

Confirmed minutes

The University of Manchester

BOARD OF GOVERNORS

Monday, 5 October 2009

Present:

Mr Norman Askew (in the Chair),

Deputy President and Deputy Vice-Chancellor (as Acting President and Vice-Chancellor in the absence of the President and Vice-Chancellor), Dr Stuart Allan, Dr Wiebke Brockhaus-Grand, Mrs Gillian Easson, Professor Colette Fagan, Professor Luke Georghiou, Mr Robert Hough, Dr Sue Ion, Councillor Afzal Khan, Dr Anne McBride, Mr Anil Ruia, Dr Brenda Smith, Ms Kathleen Tattersall, Councillor Roy Walters and Mr Gerry Yeung. (15)

By invitation: The Associate Vice-President for Compliance (for *actum* 6), The Head of Compliance and Risk (for *actum* 5) and the University General Counsel.

For unreserved business: Mr Gabriel Hassan, General Secretary, University Students' Union.

In attendance: The Registrar and Secretary, the Deputy Secretary and the Director of Finance.

At the outset of the meeting, the Chairman welcomed Professor Colette Fagan, Dr Stuart Allan and Dr Wiebke Brockhaus-Grand, to their first meeting of the Board. In providing a brief introduction to the work of the Board of Governors, the Chairman remarked that although drawn from the Senate category of elected membership their roles should not be seen as purely representative, as the Board had, since 2004, fostered and encouraged a sense of collective responsibility across its membership.

1. Minutes

Confirmed: The minutes of the meeting held on 13 July 2009.

2. Matters arising from the minutes

Received: A report summarising actions consequent on decisions taken by the Board.

Noted: That the report listed two items. The first concerned the Manchester University Press and an update on this would be provided separately under the Secretary's Report. The second concerned the induction programme for new members of the Board of Governors, which had been discussed at the July meeting of the Board and was in development.

3. Chairman's report

Review of Board Committees

Reported: That a number of changes to the membership of Board Committees have been made over the summer. The full membership of each Committee is provided in the blue booklet "Information for Members of the Board of Governors" which was circulated with the papers for this meeting. The following transfers in membership were confirmed:

Risk Committee

Dr Sue Ion, appointed as Chair.

Mr Peter Readle joins the Committee (*vice* Mrs Gillian Easson).

Dr Anne McBride joins the Committee (*vice* Professor Ivan Leudar).

Audit Committee

Mr Gerry Yeung joins the Committee (*vice* Mr Peter Readle).

Nominations Committee

Mrs Gillian Easson joins the Committee (*vice* Professor Sir Robert Boyd).

Professor Colette Fagan joins the Committee (*vice* Dr Susan Kimber).

4. Secretary's report

(1) The University's Public Interest Disclosure ('whistleblowing') procedures

Reported: That, under the provisions of General Regulation VIII.12, the Board of Governors was required to designate, on an annual basis, a lay member to fulfil requisite functions in accordance with the University's Public Interest Disclosure ('whistleblowing') procedures, and in respect of concerns or allegations which might from time to time be raised under those procedures (as detailed in General Regulation VIII.8-11).

Noted: That the Board, having noted that this role could most appropriately be assumed by the Chair of the University's Audit Committee, has designated and thereafter re-designated on an annual basis, Ms Kathleen Tattersall to act in the capacity of 'notified lay member' since 2004.

Resolved: That Ms Kathleen Tattersall be re-designated to act in the capacity of 'notified lay member', for the period from 1 September 2009 to 31 August 2010.

(2) The Manchester University Press

Reported: That a lacuna in the management arrangements for the Centre had been identified and reported to the meeting of the Board of Governors held on 13 July 2009. Since that time, options for a new management reporting line for the MUP had been explored and reviewed. It has subsequently been agreed that the Chief Executive of the MUP would report directly to the University Librarian. The strategic direction and budgetary arrangements of the Press would continue to be overseen by the Press Board, and the Finance Directorate, via the Subsidiary Undertakings Subcommittee. In addition, the Press would be required to formally report through this body to the Board of Governors, on an annual basis. The Registrar and Secretary had attended the most recent of the Press Board, which had expressed its satisfaction with the new arrangements and, separately, he had arranged to meet the Chair of the Press Board to discuss its succession planning arrangements.

5. President and Vice-Chancellor's report

(1) The Report of the President and Vice-Chancellor to the Board of Governors

Received:

(a) A report of the President and Vice-Chancellor to the Board of Governors, which was ordered to be bound for reference.

(b) Reports on accidents giving rise to formal reports under RIDDOR in the third quarter of 2009.

(c) A recommendation that the Board should record its particular gratitude to the Director of Finance and her team, to the five primary budget holders (the Vice-President/Deans and the Registrar & Secretary), and to senior academic and professional support managers across the University, for the contributions they continued to make to the sound financial management of the institution.

- (d) A recommendation that the Board of Governors should delegate to Finance Committee the power to authorise release of the Five-Year Forecasts to HEFCE; and that any queries arising from the discussion at Finance Committee be resolved to the satisfaction of the Chair of Finance Committee and the President and Vice-Chancellor prior to submission of the Five-Year Forecasts to HEFCE.
- (e) A recommendation that the Board of Governors should approve the revised strategic plan entitled *Advancing the Manchester 2015 Agenda*.
- (f) A recommendation that the University should be authorised to sign a new five-year agreement with the Manchester Metropolitan University in the delivery of Architecture programmes.

Reported:

- (a) That the Deputy President and Deputy Vice-Chancellor provided the Board with an update on the resignation of Professor Annmarie Surprenant. Professor Surprenant had been employed by the University from 1 March 2007 and had resigned from her appointment with effect from 4 September 2009, prior to the promulgation of the outcome of the disciplinary investigation launched in August 2009, and without receiving any financial compensation. As part of this investigation, the University had undertaken all the necessary due diligence and was completely satisfied that no student had been advantaged or disadvantaged by the matters under investigation. The University had, since the investigation, worked closely with The Royal Pharmaceutical Society of Great Britain, who were now satisfied that the University had investigated the matter thoroughly. By way of follow-up, the University would review its arrangements for second marking to ensure procedures were robust.
- (b) That the Deputy President and Deputy Vice-Chancellor reported that this was the first Board Meeting in the sixth year of The University of Manchester following its establishment under Royal Charter on 1 October 2004, and noted the significant progress made since that time. The report explained that maintaining the strategic direction of the University in an environment of public funding stringency would be a major shared concern of the Board and the Senior Management Team over the next five years, and probably for longer. Within the report, the President and Vice-Chancellor acknowledged all those who had served on the Board during the period since 2004 as they had played a vital governance role in the creation and achievements of the University. The President was especially indebted to Norman Askew, who has chaired the Board throughout, and to Gillian Easson, Nigel Llewellyn, Kathleen Tattersall, Anil Ruia, Keith Lloyd and Sir John Kerr, who had chaired (and in most cases continue to chair) important Board Committees.
- (c) That at the July meeting of the Board, the President and Vice Chancellor provided the Board with a substantial Report entitled, *Guiding the University of Manchester Through Uncertainty*. The Report set out the approach the University would be adopting to scope the external environment, frame planning assumptions and develop contingency plans in anticipation of major public funding austerity over the next few years. Among other measures, the Report noted the establishment of a Board of Governors' Monitoring Group charged with the responsibility of liaising closely with Senior Management as contingency plans are developed and, as appropriate, implemented. Within his report, the President and Vice-Chancellor reiterated that contingency plans would not be summaries of what the University intended to do in future. The actual future, as it unfolds, was almost certain to develop in ways unanticipated in any of the contingencies the University was currently modelling. However prudent contingency planning demanded that the University must plan for the worst while hoping for the best.
- (d) That the Report of the President and Vice-Chancellor reminded members that in managing the finances of the University in 2008-09, the over-riding imperative set was to generate a surplus - both pre-and post-exceptionals, and that since embarking on deficit-elimination strategies early in 2007 this had been a non-negotiable target for the University. The Report indicated that the 2008-09 financial result (pre-audit) would fully meet that important target, and was likely to provide an operating surplus

that would leave the University better placed than might have been expected at this stage.

- (e) That the Report articulated the University's commitment to develop sound, strategically-informed five-year forecasts predicated on the need to generate re-investable surpluses into the foreseeable future on a scale commensurate with the strategic objectives of the University. At one level, the purpose of this exercise was to satisfy compliance obligations to HEFCE, which required institutions to submit rolling Five-Year Forecasts each December. In compliance with this obligation, the University's 2009 forecasts (covering the period 2009-14) were currently being finalised for submission to Finance Committee at its November Meeting. As the designated Officer of the University, it was the President and Vice-Chancellor's responsibility to sign off the Five-Year Forecasts for submission to HEFCE prior to the December deadline, and the Report recommended that the Board might deal with this compliance requirement through delegation to Finance Committee. In making those recommendations, the President and Vice-Chancellor reminded the Board in his Report that while income and expenditure assumptions for 2009-10 and 2010-11 can be derived with considerable confidence from cuts already announced by HEFCE following the 22 April 2009 Budget Statement, too much uncertainty remains about the external financial environment after the next UK General Election for credible planning assumptions to be made in relation to years 2011-12, 2012-13 and 2013-14. The Five-Year Forecasts submitted to HEFCE in December 2009 therefore sought to provide informed base case forecasts for 2009-10 and 2010-11. For the "out years", 2011-14, however, these forecasts would simply carry forward funding assumptions based on current Government spending plans for 2009-11.
- (f) That the Board was informed that the Intake Management Group had met at regular intervals throughout the admissions cycle to monitor student enrolments for 2009 entry against approved targets. The work of this Group continued to focus on maximising both the quality of the student intake and the student fee income. Board members were presented with the latest available data on confirmed acceptances of offers to study at The University of Manchester. It was reported that these were preliminary figures, and therefore might well vary from actual registrations. In particular, the actual international numbers would be influenced by a number of factors outside of the University's control, including difficulties in gaining visa entry and in securing funding. While the bulk of registrations have been completed in September, some students continue to register throughout the enrolment cycle, particularly postgraduate research students. The final registration numbers, would not therefore be known until after 1 December 2009, the official HESES snapshot date, and accordingly were bound to vary from current estimates. In presenting some early trends within the figures, the Deputy President and Deputy Vice-Chancellor reported that the University appeared to have repeated last year's achievement of exceeding its international student enrolment targets, an outcome that was especially welcomed in the current and anticipated financial climate in the UK.
- (g) That on 20 July, the Secretary of State for Business, Innovation and Skills announced an extra 10,000 full-time undergraduate places in priority subject areas designated by the Government to support its New Industry, New Jobs policy, including science, technology, engineering and mathematics for 2009-10. While the Government had agreed to fund the costs of the student support and loans to cover top-up fees for such students, it declined to provide additional HEFCE grant to institutions. These places were not therefore fully funded. UUK and others had argued that there was no capacity in the sector to take on extra students if (as in relation to the additional 10,000 places) this further erodes the unit of resource. The University of Manchester shared these concerns, but had nevertheless agreed to accept 134 of the 260 additional places offered. This decision was made on two grounds. Firstly, agreement to take some of the additional places offered represented insurance against the penalty of £10,000-per-student for the over-enrolment of home students in 2009. Secondly, Manchester had already applied for 134 additional places under an earlier programme of Additional Student Numbers which had been abandoned as part of HEFCE's initial stringency measures. Accepting 134 of the 260 places offered under the current, less generous scheme would therefore return the University to the position it had anticipated in making its initial round of offers.

- (h) That the Report provided an update on the University's widening participation programmes which were continuing strongly. Following the submission of the University's first report to the Office for Fair Access (OFFA) both the Director for Fair Access and the Minister for Further and Higher Education had commended the University on the scope of our equity and merit scholarships and outreach work targeted at outstanding students from disadvantaged backgrounds.
- (j) That the final draft of *Advancing the Manchester 2015 Agenda*, the University's revised strategic plan had been circulated for approval by the Board. The draft incorporated changes recommended during discussion at an informal meeting of Board members in June and subsequent feedback from Board members and others. While in June Board members expressed general support for the new draft Plan, several also raised a number of important concerns, largely in relation to the desirability of clarifying the use of Key Performance Indicators (KPIs) and placing a more explicit emphasis on the use of international benchmarking in relation to the "Enabling Strategy" of developing an internationally competitive resource base for the University. There was also considerable discussion of the way in which Goal Three, then entitled, *Transforming Societies*, had been elaborated, and about the range of activities it incorporated. Recognising that significant further work would be required to address these issues, the Board at its July Meeting accepted that the final version of the Plan would undergo further revision and return for approval at the October meeting.
- (k) That the Report provided an update on the ongoing Review of Undergraduate Education. Transforming both the Manchester student experience and the quality of the University's undergraduate education programmes remained at the very top of the University's strategic priorities. Issues about the quality of undergraduate education in UK universities generally has emerged recently as a matter of very considerable public interest and debate following the release by the Parliamentary Select Committee on Innovation, Universities, Science and Skills (IUSS) of a Report on *Students and Universities*. The University of Manchester has recognised that much needs to be done to improve the quality of the undergraduate student experience, and this realisation underpinned the initiation of an Undergraduate Education Review. Far from seeking to defend current processes, practices and outcomes, the University is committed to achieving fundamental improvements. The arresting reality nevertheless remains that Manchester occupies a totally unacceptable position within the UK higher education system as a whole, and also within the Russell Group of universities, in relation to public evaluations made by UK students *via* the National Student Survey (NSS). The University's current standing in this annual survey is a matter of serious concern. World-leading research universities have an obligation to be world class in the educational quality and learning environments they provide for their undergraduates. A review of the priorities and reputations of the world's foremost research universities confirms that there is no either/or in relation to the twin obligations of higher learning and research virtuosity.
- (l) That the Report provided an update on developments in nuclear related research. On 16 July 2009, in a paper entitled *Road to 2010*, the Prime Minister set out a number of wide ranging measures to address the key nuclear challenges of the modern era and to lead international efforts to promote greater global nuclear security. Among a number of specific measures designed to build the UK's leadership credentials in relation to this ambitious international agenda, the Prime Minister announced that a new Nuclear Centre of Excellence would be established in the UK prior to the 2010 international NPT Review Conference to promote world-leading research into matters impacting on nuclear security, non-proliferation and weapons reduction, including the development of cost-effective civil nuclear technology not reliant on a fuel cycle producing weapons-grade plutonium or other radioactive by-products with military or terrorist potential. This Centre will undertake fundamental and applied research cognate to all the above issues, and will seek where appropriate to promote research and R&D partnerships between industrial and university-based researchers, both nationally and internationally. Discussions are currently underway to determine the best structure and operating model for the Centre, and it is envisaged that a call for expressions of interest to host it will be issued shortly. Obviously, this represents a major strategic opportunity for Manchester, which is already world-leading in many

aspects of nuclear and related research. The most likely structure will be based on a partnership model, with a significantly independent Nuclear Centre of Excellence being associated with the National Nuclear Laboratory (NNL). Such a solution would be an obvious plus for Manchester, which is already a member of the managing consortium for the NNL. The Government has announced that the Centre will receive initial government funding of £20million over the first five years. A panel has been established by the Chief Scientist to oversee the establishment of the Centre.

- (m) That a short update was provided on developments for the nuclear research facility is to be established in Cumbria with £20million of initial funding from The University of Manchester's Dalton Nuclear Institute and the Nuclear Decommissioning Authority (NDA). The NDA were not in a position to own that the asset, and therefore it had been resolved that the University would hold responsibility for it, thereby securing greater control of the capital costs and control over the use of funding. This had been agreed by the Chairman in consultation with Dr Sue Ion (who at the outset of the discussion declared an interest in relation to her previous association with BNFL), Mr Anil Ruia and Mr Peter Readle.
- (n) That a review of the University's collaboration with Manchester Metropolitan University in the delivery of Architecture programmes has recently been concluded. The mutual recommendation was to sign a new five year agreement, replacing the previous Memorandum of Understanding. Despite the pressure to sign the agreement by 31 August (when the previous agreement expired), the President and Vice-Chancellor reported that a matter of this importance must be endorsed by the Board of Governors, hence its presentation to this meeting.
- (o) That two key changes had been required in the Senior Executive of the University by the successes of Professors Perkins and Gaskell in securing chief executive level posts in other institutions. The University has advertised internally for two new Associate Vice-Presidents (Research) who, together with the Associate Vice-President for Graduate Education (Professor Nigel Vincent) and the four Faculty Associate Deans for Research, will assist Professor Rothwell in leading the research and graduate education agenda within the University, all of them supported by the University's Research Office. Following Professor John Perkins departure from the University at the beginning of June to take up the position of Provost of the Masdar Institute of Science and Technology in Abu Dhabi, and the appointment of Professor Colin Bailey as Acting Vice-President and Dean of the Faculty of Engineering and Physical Sciences, the University was undertaking an international search for a permanent replacement for Professor Perkins. This appointment process was expected to be completed by the New Year. A further change to the Senior Executive was the appointment of the General Counsel. Mr Christopher Petty, who took up his position as the University's General Counsel, with effect from 1 September 2009, had joined the Senior Executive Team. Mr Petty, a barrister by training, previously held the position of Chief Counsel (Strategic Planning & Business Development) at Astra Zeneca.
- (p) That in concluding coverage of the President and Vice-Chancellor's Report, the Deputy President and Vice-Chancellor invited the Head of Compliance and Risk Management, Dr David Barker, to report on matters relation to the operational management of risk and compliance. As part of this report, the Board of Governors was provided with details of accidents within the preceding quarter that had given rise to formal reports under RIDDOR to the enforcing authorities. Dr Barker also updated the Board on the following issues:
 - (i) A group had met on a regular basis over the summer months in order to develop contingency plans in the event of a flu pandemic, and to take appropriate measures in response to the adverse impact swine flu might have on University operations.
 - (ii) Professor David Coggan had completed his independent provisional inquiry that examined possible health risks from contamination of the Rutherford Buildings at The University of Manchester, and copies were provided for members of the Board. Within the report, Professor Coggan stated that none

of the identified contaminants in the Rutherford Buildings could account for the cases of pancreatic cancer, brain cancer and motor neuron disease that have occurred among past occupants of the Buildings. Given the low potential for risk, he believed that no form of health screening or other health intervention was required for people for who may have been exposed to hazardous contaminants in the Rutherford Buildings. A further report is awaited, and the University will review its handling of the inquiry after its publication to ensure that appropriate follow-up action is taken where necessary. Throughout the Independent Inquiry, for which Professor Coggan was not paid, the Risk Committee were fully apprised of all relevant issues and will on completion of the final report, examine all elements of future risk, both general and specific.

Noted:

- (a) That in considering the Review of Undergraduate Education, and the student recruitment position, members of the Board expressed concern about increased recruitment to postgraduate taught programmes and the potential negative effect on the student experience. Members also highlighted the impact that poor NSS results would have on universities with large student populations, and as consequence, the likely effect at The University of Manchester. Concerns were also expressed by Board members within the University about the student system, as problems had been experienced during registration, and about the quality of teaching accommodation in some Schools. The Board noted the informal meeting of the General Meeting, planned for the 12th November, and which would focus on Teaching and Learning and the Student Experience. The review of the curriculum was beginning to reshape academic programmes, though the process would take time to work through. However, the poor results in the NSS also demanded that the University took action now to address the prime areas of concern among students.
- (b) That in discussing the final draft of *Advancing the Manchester 2015 Agenda*, the Board noted that the key performance indicators had been sharpened, and that the document presented a coherent strategic vision. In the subsequent discussion, Board members suggested that some minor amendment to the wording might be required to ensure the goal of enhancing the student experience was clearly expressed, and the link between the enabling goals and improving the student experience was sufficiently clear. It was also suggested that the University's commitment to obtain value for money, particularly in relation to its use of public funding, might also be articulated.
- (c) That the Board noted the forthcoming formal launch of Sustainable Consumption Institute which would take place at a high profile public event in London, on October 17 2009.
- (d) That the Board noted the public profile that the University was developing in nuclear related research, both via the research facility in Cumbria and through the potential collaboration with Rolls-Royce, in the development of a £30 million Nuclear Advanced Manufacturing Research Centre (NAMRC).
- (e) That the five-year agreement with Manchester Metropolitan University regarding the delivery of Architecture programmes had come forward for the approval of the Board without an accompanying risk assessment and without prior discussion or consideration. The Board noted the mutual recommendation to sign the agreement and offered its approval, subject to the amendment of the recommendation. The recommendation should commit the agreement to ensuring that over the life of the agreement it remained cost neutral for the University, and require that the institutions should develop appropriate key performance indicators to monitor the objectives of the agreement over its duration.
- (f) That the Board noted the work undertaken by Dr David Barker and his team following the publication of the Churcher Report and throughout the subsequent investigation into contamination within the Rutherford Buildings.

Resolved:

- (a) The recommendation that the Board should record its particular gratitude to the Director of Finance and her team, to the five primary budget holders (the Vice-President/Deans and the Registrar & Secretary), and to senior academic and professional support managers across the University, for the contributions they continued to make to the sound financial management of the institution.
 - (b) The recommendation that the Board of Governors delegate to Finance Committee the power to authorise release of the Five-Year Forecasts to HEFCE; and that any queries arising from the discussion at Finance Committee be resolved to the satisfaction of the Chair of Finance Committee and the President and Vice-Chancellor prior to submission of the Five-Year Forecasts to HEFCE.
 - (c) The recommendation that the Board of Governors approve the revised strategic plan entitled *Advancing the Manchester 2015 Agenda* (previously circulated).
 - (d) The recommendation that the University be authorised to sign a new five-year agreement with the Manchester Metropolitan University in the delivery of Architecture programmes, subject to the receipt of an assurance that over the lifetime of the agreement it should be cost neutral for the University of Manchester, and that appropriate key performance indicators were developed by the institutions to monitor the objectives of the agreement over its duration.
- (2) **Report to the Board of Governors on exercise of delegations**

Reported:

(a) **Professorial appointments**

That the following appointments had been approved on behalf of Senate and the Board of Governors:

***Ad Personam* Promotional Chair in Atmospheric Multiphase Processes**

Gordan McFiggans, BEng, MSc, PhD (East Anglia), previously Senior Lecturer in the School of Earth, Atmospheric and Environmental Sciences, as Professor of Atmospheric Multiphase Processes in the School of Earth, Atmospheric and Environmental Sciences from 1 January 2009.

***Ad Personam* Promotional Chair in Applied Econometrics**

Martyn Andrews, BA, MSc, PhD (London School of Economics), previously Senior Lecturer at this University as Professor of Applied Econometrics in the School of Social Sciences from 1 August 2009.

***Ad Personam* Promotional Chair in Poverty and Social Justice**

Armando Barrientos, BA, PhD (University of Kent at Canterbury), previously Senior Research Fellow at this University as Professor of Poverty and Social Justice in the School of Environment and Development from 1 August 2009.

***Ad Personam* Promotional Chair in Marketing and Strategy**

Stephen Henneberg, BA, MA, PhD (Cambridge), previously Senior Lecturer at this University as Professor of Marketing and Strategy in the Manchester Business School from 1 August 2009.

***Ad Personam* Promotional Chair in Postcolonial Studies**

Uma Kothari, BA, MA, PhD (Edinburgh), previously Reader in International Development at this University, as Professor of Postcolonial Studies in the School of Environment and Development from 1 August 2009.

Ad Personam Promotional Chair in Linguistics

John Payne, BA, MA (Cambridge), previously Senior Lecturer in Linguistics at this University, as Professor of Linguistics in the School of Languages, Linguistics and Cultures from 1 August 2009.

Ad Personam Promotional Chair in International Business

Rudolf Sinkonvics, MBA, PhD (Vienna), previously Reader at this University, as Professor of International Business in the Manchester Business School from 1 August 2009.

Ad Personam Promotional Chair in Environmental Geochemistry

David Polya, BSc, PhD (Manchester), previously Reader in the School of Earth, Atmospheric and Environmental Sciences, as Professor of Environmental Geochemistry in the School of Earth, Atmospheric and Environmental Sciences from 1 August 2009.

Ad Personam Promotional Chair in Electrical Materials

Simon Rowland, BSc, PhD (UOL), previously Senior Lecturer in the School of Electrical and Electronic Engineering, as Professor of Electrical Materials in the School of Electrical and Electronic Engineering from 1 August 2009.

Ad Personam Promotional Chair in Computer Science

Sophia Ananiadou, DEA, PhD (UMIST), previously Reader in the School of Computer Science, as Professor of Computer Science in the School of Computer Science from 1 August 2009.

Ad Personam Promotional Chair in Condensed Matter Physics

Andrei Golov, MSc, PhD (Institute of Solid State Physics), previously Reader in the School of Physics and Astronomy, as Professor of Condensed Matter Physics in the School of Physics and Astronomy from 1 August 2009.

Ad Personam Promotional Chair in High Voltage Engineering

Zhongdong Wang, BSc, MSc, PhD (UMIST), previously Senior Lecturer in the School of Electrical and Electronic Engineering, as Professor of High Voltage Engineering in the School of Electrical and Electronic Engineering from 1 August 2009.

Ad Personam Promotional Chair in Biological Physics

Henggui Zhang, BSc, MSc, PhD (Leeds), previously Reader in the School of Physics and Astronomy, as Professor of Biological Physics in the School of Physics and Astronomy from 1 August 2009.

Ad Personam Promotional Chair in Astrophysics

Richard Davis, BA, PhD (Manchester), previously Reader in the School of Physics and Astronomy, as Professor of Astrophysics in the School of Physics and Astronomy from 1 August 2009.

Ad Personam Promotional Chair in Astrophysics

Philippa Browning, BA, PhD (St Andrews), previously Reader in the School of Physics and Astronomy, as Professor of Astrophysics in the School of Physics and Astronomy from 1 August 2009.

Ad Personam Promotional Chair in Mathematics

Peter Eccles, BA, PhD (Manchester), previously Senior Lecturer in the School of Mathematics, as Professor of Mathematics in the School of Mathematics from 1 August 2009.

Ad Personam Promotional Chair in Surface Atmosphere Exchange and Micrometeorological Research

Martin Gallagher, BSc, PhD (UMIST), previously Reader in the School of Earth, Atmospheric and Environmental Sciences, as Professor of Surface Atmosphere Exchange and Micrometeorological Research in the School of Earth, Atmospheric and Environmental Sciences from 1 August 2009.

Ad Personam Promotional Chair in Structural and Fire Engineering

Yong Wang, BEng, PhD (Sheffield), previously Reader in the School of Mechanical, Aerospace and Civil Engineering, as Professor of Structural and Fire Engineering in the School of Mechanical, Aerospace and Civil Engineering from 1 August 2009.

Ad Personam Promotional Chair in Pharmaceutical Sciences

Brian Lockwood, BPharm, PhD, FHEA, previously Senior Lecturer at this University as Professor of Pharmaceutical Sciences in the School of Pharmacy and Pharmaceutical Sciences from 1 August 2009.

Ad Personam Promotional Chair in General Practice

Carolyn Chew-Graham, BSc, MD, MBChB, FRCGP, previously Senior Clinical Lecturer in Primary Care at this University, as Professor of General Practice in the School of Medicine from 1 August 2009.

Ad Personam Promotional Chair in Nursing

Ann-Louise Caress, BNurse RGN, PhD (Liverpool), previously Senior Lecturer in Nursing at this University, as Professor of Nursing in the School of Nursing, Midwifery and Social Work from 1 August 2009.

Ad Personam Promotional Chair in Rheumatology

Ian Bruce, MRCP, MD, FRCP, previously Reader of Rheumatology at this University, as Professor of Rheumatology in the School of Medicine from 1 August 2009.

Ad Personam Promotional Chair in Dental Education

Nicholas Grey, BDS, MDS, MRD RCS Ed, previously Senior Clinical teaching Fellow at the University, as Professor of Dental Education in the School of Dentistry from 1 August 2009.

Ad Personam Promotional Chair in Economics

Horst Zank, MSc, PhD (Maastricht), previously Reader in Economics at this University, as Professor of Economics in the School of Social Sciences from 1 January 2009.

Chair of Commercial Law

Geraint Howells, LLB, BVC (Inner Temple), previously Professor at the University of Lancaster, as Professor of Commercial Law in the School of Law from 1 September 2008.

Chair of Organisation Studies

Michael Bresnen, BA, PhD (Nottingham), previously Professor of Organisational Behaviour at the University of Leicester, as Professor of Organisation Studies from 1 January 2009.

Director of the Photon Science Institute

Professor Richard Winpenny as Director of the Photon Science Institute, for the period 1 October 2009 to 30 September 2012.

(2) Grant of the title of Reader

The University Promotions Committee for the Faculties listed below have, on behalf of the Senate and the Board of Governors, had approved recommendations that the following, who currently held appointment as Senior Lecturer or Senior Research Fellow in the Schools indicated, be granted the title of Reader with effect from 1 August 2009:

Faculty of Engineering and Physical Sciences

Ursel Bangert	Materials
Anne Juel	Mathematics
Xiaogang Chen	Materials
Ian Cotton	Electrical and Electronic Engineering
Francoise Tisseur	Mathematics
Mohammed Sheikh	Mechanical, Aerospace and Civil Engineering
Brian Saunders	Materials
Renate Schmidt	Computer Science
Jon Shapiro	Computer Science
Stephen Eichhorn	Materials
Thorsten Wengler	Physics and Astronomy

(3) Promotions to Senior Lecturer

The University Promotions Committee for the Faculties listed below have, on behalf of the Senate and the Board of Governors, approved recommendations that the following, who currently hold appointment as Lecturer or Research Fellow in the Schools indicated, be granted the title of Senior Lecturer with effect from 1 August 2009:

Faculty of Engineering and Physical Sciences

Charles Eaton	Mathematics
Steve Pettifer	Computer Science
Andrew Hazel	Mathematics
Alexander Lanzon	Electrical and Electronic Engineering
Jelena Grbic	Mathematics
Nigel Schofield	Electrical and Electronic Engineering
Pammi Sinha	Materials
Margaret Emsley	Mechanical, Aerospace and Civil Engineering
Roelof Van Silfhout	Electrical and Electronic Engineering
Paul Mativenga	Mechanical, Aerospace and Civil Engineering,
Arthur Wilkinson	Materials
Goran Nenadic	Computer Science
David Hodgetts	Earth, Atmospheric and Environmental Science

(4) Grant of the title of Professor Emeritus

Acting on behalf of Senate and the Board of Governors, the President and Vice-Chancellor had approved the conferment of the title of Professor Emeritus/a on the following:

Professor Suzanne Butters, Professor of Art History (in the Faculty of Humanities) (from 1 October 2009)

Professor David Garrod, Professor of Development Biology (in the Faculty of Life Sciences) (from 1 October 2009)

Professor Roger Hubbard, Professor of Virtual Environments (in the Faculty of Engineering and Physical Sciences) (from 1 February 2010)

Professor Bernard Jackson, Professor of Modern Jewish Studies in the School of Arts, Histories and Cultures (from 1 August 2009)

Professor Hillel Steiner, Professor of Political Philosophy in the School of Social Sciences (from 1 October 2009)

Professor Gordon Tiddy, Professor of Formulation Engineering (in the Faculty of Engineering and Physical Sciences) (from 1 October 2009)

(5) Other authorisations on behalf of the Board

Acting on behalf of the Board of Governors, and in accordance with Ordinance XXII.2(b), the Chairman of the Board of Governors had approved the membership of an appeal panel:

Councillor Roy Walters, Lay member of the Board of Governors (in the Chair)
Mrs Louise Walmsley, Head of the Teaching and Learning Support Office
Dr Taktoker Hussain, Healthwork (Independent medical representative)

(6) Seal orders

Pursuant to General Regulation VII.4, the Common Seal of the University had been affixed to the instruments recorded in entries no. 900-913, Seal Register 1.

6. The Carbon Trust's "Higher Education Carbon Management Programme"

Received: A presentation from the Associate Vice-President.

Reported: That a 2009 'Green League' table produced by the pressure group People and Planet had placed The University of Manchester 87th out of a total of 126 institutions. The University has subsequently joined the Carbon Trust's Higher Education Carbon Management Programme in order to measure its carbon footprint and create a five year plan aimed at optimising its reduction. Enthusiasm for this agenda was being fostered via the identification of sustainability enthusiasts in schools and faculties, a sustainability website, and the inclusion of an enabling commitment within the *Advancing the Manchester 2015 Agenda* document. The objective was to ensure that carbon reduction was a strategic objective of the University and that all University projects were subject to a sustainability impact assessment before they were undertaken. There were a number of reasons to pursue this including the financial savings and pecuniary advantages that could be gained, compliance with UK legislation and HEFCE carbon reduction policy, and ultimately, to minimise the negative impact of the University on the external environment and support efforts in society to restrain accelerated global warming.

7. Board committee reports

(1) Finance Committee (28 September)

Received:

(a) A summary report and minutes from the meeting of the Finance Committee held on 25 June 2009, including Management Accounts for the period to 31 May 2009.

(b) Revised terms of reference for the Finance Committee.

Reported:

- (a) That Finance Committee noted the appointment of Professor Luke Georghiou and Mr Gabriel Hassan in place of Dr Peter Eccles and Mr Rob Pinfold. The Chairman thanked the outgoing members for their valued contribution to the work of Finance Committee. The Committee recommended that the terms of reference be amended to make it explicit that Finance Committee is responsible for the annual review of the University's policy on socially responsible investment.
- (b) That the Finance Committee received an update on the status of discussion with the Trustees, together with an assessment of the latest funding position (prepared by Hewitts, as at 31 March 2009). The Committee noted that the University's had established a working group to explore how this position can be mitigated.
- (c) That the Finance Committee had been pleased to note the successful completion of the P2P project, and particularly the professional and collegiate team-work that had enabled this to happen.
- (d) That the Finance Committee reviewed a detailed report on the debt collection processes, approved a number of improvement actions, and agreed that in the longer term a business case should be developed to enable the adoption of centralised sales order processing.
- (e) That the Committee noted that the outstanding balance due from CMFT at 31 August was £2.2m. The President and CEO of the Trust had agreed to appoint an independent arbitrator to review this matter, and the terms of this appointment will be finalised shortly.
- (f) It was noted that the University had received a dividend of 16.126p from the Heritable Bank. In total £802,722.29 had been received, which included £6,422.29 of interest.
- (g) That BlackRock had recently re-screened the investment portfolio against the criteria set out the University's SRI policy. The portfolio contained no restricted stocks. BlackRock had engaged with two companies whose practices were at odds with generally accepted standards on environmental degradation and labour. Franklin Templeton had been asked to carry out a similar review of the portfolio under their management.
- (h) That Finance Committee received and noted the draft management accounts for July 2009.
- (j) That Finance Committee noted the actions and recommendations made by Investment Committee at its meeting on 25 June 2009 to seek the appointment of an Investment Adviser. Franklin Templeton had attended the meeting to enable a detailed review of their performance and underlying strategy. The Investment Committee would ask the Investment Advisor, when appointed, to devise an appropriate exit strategy from this portfolio.

Resolved: To approve revised terms of reference for the Finance Committee ([Appendix 1](#)).

(2) **Audit Committee** (24 September)

Received: A summary report and minutes from the meeting of Audit Committee held on 24 September.

Reported:

- (a) That the Committee welcomed Mr Gerry Yeung as a new member and Dr Sue Ion, in her capacity as Chair of the Risk Committee, to their first meeting of the Committee. In considering the terms of reference of the Committee, it was agreed that a reference to the oversight of data quality would be added to point 14, in light of the HEFCE requirement for the Audit Committee to receive assurances on this.

- (b) That the Committee received a follow-up report on a review of a chair appointment process had been undertaken by the Registrar and Secretary, following an allegation made by a member of the academic staff under the University's whistleblowing procedures. Recently the University had learned that a judicial review of the matter had been granted and the Audit Committee would continue to be appraised of this as it developed.
- (c) That the Committee considered the updated plan of actions arising from the external audit management report of 31 July 2008. The management letter of 2008 provided details of problems and delays in processing invoices, resulting in liabilities that had not been identified and accounted for within the correct period. The external audit management report and action plan had recommended the development of controls to redress this and subsequently, detailed instructions and comprehensive guidance had been issued to School Accountants.
- (d) That the Procurement to Payment System had gone live across the University on 1 September 2009. From this date all requisitions for goods and services were raised and approved using iProcurement, no purchase orders could be created directly in Oracle without an approved requisition and all supplier invoices are directed through the shared Accounts Payable function. Although there were indication of some initial resistance within schools and faculties, the project's implementation had gone well and the University had reduced the number of staff members with the authority to requisition from over 300 to just eight, so that 97% of all orders were now properly supported by requisitions.
- (e) That the 2008 management letter identified problems in the financial control environment within the Faculty of Engineering and Physical Sciences and in respect of devolved financial reporting. A review of finance within the faculty was initiated by the then Dean of EPS, Professor John Perkins, in consultation with the Director of Finance. This review is continuing under the Acting Dean of EPS, Professor Colin Bailey. Resourcing some of the problems identified within the devolved structure remains an issue and the University may need to instigate a formal project to address them.
- (f) That some reduction in the level of debt with the Central Manchester and Manchester Children's NHS Trust had been achieved. The Head of Faculty Finance for Medical and Human Sciences had negotiated with the Trust to eliminate simultaneously the overdue Trust debts and overdue rent. The "knock for knock" agreement with CMMC over pay had been resolved, with the Trust paying a round £500k per month in advance for payroll costs, plus an agreement on rents for premises owned by one party and occupied by another.
- (g) That the external auditors had recently met with the University's Finance team and that good progress was being made within audit testing substantially complete. At the time of report, there were no significant areas of concern. The control observations were not fully developed at this stage and a full report on them would be presented, in line with the schedule agreed, at the November meeting of the Audit Committee.
- (h) That a draft of the University's Corporate Governance statement was presented for initial consideration by the Audit Committee.
- (j) That Uniac had presented their progress report on activity undertaken between May and September 2009. Among these was an audit of the University's Statutory Returns. The audit was undertaken to supplement management assurance to the Audit Committee regarding the management of data quality. The auditors concluded that the processes in place to fulfill the obligations of the Higher Education Early Statistics Survey (HESES) and Higher Education Statistics Agency (HESA) returns were substantially effective. Areas where the quality of data could be improved were identified, however these were not deemed material enough to have an impact on funding. Similarly, Uniac identified areas where efficiency in the collection and analysis of data could be improved.
- (k) That Uniac had undertaken an audit of the University's risk management processes. Uniac had based their work on current practices, together with a review of progress

on the areas identified for development from their work twelve months previously. The audit had found that the University had continued to develop its risk management processes and had established Faculty and School risk registers that were, on the whole, updated on a regular basis, demonstrating substantial progress over the last twelve months. Uniac documented two key findings. The first concerned the need to better integrate the various risk management processes to offer greater assurance that key risks in one area can inform and be informed by processes across the University. By way of example, whilst the highest risk identified in the PSS Risk Register was a 'failure to tighten the control environment' this did not feature in any of the Faculty Registers. The second finding concerned the requirement to periodically challenge the devolved process adopted in developing the registers and thereby ensure the process was an integrated one.

- (l) That Uniac had conducted a review of Reactive Maintenance within the Estates function. The review was intended to establish whether Reactive Maintenance provided by the University's Direct Labour Organisation (DLO) was cost effective, delivered promptly and completed to the necessary quality. It was designed, at the request of the Director of Estates, to support the Estates Directorate's initiatives in this area.
- (m) That Uniac had conducted an audit of bars on campus and had found significant scope to improve the controls around the handling of cash, and appropriate management actions had been agreed for each of the recommendations.
- (n) That Uniac's Annual opinion had found that controls within the University were generally effective and noted the work in hand to further strengthen controls across the University. However, the report noted that there remained problems within the devolved financial control framework in some faculties and schools. Uniac noted that the University had invested significant effort to strengthen the control environment and the impetus and drive of staff within the Professional Support Services. Uniac believed that the themes outlined showed that their needed to be a closer engagement from the Vice-President and Deans with internal control within the faculties, supported by more effective devolved oversight, including monitoring and corrective action. The Audit Committee offered its full support in the follow-up of these findings.
- (o) That at the request of the Audit Committee, Uniac had undertaken an audit of Statutory Returns and Data Quality, concentrating on date with a direct link to funding or involving a reputational risk to the University. Uniac concluded that the management control and quality assurance arrangements for data provided to HEFCE was substantially effective.

Resolved: To approve revised terms of reference for the Audit Committee ([Appendix 2](#)).

(3) Risk Committee (24 September)

Received: A summary report and minutes for the meeting of Risk Committee held on 24 September.

Reported:

- (a) That the Committee recorded its thanks to Mrs Gillian Easson for her guidance of the Committee since its establishment in 2004
- (b) That the Committee noted that the Health and Safety Committee had approved a set of principles governing the recording and retention of records relating to the use of and exposure to CMRs.
- (c) That the Committee received an interim report on the 2009 Compliance Exercise and noted that there continued to be a high level of positive reporting.
- (d) It was reported that the Emergency Planning Group had been meeting regularly to review the influenza pandemic situation. All new students had been issued with a leaflet giving guidance on symptoms, precautions to take and what to do in the event

of contracting 'flu. Contingency plans were in place, especially by STARS in respect of the University residences.

8. Report from Senate

Received: A summary of matters discussed at the meeting of Senate held on 22 July.

Reported: The Senate agreed that teaching and learning will be the principal focus for the Operational and Performance Reviews (OPRs) to be conducted in 2009-10. To that end:

- (1) all Schools would be required to provide details for each of their undergraduate programmes of the measures to improve the quality of the student experience that they implemented in 2008-09 and those that will be implemented in 2009-10. The effectiveness of these measures will be judged partly on the basis of the University's performance in the 2010 and subsequent National Student Survey (NSS);
- (2) reports would also be required from those parts of the Professional Support Services with responsibilities for supporting teaching, learning and the student experience.

9. Report from the Planning and Resources Committee

Received: A summary of matters discussed at the meetings of the Committee held on 29 September.

Noted:

- (1) That the Committee had considered the annual opinion of the Internal Auditors (this item is also covered within the report and minutes of the Audit Committee under item 9).
- (2) That the Committee received an update on the work of the Division of Development and Alumni Relations.
- (3) That the Committee considered a briefing paper on the University's debt collection processes.
- (4) That the Vice-President (Teaching and Learning) and the Head of Planning Support provided presentations on the outcome of the National Student Survey and the Internal Student Satisfaction Survey.
- (5) That the Committee considered a paper containing proposals on how costs within the Leadership in Action unit, which delivers the Manchester Leadership Programme could be reduced, following the recommendation made by PRC in June 2009.

10. Any Other Business

Reported: That as previously established, between each ordinary meeting of the Board, the Chairman, the President and Vice-Chancellor, and (in respect of routine administrative business) the Registrar and Secretary were authorised to act on behalf of the Board as may seem to them to be necessary, and that any such action taken would be reported to the Board at the next available opportunity.

APPENDIX 1

Finance Committee – Membership and Terms of Reference

Membership

Mr Anil Ruia (*in the Chair*)
Mrs Brenda Smith
Dr Keith Lloyd
Mr John McGuire
Mr Robert Hough
Professor Luke Georghiou
Mr Gabriel Hassan, *General Secretary Students' Union (ex officio)*
Professor Alan Gilbert, President and Vice Chancellor (*ex officio*)

By invitation:

Mr Albert McMenemy, *Registrar & Secretary*
Mrs Marianne McKenzie, *Director of Finance*

Mrs Alison Holt (Secretary to the Committee)

Terms of Reference

1. Within the scope of authority delegated by the Board of Governors, to review the financial implications of all relevant recommendations from the Planning and Resources Committee, and to advise or take appropriate action in order to ensure:
 - (a) the financial viability of the University;
 - (b) that the requirements of the Financial Memorandum with HEFCE to maintain financial solvency are met, and, if appropriate, to consider and report on relevant financial disclosure issues in the University's Financial Statements;
 - (c) that satisfactory internal control processes are in place to support the University's principal accounting functions and to reflect best financial practice, including that relating to any statutory and other external requirements and any associated borrowing requirements, procurement processes and insurance arrangements, in respect of major capital projects;
 - (d) that major capital projects are appropriately and satisfactorily managed; and
 - (e) that the University's investments, including trust funds, are appropriately and satisfactorily managed, and include an annual review of the University's policy on socially responsible investment.
2. To consider, comment upon and forward to the Board of Governors:
 - (a) long-term financial plans for the University and to set the framework within which planning and resource allocation should take place;
 - (b) recommendations relating to the borrowing facilities of the University;
 - (c) recommendations for amendment of the University's Financial Regulations;
 - (d) the annual budgets of the University;
 - (e) the University's Financial Statements; and
 - (f) the financial plans/forecasts for HEFCE.
3. To consider and effect amendments to the University's Financial Procedures on report from the Registrar and Secretary.

BOARD OF GOVERNORS 5/10/09

4. To receive and consider any recommendations concerning the formulation, operation, expansion and/or dissolution of the University's subsidiary undertakings, and, where required under the provisions of Ordinance IX, to report to the Board of Governors thereon.
5. To consider any other matters as directed by the Board of Governors.
6. To meet according to a pattern devised to fulfil these duties and responsibilities, which normally will require at least four meetings each year. The quorum shall be at least two members.

APPENDIX 2

Audit Committee – Membership and Terms of Reference

Membership

Ms Kathleen Tattersall (*in the Chair*)

Mr Alan Clarke

Councillor Afzal Khan

Councillor Roy Walters

Mr Gerry Yeung

Secretary: Mr Martin Conway

Terms of reference

1. Pursuant to Statute XIV, to advise the Board of Governors on the criteria for the appointment, and remuneration of the external auditor and the scope of the work, the provision of any non-audit services and any questions of resignation or dismissal of the external auditors.
2. To review the external auditor's planning; the scope of the audit, their interim and final reports and management letter report, the outcome of their findings, and to discuss directly with the external auditor issues and recommendations arising from interim and final audits.
3. To consider and advise the Board of Governors on the appointment and terms of engagement of the internal audit service (or the head of internal audit, if appropriate), the audit fee, the provision of any non-audit services and any questions of resignation or dismissal of the internal auditors.
4. To review the scope and effectiveness of the internal audit's work including risk assessment and strategy, planning and operation of the work and results of internal audit's annual report, assess the findings of major internal investigations and management responses; and to advise the Board of Governors as to the appropriateness of the resources made available for internal audit to meet the University's needs.
5. To keep under review the effectiveness of the risk management, control and governance arrangements.
6. To review and monitor the implementation of agreed audit based recommendations, from whatever source, and to provide explicit confirmation to the Board of Governors of the necessary actions taken to remedy any significant failings or weaknesses identified from the Committee's review of internal control.
7. To ensure that all significant losses have been properly investigated and that the internal and external auditors, and where appropriate the HEFCE Accounting Officer, have been informed.
8. To oversee the institution's policies on fraud, whistleblowing, and financial irregularity, including being notified promptly of, and satisfied with, any action to be taken under that policy.
9. To satisfy itself that arrangements are in place that promote economy, efficiency and effectiveness.
10. To receive any relevant reports from the National Audit Office, HEFCE and other external organisations.
11. To receive any relevant reports from other University committees, and to discuss any issues arising with the appropriate representatives of management either from within the University or from any subsidiary undertaking in which the University is involved as a participant partner or shareholder, as appropriate.
12. To monitor annually the performance, effectiveness and value for money offered by the services of the external and internal auditors, including commenting upon any matters affecting their objectivity, and to make recommendations to the Board of Governors concerning their reappointment where appropriate.
13. To consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion, the statement of members' responsibilities and the statement of internal control, in accordance with HEFCE accounts directions.
14. To present to the Board of Governors and to the Accounting Officer, and subsequently to HEFCE, an annual report covering the University's financial year and any significant events up to the date of preparation. The report should express opinions in relation to the Committee's review of the effectiveness of institutional arrangements for the following:

BOARD OF GOVERNORS 5/10/09

- Risk management, control and governance
 - Economy and efficiency
 - Data Quality.
15. To review, on a regular basis and in consultation with the Board of Governors (in the context of overall governing body effectiveness), the Committee's own performance against accepted good practice.

Taken as read and signed as a correct record on 27 November 2009