

**UNIVERSITY OF SALFORD
COUNCIL
MINUTES OF THE MEETING HELD ON
21 NOVEMBER 2013**

Present: Alan Mawson (Chair)
Derek Antrobus
Martin Bull
Mike Burrows
Nick Collins
Julia Fawcett
Alun Francis
Martin Hall
Eric Healey
Amina Helal
Todd Hewitt
Mark Johnson
Jane Luca (from item COU.13.84)
Gai Murphy
Tom Russell
Mishal Saeed
Stephen Sorrell

Apologies: Mohammed Amin
Tony Britten
Claire Moreland
Warren Smith
Ruth Turner

In attendance: Vikki Goddard (Registrar)
Helen Marshall (Deputy Vice-Chancellor)
David Reeve (Interim Executive Director of Finance)
John Forshaw (Director of Planning and Performance)
Julie Halliwell (Associate Director of Finance – until item COU.13.86)
Stephen Talboys (Executive Director of Estates and Property Services – until item COU.13.84)
Mark Rollinson (University Secretary)
Andrew Snowden (Chief of Staff)

Before the first business was transacted, the Chair welcomed Tom Russell and Helen Marshall to their first meetings of Council (Prof Marshall had taken up post on 2 November 2013)

COU.13.81 MINUTES (COU/13/67)

Council confirmed the minutes of the meeting held on 8 October 2013.

COU.13.82 CONFIRMATION OF STARRED ITEMS

Council confirmed that the following items would be approved or noted without further discussion:

- Corporate Risk Update Report
- Report from Council Advisory Group
- Report from Senate

COU.13.83 CHAIR'S ACTION

The Chair reported that, on advice from Executive, he had approved the offer of purchase of ONCO-NX (a part-owned University (USE) spin-out company) by Incanthera and assignment of University Intellectual Property to Incanthera.

COU.13.84 **VICE-CHANCELLOR'S MANAGEMENT REPORT (COU/13/68)**

Council considered the report from the Vice-Chancellor which summarised major management and operational issues since the previous report to Council on 8 October 2013. The Vice-Chancellor reported further as follows:

- i) the University had sponsored the TEDx Salford Conference on 10 November 2013; this was now the largest TEDx in the UK and its success was a tribute to the entrepreneurship of University students (led by the Students' Union President);
- ii) in addition to Prof Helen Marshall, Paula Barrow had also recently taken up post as Director of Marketing;
- iii) along with the Pro-Vice-Chancellor for International Priorities, Amanda Broderick, the Vice-Chancellor had visited China from 13-17 November 2013. The itinerary had included visits to institutions in Shanghai, Nanjing and Ningbo. Good relationships had been established and some enabling Memoranda of Understanding signed; the Nanjing relationship included a dual Masters programme in Acoustics. The Vice-Chancellor advised that the development presented a significant opportunity for the University;
- iv) the report advised that Student Number Control (SNC) targets had been achieved; the 102.4% achievement meant that the University avoided potential penalties for over-recruitment. The Vice-Chancellor reported that the recent University Convert Conference had benefited from a presentation from the Chief Executive of UCAS, Mary Curnock-Cook, and from that discussion it was clear that Salford's improvement in recruitment could not be simply ascribed to the general Sector improvement; Ms Curnock-Cook had characterised Salford as being at the forefront of the group of universities (approximately 50% of the total) which had returned to their pre-2011 position. The Vice-Chancellor again paid tribute to the efforts of staff across the University who had helped to achieve this position;
- v) the Vice-Chancellor reiterated that there was no room for complacency and the University was fully cognisant of the overall policy environment (e.g. predictions of at least 5% cut in HE budget in the next Spending Review). Latest intelligence reinforced the approach outlined in the Strategic Plan to be considered later in the meeting, namely maintaining current SNC numbers and finding alternative sources of income through partnerships (both home and overseas) and different delivery models;
- vi) revised proposals for the future of Politics and Contemporary History were now largely concluded; the trade unions and the Students' Union had been involved in consideration of this matter and a revised portfolio would be launched in September 2015. The independently chaired task group which will determine whether there was a financially and academically viable model for Modern Foreign Languages and Translating and Interpreting would report in early 2014;
- vii) the Business School had been shortlisted for the Times Higher Business School of the Year.

The Vice-Chancellor invited the Executive Director of Estates and Property Services (EDEPS) to update members on the current situation with the Gateway and Residences Projects. The EDEPS advised that work on the Gateway Project had commenced on the basis of Letters of Instruction; the contract had now been issued for signature and it was expected that BAM Construction would return this within the next few days. No significant delays to target completion date were currently anticipated. In relation to the Residences Project, following approval by Standard Life's Credit Committee, remaining documents would be signed in London on 22 November. Internal and external communications about the project would follow in week commencing 25 November.

In response to questions, the Vice-Chancellor updated the meeting on the latest position on the ongoing national industrial action regarding the pay award. Approximately 185 staff had taken strike action on 31 October and this represented 9% of the workforce; the UCU Action Short of

a Strike continued but impact of this appeared to be minimal. Negotiations between UCEA and UCU continued, but the vast majority of HEIs had indicated that they were not prepared to change their position in relation to the pay offer. UCEA had recommended implementation of the 1% increase and staff had been advised that the University would pay this in the December pay round. It was unclear at this stage whether the second day of strike action, on 3 December, would go ahead. The Vice-Chancellor confirmed that all outstanding local issues had been resolved with UCU.

In response to a question regarding SNC, Council was advised that the expansion of numbers excluded from SNC (from AAB grades in 2012/13 to ABB in 2013/14) made comparisons between years difficult – however, it was the case that SNC and AAB allocation in 2012/13 was broadly equivalent to SNC and ABB allocation in 2013/14.

Achievement of target numbers meant that allocation in 2014/15 was likely to be broadly similar but Council noted that the expansion of private provision eligible for SNC allocations was likely to further squeeze budgets (it was noted however that the Department of Business, Innovation and Skills had recently written to a number of private providers to advise that no further funded places would be available in 2013/14).

A further question was raised about the effectiveness of the Student Participation Alert System (as outlined in the report); it was noted that the System enabled measurement of student engagement with key systems and sat alongside existing, more traditional, student registration monitoring measures. A full assessment of the success of the initiative would take place later in the year.

In response to a question about visible branding and signage at MediaCityUK, members were advised by the EDEPS and the Vice-Chancellor that discussions about the location and size of sign were ongoing and an outcome which was satisfactory for the University was anticipated (noting that the University's sign would be the only one including "Salford" as part of its brand). The cost of the sign was likely to be built into the University's MediaCityUK service charge.

COU.13.85 FINANCE REPORTS AND HEFCE ANNUAL RETURNS

1. Budget Review Group (COU/13/69)

Council reviewed the minutes of the Budget Review Group meeting held on 24 October 2013. The Chair of the Group, Mike Burrows, advised that the Group had scrutinised the 2012-13 financial statements (before further scrutiny by Audit Committee) and the 2013/14 budget book and forecasts.

In relation to the 2012-13 statements, the Group had paid tribute to the successful cost reduction work which had secured the surplus of £4.6 million (slightly higher than originally forecast to HEFCE). With regard to the 2013-14 forecast, the Group had supported the declaration of a prudent surplus of £6.5 million noting that maintenance of improvement and mitigation of risks could result in an amended forecast in the June/July update. This view was supported by the existence of a number of areas of uncertainty and risk, including research income, retention and admissions for 2014-15. Council noted that the Group had recognised the need to return to both research income and performance and the performance of the School of the Built Environment; the Vice-Chancellor assured members that both matters were under review and Council would receive further updates in due course.

The Group was advised that, whilst recruitment by FE Colleges to programmes at Level 3 had been healthy, Colleges had experienced mixed success in recruiting to higher education programmes. The University's partner colleges, which had been awarded franchised numbers had struggled to recruit to target (although notwithstanding this, as reported above, the University had still achieved its SNC target); management would reflect on this outcome and the general recruitment climate before determining whether to award franchised numbers to partner colleges (noting that this would not impact on the University's commitment to healthy and successful partnership arrangements).

2. Financial Statements (COU/13/73)

The Group considered the University's Financial Statements for the year ended 31 July 2013 (which included the Operating and Financial Review) noting that Audit Committee (see minute COU.13.85.3 below) had recommended adoption of the Statements subject to the inclusion of minor amendments which had been incorporated.

Council **resolved** to approve the submission of the Financial Statements for the year ended 31 July 2013 to HEFCE, noting in particular:

- i) accelerated depreciation of assets (as outlined in the Income and Expenditure Account) which would either be disposed of or would cease to be used for educational purposes by 2015;
- ii) that the balance sheet showed short term deposits and cash at bank and in hand at over £41 million, an improvement on the previous year, and which was at odds with earlier press references to a "cash strapped" institution;
- iii) that whilst the balance sheet showed short term improvement in relation to net pension liability, given widely publicised news about the USS pension gap, this issue would become increasingly prominent in future years;
- iv) that historic cost surplus (including exceptional items) was 2.6%, a significant improvement on recent years; Council reiterated the importance of maximising this figure to ensure sufficient income to invest in the University.

3. Audit Committee Report (COU/13/70)

Following consideration of the Audit Committee report, and noting its earlier resolution to approve the Financial Statements on the recommendation of Audit Committee, Council **resolved** to approve:

- i) the Letter of Representation to the External Auditors, Grant Thornton;
- ii) the Audit Committee Annual Report (which incorporated the Internal Audit Annual Report) for submission to HEFCE.

Council also noted Audit Committee's approval of the Audit Findings Report and the Value for Money Annual Report.

4. Financial Results and Forecasts (COU/13/71)

Council considered the Financial Results and Forecasts 2012-13 to 2013-14; as outlined in the report from Budget Review Group (see Minute COU.13.85.1 above), the forecast for 2013-14 had been confirmed as £6.5 million (an improvement of £1.2 million since the previous forecast return). Council **resolved** to approve the Financial Report and Forecasts for submission to HEFCE.

5. Annual Sustainability Assurance Return (COU/13/74)

Council considered the draft Annual Sustainability Assurance Return, noting that completion was not mandatory in the current pilot phase. Council **resolved** to approve the Annual Sustainability Assurance Return as presented to Council for submission to HEFCE.

COU.13.86 CORPORATE RISK REGISTER (COU/13/15)

Council noted the latest Corporate Risk update.

COU.13.87 UNIVERSITY STRATEGIC PLAN (COU/13/76)

Council considered the draft document outlining the University's Strategic Plan and noted that members had been given the opportunity to submit comments and questions on the Plan in advance. Issues raised would be addressed either in the presentation of the Plan or subsequent discussion.

The Vice-Chancellor introduced and presented the plan, emphasising that it was the result of extensive consultation over several months across the University and with key partners (this had included a session with members of University Council at the Strategic Conference in October; in addition, several members of Council had attended and contributed to other consultation and development events held at the University).

The Vice-Chancellor advised that the Plan was intended to provide an enabling mandate including values that distinguish the University as a public organisation, providing benefits for individuals and for society in a business like way (the values as set out in the Plan had been discussed at length and firmly anchored the University as a public benefit organisation). Council noted that the Plan was organised around four core dimensions that will shape and direct the implementation of priorities over the period until 2018; these were:

- Our Culture
- Our Community
- Our Partners
- Our Impact

Sustainability, in its various aspects (financial, academic, environmental, cultural), was an underpinning enabler for delivery of the Plan.

Council noted further that University progress in realising priorities would be measured via a dashboard based on a set of key performance indicators mapped against the four core dimensions of the Plan. The Vice-Chancellor confirmed that this needed to be credible and realistic and provide the requisite information for Council to measure and assess progress against overall strategic direction.

The Vice-Chancellor outlined four immediate priorities for Executive around implementation:

- developing a network platform for global collaboration (this included regional FE partnerships, international hubs and facilitating inter-disciplinary research);
- estate and systems renewal (this included Gateway and Residences project completion, planned and systematic routine capital investment, reform of key administrative, finance and planning systems);
- securing our successes in learning and teaching (ensuring a cohesive and compelling curriculum, equipping students with the ability to integrate information to address complex problems using the full range of new and emerging technologies);
- building on the Research Excellence Framework 2013 submissions with distinctive research and innovation platforms across the organisation (this included both strengthening of bidding activity and success and realising the full potential of research and innovation through the development of interdisciplinary research platforms).

Concluding the presentation, the Vice-Chancellor advised that implementation plans for key areas would be devised, a Leadership Charter would be established and local delivery of the Plan embedded through the operational planning processes.

Following the Vice-Chancellor's introduction, there was extensive discussion about the Plan. In general terms, Council confirmed that it endorsed the overall approach outlined in the Plan and emphasised the importance of effective implementation (and, in that context, welcomed the emphasis in the Vice-Chancellor's presentation on immediate priorities). Council noted that the document circulated would not be disseminated widely but would form the basis of appropriate

and targeted communications with internal and external stakeholders. Council emphasised the importance of communication about the plan providing a clear, unambiguous and easily digestible message and direction for staff.

In this context, Council noted the comment that the four themes/dimensions of the Plan could emphasise more effectively key drivers for staff such as growth markets, customer retention and acquisition and product development. A related comment suggested that the Values as set out in the draft document, whilst all important, were not sufficiently distinctive.

Council was advised that the Deputy Vice-Chancellor was leading activity around diversifying and growing academic business; an academic leadership group, comprising Deans and Heads of Schools, would consider academic futures and develop a rolling three year plan (the plan would recognise the potential for inter-disciplinary synergies). Academic leaders would be accountable for delivery of the plan, which was integral to assuring financial sustainability.

The academic plan would focus on growing areas of strength (and, in this context, the importance of recognising success was emphasised; the achievement of the joint highest NSS score in the UK for the BSc(Hons) Biology programme was cited as an example), The Deputy Vice-Chancellor emphasised that the corollary of this would be close attention on academic areas which were underperforming with appropriate action taken where necessary. Council agreed to consider a report from the Deputy Vice-Chancellor later in the academic year (May Council meeting) on developments and progress in this area.

Council welcomed the above assurance and agreed that the communications around the Plan should emphasise the broader teaching and learning vision outlined and the clear, but realistic, aspiration to grow new markets. Council concurred with the Executive view that commitment to blanket and unrealistic institutional targets should be avoided as such commitments had resulted in the previous Plan losing credibility. Council also welcomed the internal member view that the extensive consultation and engagement process and the language used in the Plan had resulted in a more credible and authentic document that would help to galvanise the University; in this context, Council noted comments about the Plan acknowledging recent organisational history. Recognising the importance of staff buy in to the Plan, Council welcomed assurance about the development of an Organisational Development Strategy to underpin the implementation of the Plan.

Council also noted the comment that the emphasis in the Plan on alignment with the regional economy and the University's contribution to addressing skills gaps (and thus extending the benefits of economic growth to the regional population) was welcomed. In this context, Council noted further the information that, in comparison to those engaged in purely 'A' level study (circa 38%) or pursuing an academic route post school via basic skills (Level 1 and 2) study (circa 34%), the proportion of post-16 years olds studying technical, vocational qualifications at Level 3 was relatively small (21% overall). Council noted that there was scope for the University to work with employers and awarding bodies to shape the pipeline and curriculum to change the perception of these qualifications and increase take up amongst those studying at level 1 and 2 (noting that students following a vocational route comprised the majority of University of Salford entrants at undergraduate level). Council also noted and endorsed the comment about the interdependency of priorities (for example, an integral part of optimising utilisation of the estate was reforming and improving current timetabling policy and practice).

There was a significant amount of comment on the performance metrics in the draft document and the consensus view was that there should be focus on a smaller number of essential indicators at Council level; this should include key finance metrics. Council agreed that further work to refine and improve metrics should take place before publication of the final Plan.

On specific indicators currently listed, Council noted the comments that:

- student retention as well as progression should be measured;
- metrics used should be based on trend data which precluded the inclusion of absolute measures such as project delivery (e.g. Gateway / Residences);

- the indicator relating to HEBCIS (Higher Education Business and Community Interaction Survey) might need to be unpacked.

On a related point of detail, Council further noted the comment that the description of the University as “unique” in the introductory statement might benefit from review (the view was offered that, whilst the University was unusual, it was not unique).

The Vice-Chancellor advised that, once metrics had been refined, and with effect from the next meeting of Council, Council would receive regular performance and implementation reports; these would replace the previous Vice-Chancellor’s management reports and include a more concise, focused narrative alongside key performance indicator data.

Having considered the matter at some length, Council **resolved** to confirm the direction of travel as outlined in the draft document (including the Vision, Mission and four dimensions) noting that the final version would be developed after further consideration of issues raised by Council and inclusion of material as appropriate (this included further refinement of performance indicators and metrics). Council also reiterated the importance of effective and consistent implementation.

COU.13.88 **REPORT FROM NOMINATIONS AND GOVERNANCE COMMITTEE (COU/13/77)**

Council considered the report from the meeting of Nominations and Governance Committee. Council **resolved**;

- i) by a majority of 10 to 3 (with 2 abstentions) that, with effect from the appointment of a new Chair in 2014-15, a sum of up to £20,000 shall be available for remuneration of the Chair of Council. This resolution was in accordance with University Ordinance 17 and, specifically, Council confirmed that, in accordance with clause 4 a) i) of the Ordinance, the sum to be offered (up to £20,000) was reasonable in the circumstances;
- ii) to approve the search method for the new Chair of Council and the timescales as outlined in the report;
- iii) to approve the search process for the new Chancellor (also to take up post in 2014-15) as outlined in the report (including the establishment and membership of the Search Committee);
- iv) to confirm revisions to membership of Council Advisory Group and, further to the report that, for the remainder of the academic year, 2013-14, Claire Moreland, Tom Russell and Stephen Sorrell be appointed to membership of Council Advisory Group (alongside the core membership of Chair of Council, Deputy Chair of Council, Lead Member for Finance and Chair of Audit Committee);
- v) to approve the publication of a decision summary sheet following each Council meeting (and before consideration of the minutes);
- vi) that, in future, forenames and surnames be included when recording attendance at Council and Council Committee meetings;
- vii) to discontinue the use of Council report cover sheets in their current format (and their replacement by a sheet briefly summarising the report and including recommendations);
- viii) to confirm (in accordance with current practice) the inclusion of a note in published minutes in the event of any information being withheld in accordance with the Freedom of Information Act.

Council noted the remainder of the report from the Committee, including the latest Charity Commission Guidance on Public Benefit.

COU.13.89 REPORT FROM REMUNERATION COMMITTEE (COU/13/78)

Council considered and noted the report from Remuneration Committee. The Vice-Chancellor confirmed that the establishment of a robust Senior Staff Banding Structure enabled greater consistency of decision making and paid tribute to the work of the Chair and the Executive Director of Human Resources in achieving this outcome.

COU.13.90 REPORT FROM COUNCIL ADVISORY GROUP (COU/13/79)

Council noted the report from the meeting of Council Advisory Group held on 31 October 2013, including the appended reports from Lead Member meetings.

COU.13.91 REPORT FROM SENATE (COU/13/80)

Council noted the reports from the Special Senate meetings held on 2 October 2013 and 23 October 2013.

COU.13.92 USE OF UNIVERSITY SEAL

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

COU.13.93 ANY OTHER BUSINESS

1, Julie Halliwell

Council noted that the Associate Director of Finance, Julie Halliwell, would retire from the University at the end of the calendar year and asked that its thanks to Ms Halliwell for her contribution to the work of the University be placed on record.

COU.13.94 DATE OF NEXT MEETING

Thursday 6 February 2014 at 2.00pm.