply with the Concordat for Research Ethics, ARC had requested that a detailed report be brought to Council and that the University ensure complete compliance with the Concordat by November 2017. A timeline for ensuring compliance was being produced for ARC. It was unlikely that HEFCE would undertake any follow-up at this stage.

Noted: the view of Council that the University should seek to ensure full compliance by February 2017.

Agreed: that the Assurance return be **approved** for submission to HEFCE, subject to the inclusion of a statement that the University would be fully compliant with the Research Concordat by the end of the 2016/17 academic year.

[ACTION 3: COMMITTEE SECRETARY]

COU.16.96 **ANNUAL PROVIDER REVIEW – QUALITY ASSURANCE REPORT 2015/16 (COU/16/69)**

Considered: the Annual Quality Assurance Report to Council.

Reported: that HEFCE's revised operating model for quality assessment, published in March 2016, included a role for Council as the governing body of the University in providing assurances about the quality of the University's academic provision. As part of the annual return, Council was now required to submit an annual report giving assurance regarding the continuous improvement of the student experience and reliability of degree standards. The report submitted to Council was intended to fulfil this function by providing an overview of the operation of the University's quality, standards and enhancement processes during 2015/16.

Noted: that both actions in the Enhancement Plan section of the document with a target date of November 2016 were on target. This area of assurance offered Council an opportunity to improve its links with Senate.

Agreed:

i) that an organogram and terms of reference for Senate and its committees be circulated to Council members;

[ACTION 4: COMMITTEE SECRETARY]

ii) that in-year updates on relevant academic quality issues should be submitted to an appropriate Council standing committee;

iii) that future annual reports should include a progress report on actions identified by the previous report .

[ACTIONS 5-6: REGISTRAR]

The report was **approved** for submission to HEFCE.

COU.16.97 **AUDIT AND RISK COMMITTEE ANNUAL REPORT (COU/16/70)**

Considered: ARC's annual report to Council.

Reported: that while the Committee's assurance around the University's data assurance systems (Section 4.2) would normally be primarily provided by an internal audit of some

aspect of data assurance, due to organizational changes, the audit scheduled for 2015/16 had been cancelled. However an audit of HESA had been undertaken by the new internal auditors in September 2016 and this, together with other measures undertaken, had provided the Committee with the required assurance in this area.

Noted: that the number of audit days planned and delivered and the fees charged as presented in Section 2.5 of the report did not appear to be consistent in terms of whether they included management days and the review of ESJ undertaken for Council. The outgoing internal auditors had confirmed that assurance had been provided despite a reduction in the number of days delivered compared to previous years.

Agreed: that the ARC annual report be **approved** for submission to HEFCE, subject to the representation of the information for 2015/16 in Section 2.5 in a consistent manner.

[ACTION 7: HEAD OF FINANCIAL ACCOUNTS]

COU.16.98 **VALUE FOR MONEY ANNUAL REPORT (COU/16/71)**

Considered: the annual Value for Money report.

Reported: that while this return had previously been optional, it was now mandatory.

Noted;

i) much of the report related to areas which impacted directly on the student experience. However as there were no student representatives on FRC, the student body had not previously been sighted on this. The report represented an opportunity to provide useful information to a range of stakeholders including students: for example it could be submitted to meetings of the USSU Executive. The University was working to include relevant information from this report in the financial summary being produced for students (*minute 16.93.2 refers*);

ii) the training cost figure would be more informative if it was presented by FTE, particularly in the context of evaluating the University's preparations for ICZ-readiness;

iii) the report did not currently cover Salford Professional Development Ltd.

Agreed:

i) that consideration be given to how to ensure that the student body was appropriately represented and given adequate opportunity to consider appropriate key documents;

[ACTION 8: VICE-CHANCELLOR; DIRECTOR OF FINANCE]

ii) that details of the training cost per FTE be provided to FRC;

iii) that the scope of future reports would be expanded to include SPD.

[ACTIONS 9-10: DIRECTOR OF FINANCE]

The Value for Money **report** was approved for submission to HEFCE.

COU.16.99 **LETTER OF REPRESENTATION (COU/16/72)**

Approved: the Letter of Representation to the External Auditors for submission to HEFCE.

COU.16.100 **PREVENT ANNUAL REPORT (COU/16/73)**

Considered: the University's annual report to HEFCE on the measures being undertaken to discharge the Prevent counter-terrorism duty.

Reported: that Council received ongoing assurance in this area from the twice-yearly reports on Prevent to GNEC.

Noted: that the current wording of the section on USSU Engagement conflated the positions of the current and previous USSU administrations with regard to Prevent.

Agreed:

i) that the report be **approved** for submission to HEFCE subject to a rewording of the section on USSU Engagement which differentiated between the respective positions of the current and previous administrations;

[ACTION 11: DEAN OF STUDENTS]

ii) that Council's student members be invited to attend the Prevent update items at a future GNEC meeting.

[ACTION 12: CHAIR OF GNEC]

COU.16.101 **VICE-CHANCELLOR'S REPORT (COU/16/74)**

Considered: a report from the Vice-Chancellor on key issues affecting the University, including the undernoted:

1. Salford Languages

The University had continued to monitor the performance of its English language support (Salford Languages) following the decision to phase out its modern foreign language provision and in 2015 had reviewed its continued viability. A number of options had been considered, including transferring responsibility to external providers, which had however proven to be problematic. It was now proposed that Salford Languages be given a prescribed timeframe in which to establish itself as a viable unit within the University. The current SL team was constructing a business case which would be presented in December 2016, with progress against agreed measures reviewed to the end of 2016/17.

2. International

The HE sector was currently in an extremely difficult and unpredictable situation with regard to international recruitment, due in part to uncertainties caused by Brexit. As a result the University was adopting a pragmatic and cautious approach to international recruitment forecasts.

3. Medical School

Following the Health Secretary's statement on the increase of 1000 medical student places in the UK, the University had made a statement of intent to HEFCE for 50 Home/EU students, therefore slightly diversifying the scope of the international medical school. This action had been mirrored by the University of Manchester and MMU. A project manager for the School had been recruited from MMU; the interim Director would be appointed by Salford.

4. Recent Successes

Student Danielle Butler had won the Student Research category of the recent Green Gown awards, which recognized sustainability initiatives in HE. On 24 November a team from the University's School of Environment and Life Sciences had won the highly prestigious Times Higher Award for Research Project of the year for their work on tracking wildlife populations in the Chernobyl fallout area using drone technology.

Agreed: that Danielle and the ELS team be invited to meet and give a talk to Council members.

[ACTION 13, DIRECTOR, LEGAL AND GOVERNANCE]

COU.16.102 **INCLUSION AND DIVERSITY (COU/16/75)**

Considered: the University Inclusion & Diversity Statement.

Reported: that the report attempted to provide a position statement for the University with regard to inclusion and diversity and set out a road map for the development of an Inclusion and Diversity Strategy for the University.

Noted: that while on this occasion the report had been considered by FRC on 3 November and would also be considered by SEC on 1 December, future oversight of this area would lie with SEC. While the report represented a good starting point, there was a need for a robust data analysis covering all aspects of the I&D agenda (including gender, ethnicity and disability) to provide a firm grounding for the development of the Strategy.

Agreed: that a robust data analysis covering all aspects of the I&D agenda be undertaken to underpin the development of the I&D Strategy.

[ACTION 14: DIRECTOR OF HR]

COU.16.103 **BEST COMPANIES SURVEY – ACTION PLAN (COU/16/76)**

Considered: a report on the planned and undertaken actions arising from the 2015 Best Companies staff survey. It was acknowledged that further work was still needed to support and develop staff.

A particular area of focus was the group of academic staff who undertake Associate Dean roles. This group was key to the delivery of the University's current strategic objectives and should receive more support and development opportunities than they have in the past to enable future challenges to be met.

Reported: that the report would provide a benchmark for the results of the 2016 Survey which had recently concluded. The response rate for 2016 had improved.

COU.16.104 **REPORT FROM SENATE (COU/16/77)**

Received: the minutes of the special meeting of Senate held on 5 October 2016.

Reported: that while input from Senate had previously taken the form of a specially-produced summary report, it had been agreed to trial the receipt of the minutes in order to reduce duplication of effort.

Agreed: that in future Council would receive Senate information in the form of minutes.

[ACTION 15: COMMITTEE SECRETARY]

COU.16.105 **REPORT FROM AUDIT AND RISK COMMITTEE (COU/16/78)**

Received the minutes of the Committee's meeting on 3 November 2016.

COU.16.106 **REPORT FROM THE JOINT MEETING OF ARC AND FRC (COU/16/79)**

Received: the minutes of the joint ARC/FRC session on 3 November 2016.

COU.16.107 **REPORT FROM FINANCE AND RESOURCES COMMITTEE (COU/16/80)**

Received: the minutes of the Committee's meeting on 3 November 2016.

COU.16.108 **REPORT FROM REMUNERATION COMMITTEE (COU/16/81)**

Received: the minutes of the Committee's meeting on 3 November 2016.

Reported: that the Committee had considered a proposal for the University to offer newly-recruited staff the option of a one-off payment in lieu of a pension. Following discussion the Committee had agreed not to adopt this practice for the time being but to adopt a watching brief on developments within the sector.

COU.16.109 **USE OF UNIVERSITY SEAL (COU/16/82)**

Received: a report on the use of the University Seal since the previous meeting.

COU.16.110 **DATE OF NEXT MEETING**

Friday 13 January 2017 at 2.00pm