

**UNIVERSITY OF SALFORD
COUNCIL
MINUTES OF THE MEETING HELD ON
27 NOVEMBER 2014**

Present: Baroness Beverley Hughes (Chair), Derek Antrobus, Martin Bull, Mike Burrows, Garry Dowdle, Jill Evans, Martin Hall, Eric Healey, Amina Helal, Fiza Ikram, Claire Moreland, Sean O'Hara, Jasmine Pokuaa, Joyce Redfearn and Ruth Turner

Apologies: Julia Fawcett, Alun Francis, Jane Luca, Tom Russell and Stephen Sorrell

In attendance: Vikki Goddard (Registrar), Helen Marshall (Deputy Vice-Chancellor), David Reeve (Interim Director of Finance), Julie Charge (Director of Finance Designate), Mark Rollinson (University Secretary), Nigel Mellors (Pro Vice Chancellor Research and Enterprise - item COU.14.81 only) and Stephen Talboys (Director of Estates and Property Services – item COU.14.82 only)

COU.14.74 OPENING REMARKS

The Chair noted that this meeting would be the last attended by David Reeve, whose term as Interim Director of Finance would come to an end on November 30. Council joined the Chair in recognising the major contribution made by Mr Reeve during his time at the University, which had seen a significant improvement in the University's financial performance.

COU.14.75 MINUTES (COU/14/68)

Council **confirmed** the minutes of the meeting held on 9 October 2014

COU.14.76 CHAIR'S ACTION

i) Emeritus Professorship (COU/14/69)

Council noted that the Chair had confirmed the award of an Emeritus Professorship on Philip Craig from the School of Environment and Life Sciences.

COU.14.77 STARRED ITEMS

Council noted the items that would be approved or noted without discussion.

COU.14.78 ANNUAL ACCOUNTABILITY RETURNS – SUMMARY OF REQUIREMENTS (COU/14/70)

Council noted the summary of HEFCE annual accountability return requirements.

COU.14.79 EXTERNAL AUDIT HIGHLIGHTS MEMORANDUM AND MANAGEMENT LETTER (COU/14/71)

On the recommendation of the Audit and Risk Committee, Council **resolved** to approve the Audit Highlights Memorandum and Management Letter for submission to HEFCE.

COU.14.80 AUDIT COMMITTEE ANNUAL REPORT (COU/14/72)

Council considered the annual report from Audit Committee. In response to questions, Council was advised that the response to the issues arising from the Student Number Forecasting audit remained a priority for the Committee and would be a key part of its agenda for the January 2015 meeting. Council noted that full implementation of the Enabling the Student Journey project would be achieved by March 2016, although incremental improvement would be seen before that time.

Council was further advised that the HEFCE visit to consider a sample of student data had now taken place; the outcome was awaited and would be reported to the next meeting of Audit and Risk Committee.

On the recommendation of Audit and Risk Committee, Council **resolved** to approve the Annual Report of the Committee for submission to HEFCE.

COU.14.81 FINANCIAL STATEMENTS FOR YEAR ENDED 31 JULY 2014 (COU/14/73)

Council considered the Financial Statements for the year ending 31 July 2014 (incorporating the Operating and Financial Review) noting that these had been endorsed by the meeting of the Budget Review Group on 3 November 2014.

Council noted:

- i) that the external auditors had required an adjustment to the treatment of student bursaries; whilst there had been no effect on the bottom line, it had resulted in a reduction in recorded income and thus an adverse impact on the income to pay percentage ratio;
- ii) that the consolidated income and expenditure account showed, as an exceptional item, £898,000 profit on the disposal of Salford Software Limited; when adjusted to exclude exceptional items, the historical cost surplus of £7.6 million was slightly better than the £7.4 million forecast. This was the third consecutive year in which forecast surplus had been achieved, which provided external stakeholders and financiers with confidence in overall governance and management;
- iii) the provision of over £49 million for net pensions liability shown on the balance sheet; this was an increase from £33 million in the previous year, and was an indication of the volatility of this provision. The provision shown related to the University's share of the Greater Manchester Local Government pension scheme; the University's contribution to USS deficit would not be shown on the balance sheet until 2015/16.

Council **resolved** to approve the Financial Statements for the year ending 31 July 2014 for submission to HEFCE.

COU.14.82 FINANCIAL RESULTS TABLES (COU/14/74 AND COU/14/75)

Council **resolved** to approve the financial commentary on past performance and future prospects and the accompanying financial tables, approving the latter for submission to HEFCE.

COU.14.83 ANNUAL ASSURANCE RETURN (COU/14/76)

Council **resolved** to approve the submission of the Annual Assurance Return to HEFCE.

COU.14.84 LETTER OF REPRESENTATION FROM COUNCIL TO THE EXTERNAL AUDITORS (COU/14/77)

Council **resolved** to approve the Letter of Representation to the External Auditors for submission to HEFCE.

COU.14.85 VALUE FOR MONEY ANNUAL REPORT (COU/14/78)

Council **resolved** to approve the submission of the Value for Money Report as an optional part of the return to HEFCE. Council noted that Audit and Risk Committee would be giving further consideration to this matter during the course of its work over the next year.

COU.14.86 ANNUAL SUSTAINABILITY ASSESSMENT REPORT (COU/14/79)

Council **resolved** to approve the submission of the Annual Sustainability Report as an optional part of the return to HEFCE, noting that Budget Review Group had endorsed the return.

Council noted the comment that the positive and improving results outlined in the HEFCE returns provided an opportunity to counter remaining examples of negative press coverage. Whilst recognising this, Council noted that any communications about the results should also acknowledge imminent and significant future financial challenges.

ACTION (AP1): Director of Finance and Secretary (COU.14.79-86: Submission of returns to HEFCE)

COU.14.87 VICE-CHANCELLOR'S REPORT (COU/14/80)

Council considered the Vice-Chancellor's management report, noting that, in addition to the matters highlighted by the Vice-Chancellor in the report, the University had become the first HEI to receive the Social Enterprise Gold Mark; the University had also been nominated for four awards at the Times Higher Awards to be announced later that day.

Council endorsed the report and the following matters were noted in discussion:

- i) the Ebola Crisis in West Africa emphasised the importance of an international strategy which embraced diverse markets and included blended learning as a key element;
- ii) the importance of intelligent use of IT analytics to enable effective and appropriate intervention to support student retention;
- iii) current work overseen by the Registrar to review and improve marketing and recruitment capacity and capability.

COU.14.88 RESEARCH STRATEGY (COU/14/81 AND COU/14/81A)

Council considered the 2014-2020 Research Strategy and Implementation Plan (including an implementation update) and accompanying presentation from the Pro-Vice-Chancellor (Research and Enterprise) (Secretary's note – a copy of the slides used at the presentation have been posted on the Council members' section of the Blackboard site).

The following matters were noted in discussion:

- i) the University had some very effective partnerships exemplified by the creation of an innovative, eco-friendly aerosol valve with Salvalco, which had been shortlisted for a Times Higher Award; the University was in the top five UK HEIs for engagement with small/medium sized enterprises;
- ii) the University was cognisant of the need to ensure equality of opportunity for female researchers (discussed at a recent CUC event). The University's submission to the Athena Swan network would be considered in April 2015;
- iii) the scope to improve the University's current online institutional research repository which compared unfavourably to some in the sector.

Council **resolved** to approve the Research Strategy and receive a detailed update on progress at its April 2015 meeting; in addition, Council further **resolved** that the Corporate Risk Register be reviewed to ensure that risks of not realising the strategy (e.g. loss of key staff) were appropriately represented before the next consideration of the Register by Audit and Risk Committee at its January 2015 meeting. Council requested that future updates clearly articulate and distinguish between research income and research expenditure.

ACTION (AP2): Pro-Vice-Chancellor (Research and Enterprise) / Registrar / Director of Planning

COU.14.89 CASTLE IRWELL FLOOD PREVENTION SCHEME AND OWNERSHIP OF DAVID LEWIS PLAYING FIELDS (COU/14/82)

Further to discussion at the previous meeting (see minute COU.14.66.4), Council received a report and presentation from the Director of Estates and Property Services on the Environment Agency scheme to create improved flood defences at Castle Irwell and the related proposal to use David Lewis Playing Fields for University sports provision. Council noted that the University would vacate the current residences at the end of 2015/16 and the David Lewis Playing Fields were ideally placed for use by students living in the new residences which were due to open in September 2015.

Council **resolved** that:

- i) the Director of Estates and Property Services and the Director of Finance be authorised to negotiate the necessary legal agreement on behalf of the University;

- ii) the Director of Estates and Property Services bring an update to the next meeting of Finance and Resources Committee on 14 January 2015 for final approval.
- iii) As Assistant Mayor for traffic planning at Salford City Council and, in accordance with standing orders, Councillor Antrobus declared an interest in this item and took no part in discussions.

ACTION (AP3): Director of Estates and Property Services

COU.14.90 NAMING THE ESTATE PROPOSALS (COU/14/83)

Council considered a report on proposals to rename some of the estate and **resolved** that:

- i) the Gateway development be named New Adelphi;
- ii) the redeveloped Clinic Suite in the Brian Blatchford Building be renamed the Khuram Shaikh Clinic Suite.

ACTION (AP4): Director of Advancement / Director of Estates and Property Services

COU.14.91 REPORT FROM BUDGET REVIEW GROUP (COU/14/84)

Council considered the report from the meeting of Budget Review Group held on 3 November 2014 noting that items relating to the HEFCE Annual Accountability Returns had been dealt with earlier in the meeting. Council **resolved** to accept the following recommendations from the Group relating to International Hubs:

- i) that the position in Ghana be kept under review in light of the developing public health situation and that proposals to deliver the hub be brought back to Finance and Resources Committee at an appropriate time;
- ii) that Finance and Resources Committee consider the timing of the launch of the China hub (noting that there were issues to be resolved in relation to its optimal location) following an options appraisal to be carried out early in 2015;
- iii) to proceed within 2014-15, on a light touch cost basis, with the Brazil hub.

ACTION (AP5): Pro-Vice-Chancellor (International Priorities) / Director of Finance

Council noted that first quarter results indicated that the University was on course to achieve the forecast £8.3 million surplus. The Chair of the Budget Review Group advised that the inaugural meeting of Finance and Resources Committee would consider the latest position regarding the NHS contract at its January meeting.

COU.14.92 REPORT FROM AUDIT AND RISK COMMITTEE (COU/14/85)

Council considered the report from the meeting of Audit and Risk Committee held on 5 November 2014, noting that items relating to the HEFCE Annual Accountability Returns had been dealt with earlier in the meeting.

Council supported the decision of Audit and Risk Committee to consider the Risk Register as the first substantial item at future meetings, giving detailed consideration to the full register at least once a year. Council emphasised the importance of regular refreshment and review of the Risk Register.

COU.14.93 REPORT FROM GOVERNANCE AND NOMINATIONS COMMITTEE (COU/14/86)

Council considered the report from the meeting of Governance and Nominations Committee held on 5 November 2014. Council considered the proposals relating to a new Honorary Degrees Committee to take on the role currently fulfilled by Governance and Nominations Committee (supplemented by Senate members). Noting that the proposed Committee would report to Senate and to ensure optimal reporting lines, Council **resolved** that consultation take place outside the meeting, with the Chair of Governance and Nominations Committee and the Chair of Council, to enable a recommendation be made to Senate on 10 December.

ACTION (AP6): Secretary

[REDACTED]

The above paragraph from this minute has been redacted as it is exempt from publication under Section 40 of the Freedom of Information Act.

ACTION (AP7): Secretary / Director of Advancement

COU.14.94 REPORT FROM REMUNERATION COMMITTEE (COU/14/87)

Council noted the report of the meeting of Remuneration Committee held on 5 November 2014.

COU.14.95 REPORT FROM SENATE (COU/14/88)

Council noted the report of the meeting of Senate on 1 October 2014.

COU.14.96 USE OF UNIVERSITY SEAL

Council noted that there had been no use of the University Seal since the previous Council meeting.

COU.14.97 DATES OF NEXT MEETING

Thursday 5 February 2015 at 2.00pm