

INTEGRATED REPORT 2021



University of
Salford
MANCHESTER

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OUR UNIVERSITY

ABOUT THIS REPORT:

Welcome to the University of Salford's 2021 annual report. This report covers our University strategy, performance, governance and prospects. It aims to explain how, over time, we create value for our stakeholders – not only as a higher education provider, but also as an active contributor to the Greater Manchester region and society as a whole. In this year's report we:

- / provide an overview of the University and our strategic objectives
- / outline the major factors in our operating environment
- / report on our investment in infrastructure
- / outline key factors influencing performance
- / summarise our value creation model
- / explain our approach to risk
- / review financial performance over the past year
- / provide a view of our future prospects
- / describe our governance structure

A YEAR OF CHALLENGE, A FOCUS ON SUSTAINABILITY

Although the impact of the challenging operating environment caused by the Covid-19 pandemic is still evident in this year's report, we believe the primary story is one of sustainability. From continuity of essential academic activities during lockdowns, to ongoing development of our academic portfolio and campus, our report shows how we have maintained operations and are preparing for the future. We signal our future intentions and ambitions upon which we will build in a refreshed strategy to follow our 2016-21 Corporate Strategy (www.salford.ac.uk/corporate-information/vision-and-strategy).

ABOUT OUR APPROACH TO INTEGRATED REPORTING:

We recognise the value an integrated approach brings to our annual reporting. Our annual report aims to set out the result of integrated thinking: the active consideration of the relationships between the different functional areas of the University and our resources – our contributors. We draw upon a framework developed by the International Integrated Reporting Council (IIRC) to help us to put into practice the guiding principles of integrated reporting to: make more effective use of contributors, improve decisions and enhance accountability, stewardship, transparency and trust.

The purpose of our integrated report (IR) is to show how we create value over time for our students, colleagues, partners, investors and regulators in a way that is meaningful and meets their needs. We use quantitative data to evidence our performance and connect this to a range of qualitative information, such as narratives on progress and performance, and case studies, to provide context. See page 12 for our Value Creation model.



US

OUR PURPOSE:

Through learning, teaching, research and enterprise, we harness the skills, imagination and enthusiasm of our students and staff to work in partnership to change people and communities and deliver lasting economic and social benefit.

OUR VISION

By pioneering exceptional industry partnerships, we will lead the way in real world experiences that prepare students for life.

Our vision makes a bold statement; it is ambitious, yet firmly rooted in experience.

Our forward-thinking approach has powered progress for 125 years. Today, our unstoppable institution is bolstered by countless industry initiatives and innovative research programmes, building a thriving education community in Salford and beyond.

The University of Salford, formed from a merger of technical colleges and institutes, was created to educate and train a growing workforce. With a past entrenched in industry, we have continued to build on our principles of getting students ready for work, or for those already in work, ready for career progression or transition.

Our university community encompasses over 28,000 students, 2,500 staff and 190,000 alumni who come from around the world to study, teach, research and collaborate.

We offer study, research and innovation opportunities in a broad range of disciplines covering health professions, business, engineering, applied science and creative arts and technology, backed up by industry-standard facilities. Industry collaboration is at the heart of everything we do and drives our strategic objectives:

- / Providing a compelling academic portfolio that is demand-led by industry and focuses on interdisciplinarity across our academic schools
- / Inspiring our students as active partners in developing the knowledge, skills and self-awareness that provides them with the foundation for the next step in their careers
- / Achieving recognition as a global leader of challenge-led research and solutions-focused enterprise
- / Delivering the right enabling infrastructure to make Salford a great place to study and work

Strategic leadership is provided by Vice Chancellor, Professor Helen Marshall who is supported by three Pro Vice Chancellors with cross-cutting remits focused on our strategic priorities, as well as a Chief Operating Officer, four School Deans and Directors of Professional Services.

VICE CHANCELLOR

PVC STUDENT EXPERIENCE

PVC ACADEMIC DEVELOPMENT

PVC RESEARCH & INNOVATION

SCHOOL OF HEALTH & SOCIETY

SCHOOL OF ARTS, MEDIA & CREATIVE TECHNOLOGY

SCHOOL OF SCIENCE, ENGINEERING & ENVIRONMENT

SALFORD BUSINESS SCHOOL

CHIEF OPERATING OFFICER PROFESSIONAL SERVICES



IN DISCUSSION WITH THE VC

BY AROOB RAJA, MULTIMEDIA JOURNALISM STUDENT



“
Staff have worked tirelessly to make sure that our students have received the best learning experience that we can provide in what have been, and continue to be, challenging and fast-changing circumstances.
”

What have your key achievements been in your seven years as Vice Chancellor at Salford?

I think the place I would start is getting the university into a financial space which drives stability and sustainability. We've grown our turnover which gives us the headroom to get on with the core of our business and allows us to focus fully on the student experience.

For me, broadening the scope of who higher education serves is really important. I take immense pride in seeing young adults from more deprived backgrounds having the chance to go to university and get a qualification which enables them to go out and make a difference in the world. And I think we're achieving that.

There are also lots of other things that we have achieved too. If you look at our research agenda, we've moved into the applied industrial space and brought that into line with both our overall teaching strategy and our key focus on collaboration with industry.

There's a long way to go; we're on a journey and the sector is changing very rapidly. The government has a substantial agenda for the sector and it is my role to ensure that we are on the front foot and well prepared for potential changes.

So, it sounds like you're putting the students first, which obviously everybody wants to hear.

Yes, very much, that is who we are here for. Undoubtedly research is important too, but it needs to be applied for practical learning, and that approach brings industry to the table to work with us. In turn, that gives our students opportunities for placements and real-life projects that solve a problem for an industrial partner. And that's what we're about - getting that pipeline of talent from Salford into the economy of the North West and beyond.

Clearly the past 12 months have been quite challenging for university students and staff, what would you say that the new normal is for higher education?

Staff have worked tirelessly to make sure that our students have received the best learning experience that we can provide in what have been, and continue to be, challenging and fast-changing circumstances. I have huge pride in Team Salford, and by Team Salford I mean both our staff and our students, in terms of the way we've done this.

Whilst we're very much prepared for more challenges, our focus now is on providing the rich, on-campus experience which we know our students want. There are many benefits to having certain elements of learning and teaching online and technology will continue to play an important role going forwards, but after the disruption to education our new and returning students have had during the pandemic, we know how important on-campus learning and social opportunities

are. Our future students tell us that they want to have that face-to-face interaction with staff and to be around the campus, learn to live away from home, to cook, and various other things and we in turn, very much want to provide that.

Having elements of learning online that are available for students to go back to and review is a way forward. But, it's evolution not revolution, and must be done in consultation with both students and staff.

So, would you say that this new version of normal for higher education mirrors the new version of normal at the workplace with the whole mixture of working from home, but potentially going in?

Yes, and we will have agile working at the university. And again, it's evolution not revolution. Equally, we are a university which is about students being on-campus and ensuring that students have a good experience so we've got to make sure that agile working enhances the student experience.

This past year, we've seen a lot of talk with regards to value for money in higher education. What do you think Salford is doing to address this issue?

About 18 months ago, I got an early indication of the direction that government thinking was now know the 'what' of what The government's goals are fairly well known in terms of what they want to land with the value for money agenda but it's that 'how' that we don't yet have as the consultation has yet to come out.

taking and we is going to come.

Taking what we know into account, we're very much on the road towards dealing with what we believe the outcomes of the value for money agenda to be. Where we've got programmes that weren't in the space they needed to be in, we've put in place action plans that are being delivered against.

One of the areas that we do need to improve is space for our science, engineering and construction disciplines. To address this we've got multiple projects going up at the same time; there's a new £65 million Science, Engineering and Environment building nearing completion, as well as the new robotics centre and Energy House 2.0. It's a really exciting time and I can't wait for these buildings to be available to students and research teams.

Looking forwards, there's potentially a lot of change on the horizon from government with the Skills and Post-16 Education Bill and also the consultation on post-qualification admissions. How prepared do you think the university is with meeting these changes?

I think we're well prepared for this changing landscape based on what we know and the work we've been doing over the last couple of years.



We're making sure that we have a diverse offer. There's the core offer that most universities have - BAs, BScs, traditional undergraduate, three-year degrees and postgraduate masters - and there's also the newer areas that we've been growing.

We've grown our degree apprenticeship offer, we have in place a bid for an Institute of Technology which will offer HNDs and we continue to look at the areas where employers have made known that there are gaps in skills. For example, how do we reskill and upskill people in industry as we move to electric cars? My view is that this is done through micro-credentials and short courses and we're actively looking at developing our offer in this area right now.

Finally, we're also looking at overseas partnerships on what's called a 2 + 2 basis. This is where a student would study at level three and four in their home country with an element of online delivery from our staff here. They would then come to us to study at Salford for levels five and six. That then gives us a steady pipeline of international students.

Moving on to the post-qualification admissions review, I would say that the opportunity for students to apply to university when they have their actual grades is progressive and should help to eliminate some of the current inequalities in university admission.

However, the decision of which course and which university is right for any individual is a big one and we will need to think differently about how we engage prospective applicants and build relationships with them which is such a crucial part of informed decision making. We will also need to re-think some of our processes and potentially our academic calendar. We are though prepared for whatever the outcome of the consultation is.

“

Our focus on industry collaboration over the last six years has enabled us to grow our expertise and reputation in the provision of demand-led education, research and enterprise.”

The forthcoming refresh of our corporate strategy comes at a time of significant change for the higher education sector. Our focus on industry collaboration over the last six years has enabled us to grow our expertise and reputation in the provision of demand-led education, research and enterprise. The result is that we are well prepared for the challenges that lie ahead for universities and I think now is a good time for us to make sure our new strategy builds on our existing strengths and deliberately seeks to create new opportunities.

Over the past year and a half there's been a lot of difficult moments, but like you said, it's best to focus on the positives. So, what do you think the highlights have been over the past year and a half?

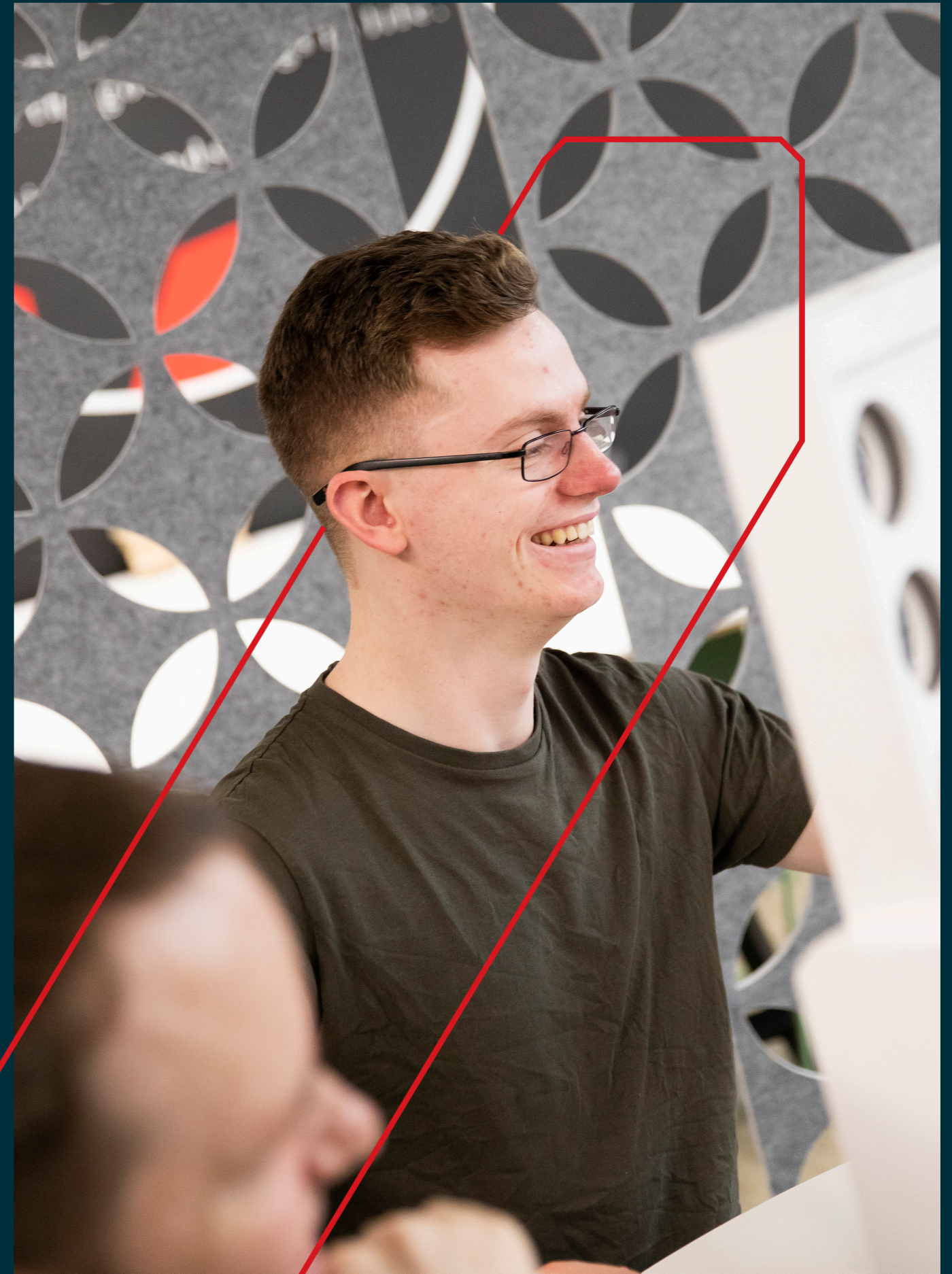
For me, the single highlight is "Team Salford", whether that be staff or students. I think the way that people have worked, the way that students have engaged, their commitment, has been amazing. All round it's been fantastic to see and be part of.

We will take forward a lot of learning from both the positive and more challenging moments and bring that into our business as usual. There will be new ways of learning, of teaching and of working and we'll be looking at the infrastructure that will support this.

There are so many individual moments that I could mention and this report covers just a few of these.

What is the future for the University of Salford?

Salford is now in a space where it is really contributing to powering up our region's economy. We have focused consistently on Industry 4.0 and now 5.0, on new ways of working, and new technology, and new engineering and new science. Our role is to connect students and the wider community with opportunities to better their lives and the lives of those around them.



REVIEW OF THE YEAR 20-21

/ AUGUST 2020

NORTHERN CARE ALLIANCE AND UNIVERSITY OF SALFORD APPOINT FIRST CHAIR OF NURSING

Professor Heather Iles-Smith was appointed as the Northern Care Alliance NHS Group (NCA) and the University of Salford's inaugural Chair of Nursing.

During International Year of the Nurse and Midwife, the partnership was delighted to welcome Professor Iles-Smith into the role. This new role has been pivotal in progressing the organisation's plans to develop academic nursing and allied health professionals' career development. The post is a joint appointment between the Northern Care Alliance and us meaning Professor Iles-Smith will be instrumental in developing this partnership.

Speaking about her appointment, Professor Iles-Smith said: "I am absolutely delighted to join the University of Salford and the Northern Care Alliance as Chair of Nursing. I am incredibly excited and look forward to supporting and developing the non-medical workforce to improve patient care through undertaking research."

Professor Margaret Rowe, Dean of our School of Health & Society, said: "I am absolutely thrilled that the NCA and the University of Salford have come together to develop a chair in nursing.

"Heather is an excellent example of a clinical nurse leader – she has such a strong research profile and will bridge brilliantly across clinical nursing practice and academia. Heather is a role model for nursing students on the importance of nurses developing and using research to ensure patients and their families receive evidence-based care."



/ NOVEMBER 2020

GROUND BROKEN ON WEATHER CONTROL ENERGY LAB

To celebrate the start of construction for Energy House 2.0, an online event was hosted and attended by The Mayor of Greater Manchester, Andy Burnham, The Rt Hon Kwasi Kwarteng, Minister for Business, Energy and Clean Growth and more than 300 guests. The project is the largest of its kind in Europe and has been part-funded by the European Regional Development Fund.

Energy House 2.0 will shape the homes of the future bringing the UK to net carbon zero quicker and help alleviate fuel poverty. In the new facility our energy and environment academics will be able to create snow, rain, wind or solar exposure in two giant chambers. Different conditions can be generated by a state-of-the-art heating, ventilation and air conditioning system. Temperatures can be plunged to -20°C and raised to 40°C, meaning environmental conditions experienced by 95 per cent of the world's population can be replicated.

The facility will have four furnished houses that will sit within the chambers – two in each – with a total footprint of more than 1,000 square meters. The homes will be fitted with smart energy technology including smart meters, in-home displays, and vehicle-to-grid solutions.

Energy House 2.0 is due for completion at the end of 2021 and will open in early 2022.



/ MAY/JUNE 2021

FESTIVAL OF ENTREPRENEURSHIP AND INNOVATION

Following a successful five weeks, the inaugural Festival of Entrepreneurship & Innovation came to an end with hundreds of engagements and attendees.

Organised by the Launch @Salforduni Incubator in the Business School, the festival took place between May and June and included more than 40 events featuring speakers from several local and national companies such as AO, Santander, GC Growth Hub, HOST, EJS Marketing and VidMob.

The festival aimed to bring together rising entrepreneurs and industry professionals to attend a wide range of events designed to expand networks, share knowledge and broaden horizons.

Learning from established entrepreneurs, participants were taught a range of skills and given first-hand experience of building a business or becoming a freelancer.



/ JULY 2021

ROBOTICS TO POWER MANUFACTURING GROWTH IN THE NORTH OF ENGLAND



We are a strategic consortium partner of the £22.6 million Advanced Machinery and Productivity Initiative (AMPI). The ambitious project is looking to position the North of England as a world leading manufacturing hub.

The grant comes from the UK government's Strength in Places Fund bringing together a diverse range of partners, including the UK's National Physical Laboratory, to collaborate on initiatives that will stimulate and support growth in the UK's vital machinery manufacturing sector.

AMPI will draw on our 20 years of experience in the area and brings a unique opportunity for our academics to work alongside industry to modernise the manufacturing sector through the introduction of innovative and sophisticated automated and autonomous robotic systems.

For more than a decade, we have been a National Advanced Robotics research centre and home to Autonomous Systems and Advanced Robotics, an internationally renowned research centre with excellence in a vast portfolio including soft/hard robotics, AI and autonomous systems.

FIRST RESEARCH PODCAST LAUNCHED

This year saw the launch of our weekly research podcast. Named 'REPOD' it is hosted by Professor Andy Miah, Chair of Science Communications and Future Media, who takes you behind the scenes to meet the academics behind the research. The podcast tells the researcher's story giving you a deep dive into their current work – from understanding obesity and the impact that it has on cardiac patients to becoming a digital entrepreneur.

The podcast is available on Spotify, Google Podcast and Apple Podcast and can be found by searching 'Repod Salford'.





VALUE CREATION

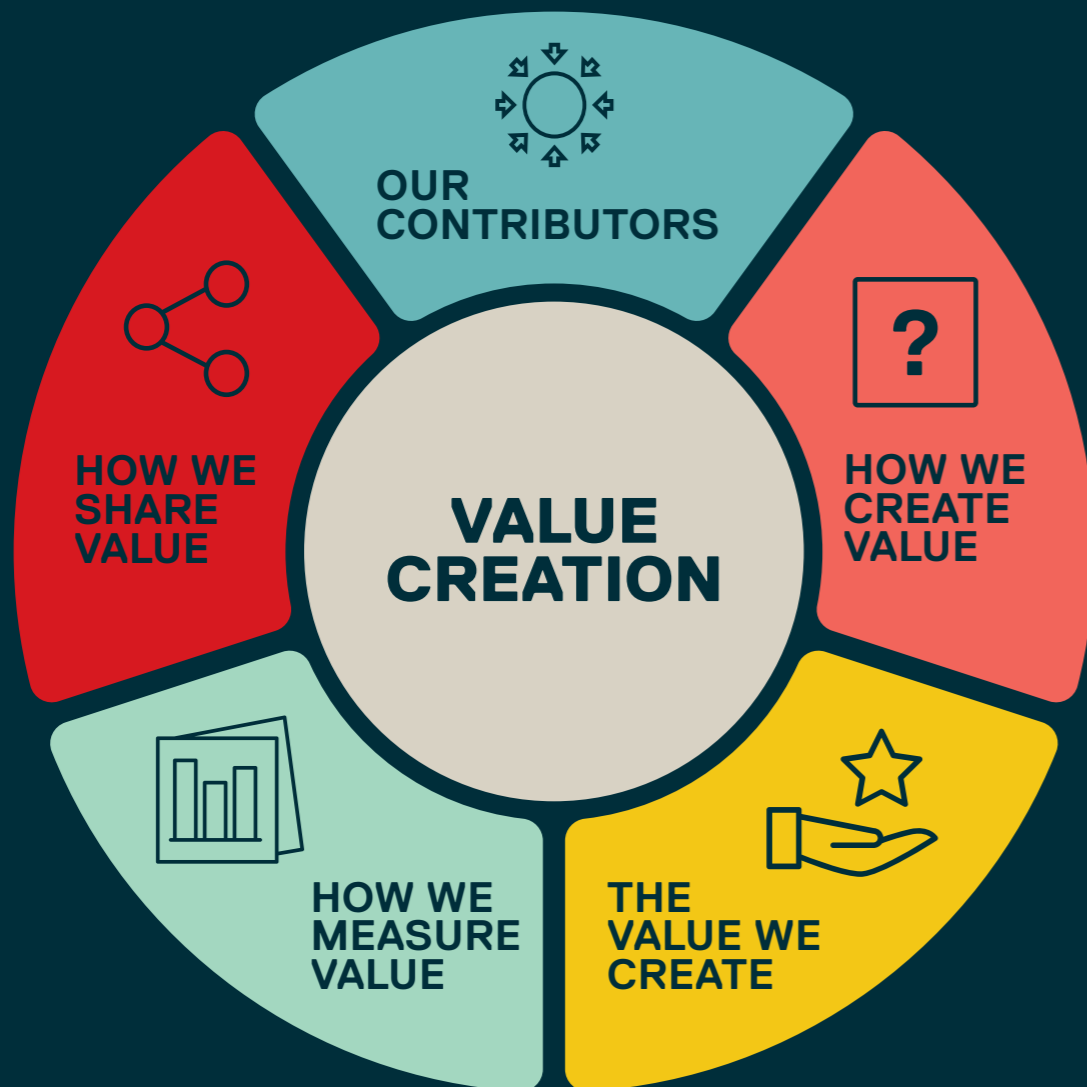
Our approach to value creation is derived from our purpose:

Through learning, teaching, research and enterprise, we harness the skills, imagination and enthusiasm of our students and staff to work in partnership to change people and communities and deliver lasting economic and social benefit.

We create value over time by focusing our energy on what matters to our students, staff, partners and society. We do this by equipping students with the

knowledge and skills they'll need for life; building partnerships with large and small enterprises across the public, private and civic sectors; and enabling research which addresses societal needs.

Drawing on the resources available to us – our contributors - we generate and sustain financial and non-financial value for our stakeholders. We have included examples of our work and achievements in this report to demonstrate how we deliver positive change for individuals, communities, the economy and society.



OUR CONTRIBUTORS

- Our students
- Our people
- Knowledge
- Networks and partnerships
- Our heritage
- Buildings and equipment
- Place
- Finance

HOW WE CREATE VALUE

- A transformative experience:** Our industry-aligned courses and extra-curricular opportunities encourage our students to challenge – and change – themselves in a supportive environment.
- Investing in people:** We invest in our people to develop talent, capability and careers that fulfil personal goals and organisational strategy.
- Prioritising collaboration:** We draw on the expertise of our people to collaborate internally and externally in the creation and application of knowledge that addresses industry and societal needs.
- We work with our industry and educational partners to create successful pathways into HE and exciting work and study opportunities for our students.
- We draw on Salford's place at the heart of the industrial revolution to design modern courses informed by research, industry collaboration and professional practice opportunities.
- Creating the right spaces:** We invest in both our physical and virtual environments, to create vibrant and engaging spaces for learning and work.
- We contribute to the economic, social and cultural vibrancy of Salford and Greater Manchester through a variety of place-based collaborations with local and regional partners.
- Creating stability:** We receive income from student fees, government grants and research awards and use this to create a successful business model that supports organisational resilience and financial sustainability.

THE VALUE WE CREATE

- Our students gain the social capital, experiences and skills they'll need for life.
- Our colleagues are skilled, motivated and committed to the ambition and success of our community.
- We create solutions that have positive impact for individuals, business and society.
- Our alumni have the knowledge, skills and resilience to adapt, thrive and add value in a rapidly changing world.
- Our facilities and infrastructure enable our staff and students to achieve their best work.
- Our activities create civic pride, attract investment into the city of Salford and contribute to the skills and innovation economy of Greater Manchester.

HOW WE MEASURE VALUE

- By using student feedback to improve the educational and wider student experience.
- By evaluating student progress both through their University experience and into employment.
- By assessing the difference our enterprise activities make to small and medium enterprises.
- By understanding the benefits employers gain from employing our graduates and engaging in knowledge exchange opportunities.
- By evaluating the impact our research and expertise have on society.
- By measuring the economic and social contribution we make to our region.

HOW WE SHARE VALUE

- Our students:** We reinvest in the education, support services and facilities of our current and future students.
- Our people:** The contribution and achievements of our people are recognised and celebrated.
- Our alumni:** Our alumni remain part of us, with lifetime access to key services and knowing their academic qualifications are valued by employers and hold their value over time.
- Our community:** We are an anchor institution in our city and add significant value to the local and regional economy through employment, procurement spending and the contribution of our students.
- Society:** Benefits from a highly skilled workforce that adds value to employers, communities and the economy.
- Our investors:** Transparency in our reporting gives investors confidence in our financial sustainability and ability to meet financial covenants.
- Government and regulators:** We demonstrate compliance with regulatory requirements and provide value for money.
- Public and private sector regional partners:** We work with partners to achieve mutual benefit and to have a positive impact on the local and regional economy, society and culture.



THE WORLD AROUND US

While the impact of the coronavirus pandemic has continued to be felt acutely across the globe this year, we, and the world around us, have moved from operating in crisis mode to exploring the 'next' business as usual. The environment in which this is taking place remains complex and uncertain.



GOVERNMENT POLICY AND SECTOR REGULATION IS PUTTING UNIVERSITIES UNDER GREATER PRESSURE

Higher education is coming under increased regulatory scrutiny as a result of the government's drive to tackle degrees that are perceived to not deliver value for money in terms of timely progression, graduate level employment and future earnings. Tougher quality metrics are planned by the regulator, the Office for Students (OfS), which could lead to providers being refused funding for courses that fail to meet absolute thresholds for student outcomes.

The Skills and Post-16 Education Bill aims to reform post-16 education by rebalancing investment across the tertiary sector in favour of sub-degree level qualifications and emphasising routes into skilled employment other than a degree. Proposals include lifelong learning loans and the promotion of higher technical qualifications at levels 4 and 5 which are seen as shorter, and cheaper, routes into employment.

The Future Research Assessment Programme (FRAP) has been initiated at the request of the four governments of the UK and their associated funding bodies. FRAP will investigate possible different approaches to the evaluation of UK higher education research performance.



FUNDING FOR THE WHOLE RANGE OF HE ACTIVITIES IS SHIFTING

The prioritisation of post-18 education provision is directly linked to funding policy. Strong demand for degree level qualifications has increased the cash value of all student loans which is forecast to reach £22 billion in 2024-25. Latest estimates suggest that 54% of student loans will be unpaid. To reduce the fiscal burden on UK taxpayers the Treasury has set out plans to shift funding towards science, technology, engineering and maths (STEM), and away from the creative and performing arts.

The UK government faces exceptionally difficult decisions as it prioritises spending to support national recovery. It has reiterated its commitment to make the UK a scientific superpower, promising investment of £375 million in highly innovative tech companies, an increase in Research & Development (R&D) tax relief for investing private companies and visa reforms to attract the best international talent in science, research and tech to the UK.

Recurrent funding for the UK's Associate participation in Horizon Europe, at an annual cost of up to £2bn, remains unclear while cuts have been confirmed in areas such as the Global Challenges Research Fund.

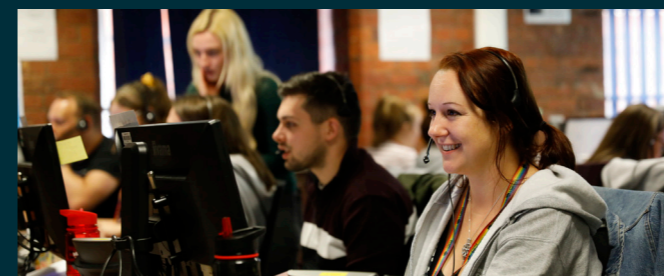


HIGHER EDUCATION CONTINUES TO BE AFFECTED BY THE CORONAVIRUS PANDEMIC

After a return to socially distanced campuses in September 2020, increases in Covid-19 infection levels across the country led to disruption across the HE sector as the UK went into two further periods of national lockdown.

On-campus teaching was restricted to essential practical activities for a limited number of subjects in the early part of 2021. Restrictions remained in place until the middle of May, in line with Step 3 of the government roadmap. In reality, a significant proportion of students across the UK did not return to on-campus teaching in the 2020-21 academic year. The arrival of international students in the UK was disrupted, with some having to commence their studies online due to the restrictions in international travel.

Research, particularly contract research, and other income generating streams have continued to be impacted.



THE CHANGING FACE OF ADMISSIONS

Late in the 2020 admissions cycle, policy was changed to award A level grades on the basis of teacher assessments because of inequalities arising from a nationally-applied algorithm. The resultant increase in grades meant thousands more students gained a place at their first-choice university. Overall, universities with higher entry tariff requirements saw most growth at the expense of those providers that accept applicants with lower grades.

In a similar scenario in summer 2021, applicants to some oversubscribed courses were offered financial and accommodation packages to defer entry for a year. At the same time, the government is pursuing radical reform of the admissions process to create a post-qualification admissions (PQA) system.



REIMAGINING HOW WE WORK AND STUDY

Student, colleague and partner experiences over the last two years have challenged established norms about how and where we learn, work and live. Higher education, like other sectors, is on a journey to understand what its 'next' student and colleague experience will look like. Taking forward the best of learning and changes to working life from the pandemic offers opportunities to reimagine our student and colleague experience.



BUILDING BACK BETTER AND FAIRER ACROSS OUR REGION

Greater Manchester (GM) has bold ambitions for inclusive economic growth in the city region. Like many areas, GM has been hard hit by Covid resulting in a marked decline in life expectancy and a widening of social and health inequalities.

Against this backdrop, city region leaders and business have committed to a new, inclusive economic vision for GM that works for both people and planet. This vision recognises that the pandemic offers an opportunity to "build back better" by delivering the UK's most integrated place-based innovation ecosystem to drive economic and social renewal nationally, in the North and locally.

Central to realising this ambition is a heavy focus on rapid innovation and R&D to drive economic growth, development of skills pipelines in key sectors - health, net zero, digital and materials and manufacturing - and leveraging existing strengths in partnership working and devolution.

STRATEGY & OPERATIONAL REVIEW

GROWTH AND DIVERSIFICATION

GOAL

To ensure that our academic portfolio remains relevant and compelling, and reaches new domestic and international markets

PROGRESS

In a challenging and uncertain year for universities and those aspiring to study in higher education, we have achieved significant milestones in expanding our industry-focused portfolio and developing capacity to meet skills and societal needs

ACADEMIC PORTFOLIO

Successfully evolving our academic portfolio is essential to our continued success in a dynamic and uncertain environment. We have reshaped our academic planning cycle to adopt an approach to programme development which is demand-led by industry and focuses on interdisciplinarity across our academic schools. Our deliberate steps to expand our apprenticeship, higher technical education and postgraduate international income streams will help us to weather potential constraints on the future funding of three-year, full-time undergraduate degrees. At the same time, we are undertaking a robust review of where we may wish to consolidate our undergraduate degree offer.



DEGREE APPRENTICESHIPS

In partnership with Greater Manchester Police (GMP) and the University of Central Lancashire we have been awarded the contract to deliver two recruitment entry routes to the police force across the Greater Manchester region. Designed and validated by the College of Policing, the new Professional Education and Qualification Framework replaces the in-house training of police officers, formally recognising the breadth and depth of knowledge and skill required for the role. As the lead qualification provider, from November 2021 we are introducing two new entry-level pathways:

- Police Constable Degree Apprenticeship: a three-year professional policing degree apprenticeship
- Degree Holder Entry Programme: a two-year graduate diploma

Our subject matter experts in policing and criminal justice fields have direct experience of working with police officers in a wide range of practice settings. Combined with our national and international reputation in key research areas such as autism and the criminal justice system, domestic violence, child protection, adult safeguarding and mental health, this collaboration will deliver innovative and high-quality victim-centred learning to up to 1,750 new police officers over the next five years.

The addition of policing to our portfolio will see us invest over £700,000 in policing-oriented simulation facilities such as interview rooms and an incident/crime scene flat, and bespoke digital curricula packages to deliver real life learning. Total additional investment of over £1.2 million next year in degree apprenticeship resourcing underlines our strategic commitment to apprenticeships and consolidates our reputation for effective partnership working with major employers.

HIGHER TECHNICAL EDUCATION

The University of Salford's expertise in technical education began in the industrial revolution and continues to shape our present and future: we prepare our students for life by providing them with a higher education that develops the knowledge and skills they will need to thrive in their future. Today, tertiary education is undergoing its own revolution as the government prioritises economic growth through the take up of technical learning options at post-16 with apprenticeships and T Levels, and at post-18 with higher apprenticeships and Higher Technical Qualifications (HTQs) such as HNCs and HNDs awarded at Level 4 and 5. A rebalancing of funding in favour of HTQs is expected to be announced by the end of 2021.

We are committed to developing our Level 4 and 5 technical skills provision to support growth within the region, and we have partnered with leading local employers - GCHQ, Laing O'Rourke, Siemens and TalkTalk - to help shape our academic portfolio. In particular, we are considering the level of qualifications we deliver as well as how we deliver them (in-person, part-time, self-directed, online, blended) and where (on campus, in the workplace, in-country, at a distance, at home).

"This partnership will ensure GMP's student officers develop the leadership, skills and knowledge they need to deliver high-quality policing services to our communities"

Stephen Watson,
Chief Constable Greater Manchester Police

"This course will offer transformational learning and diversity, which will impact on the safety and quality of life of the Greater Manchester population. We look forward to welcoming our new cohort of students who I know will enhance and contribute highly to the culture and development within the university."

Professor Margaret Rowe,
Dean of the School of Health and Society



In further support of this goal, we are also partnering with public and private FE Colleges on the creation of the Greater Manchester Institute of Technology. This is a Department for Education initiative to develop Institutes of Technology across the country that focus on regional STEM (Science, Technology, Engineering and Maths) skills needs that directly align with the Local Industrial Strategy, delivering a collaborative approach to supporting the regional economy and post-Covid recovery. Our collaborative bid has passed the first stage and we await the outcome of stage 2 towards the end of the calendar year.

INTERNATIONAL GROWTH

International recruitment markets remain volatile, depending on successful partnerships and geo-political changes. Covid-19 has restricted international movement in some areas through a combination of in-country travel restrictions, closed borders and the introduction of mandatory quarantine restrictions. Despite the challenging environment we have seen strong demand from India and Nigeria and a surge in postgraduate recruitment has increased our international PGT community across all of our academic schools. Due to demand for certain courses we are asking some students to move to later intakes.

The global impact of Covid-19 has impacted our higher education delivered at the British University of Bahrain. Like many countries, Bahrain has experienced periods of lockdown during the last year which has affected delivery. We are encouraged that recruitment forecasts for 2021-22 are showing positive recovery and are building on this outlook with the planned launch of five new undergraduate programmes in the next academic year, subject to Higher Education Council approval.

PERFORMANCE

GROWTH & DIVERSIFICATION							
Core indicator: student headcount	ACTUALS			HIT TARGET	TREND	TARGET 21-22	PROGRESS
	18-19	19-20	20-21*				
Overall Recruitment	24,222	26,247	29,442	✓	—	29,406	We have seen continued growth in our undergraduate student numbers through both an increase in recruitment and improved retention. The second half of the year saw strong recruitment from overseas for postgraduate programmes taking our overall student headcount slightly above planned number for 2020-21. We have not seen any impact in our overall student numbers despite the uncertainties and unknowns created by the pandemic.
Inward international including distance learning	1,474	1,656	2,921	✓	—	2,517	International student recruitment has gone beyond target driven by: favourable national policies of the Graduate Immigration Route; decreased competition through entry restrictions of Australia, Canada and US; increased demand in Salford's key markets of India and Nigeria, as well as increases in Pakistan and Hong Kong.
TNE: Transnational Education taught outside the UK recruitment	2,887	4,126	4,784	✓	—	5,124	British University of Bahrain and Robert Kennedy College have increased numbers and are continuing to expand. Covid disrupted recruitment for some partners in SE Asia and delivery continued online. We have rationalised TNE partners where the programmes were not delivering in order to focus on our main partners and plan for the future.

* Figures as of 10 September 2021

Key:

✓ Met or exceeded target — Within 5% of target ✗ Missed target

FUTURE PLANS

Our domestic focus in the coming year will be delivery of our new policing courses and further development of higher technical qualifications. Internationally, our intention is to build on the strong upturn of demand from key overseas markets, particularly in postgraduate taught provision.

Our future success depends on our current actions to develop portfolio opportunities that are demand-led and cognisant of the changing world around us. Our strategy refresh over the coming months comes at a time of major change in how higher education is funded and what types of provision will receive public funding in future. Drawing on our successful track record, we plan to reduce reliance on some of our 'traditional' markets by securing growth in other areas of industry led tertiary education.



IN DISCUSSION WITH....

Dr Janice Allan, Dean of Salford Business School (SBS) talks to master's student Ellie Kemp about the new vision for the school and student support throughout the pandemic

What is your new vision for the school and why did you introduce it?

Launching the SBS mission and vision marked the start of a new path focused, not on our past but on our aspirations and ambitions for the future. But while they are future facing, they find their roots in our existing strengths and values.

We commit ourselves to inspiring curiosity, building confidence, and nurturing resilience, which is what our students and alumni tell us we're good at. This focus on personalised support is also what differentiates us from the larger corporate business schools.

Our mission is not just to teach our students the principles of their chosen discipline, but to teach them how to learn and to equip them with the curiosity, confidence, and resilience to keep on learning.

Our vision is all about a new type of leadership that recognises the global shift, accelerated by the pandemic, from functional to entrepreneurial leadership. It's no longer about labels – such as CEO – but leadership as a mindset that sees a challenge as a potential opportunity, that sees failure as an opportunity to learn, and is characterised by willingness to innovate and experiment. That's the mindset we're trying to nurture in our staff as well as our students.

What benefits will the new vision bring?

One of our commitments as a senior team is to explain 'the why'; we won't ask staff to take action without explaining why it's important.

Our vision and mission go a long way in establishing our "why". I am keen that we instil a one school philosophy and mentality, helping us to establish the values and priorities for us to collectively both believe in and work towards.

What would you like people to be saying about SBS in 5 years' time?

I want the sector to be looking to SBS as leading the way in innovative and impactful business and legal education. I want people to look to our school to better understand how good technology can accelerate good learning.



Our mission is not just to teach our students the principles of their chosen discipline, but to teach them how to learn and to equip them with the curiosity, confidence and resilience to keep on learning.

I want the business simulation suite to be trailblazing experiential skills-based employability and entrepreneurial training. At the same time, I want everybody to recognise the work we do with small and medium sized enterprises (SMEs), through our enterprise and applied research.

I want people to see a commitment to the civic university agenda made real through everyday actions. For everybody looking to come to university, I want SBS to be seen as a destination of choice.



As a leader I'm a keen believer in the value of relationships and those are harder to develop in a digital setting. What I missed was being able to read a room.

As Dean, what were the biggest challenges of the last academic year?

Putting aside the fact I was a new Dean, the scale of change required was pretty daunting. Change is hard enough at the best of times. Throw in a pandemic where you can no longer hold face-to-face conversations, and it makes it so much harder.

How was the switch to online learning managed?

As a leader I'm a keen believer in the value of relationships and those are harder to develop in a digital setting. What I missed was being able to read a room.

In many ways it was much easier for SBS than for creative and practical or lab-based subjects, as most of our curriculum could be delivered online. I need to commend the stellar work of Charles Knight, our Associate Dean - Student Experience. The work he did to support staff in the move to online learning was outstanding. He turned a really daunting problem into a positive learning experience for everyone.

We tried to adopt a digital first approach that went back to first principles rather than simply transfer existing materials to a new platform.

The success of the move can be measured in many metrics, especially National Student Survey results. Our scores for academic support increased in many areas. This success belongs to the staff who were in there working really hard every day.

How much consultation could you carry out to ensure learning suited the students' need?

One reason why our online teaching was successful was because we listened to both students and staff. We had weekly meetings with student representatives where we listened to what they said worked - and what they said didn't work. We were agile and responsive and adapted our practices based on their feedback.

The pandemic taught us not just to experiment but to be open to listening, learning, and changing our minds.

How did you maintain focus on the student experience?

We've taken steps to improve graduate employability, which translates into a commitment to real world learning, placements and live briefs. All SBS programmes have a placement variant and offer a whole range of live briefs and projects. We have made a significant investment in business and management simulations to extend the reach of real world learning. This is increasingly important, as internships and placements are harder to source post-Covid.

Simulations will allow students working in teams to manage their own companies, develop strategy, implement decisions, analyse impact, and adjust plans accordingly. Along the way we can throw events into the simulation; we could trigger a global recession or cause a break in the supply chain. Each team will be forced to engage with uncertainty and adapt in an agile manner as they would need to do in the real world.

How have you supported international students?

We created a new role, the international academic support tutor, who supports transition into UK higher education (HE). In some countries, students' learning might have been more exam-based, so they needed additional support in writing essays. This role ensures they feel more confident settling into university studies in the UK.

We have built a strong international community by having weekly social events and hosting a global business challenge, which had fantastic feedback.

The upcoming year's students will benefit from a buddying system and we also have inclusivity champions.



What are your main priorities for SBS as the new term begins?

We want to enable success for all students in terms of measurable results in engagement, achievement, and employability. We want all students to make a successful transition into HE study and this is perhaps more important than other times, as students have had an interrupted and challenging journey to get here. Students who didn't take exams might lack confidence in their own ability and right to be here so it's important we help them transition into HE study at Salford.

One way in which we are doing this is through a 4 week immersive module across business and management programmes so students are together every day to build a sense of cohort identity and resolve any issues.

We will also be delivering eight cohorts of the government's Help to Grow programme, which will support around 150 regional SMEs.

What are you most proud of this academic year?

We've built a really strong foundation and direction for the School centred on our current and future students. I'm incredibly proud of the way we came together to achieve this during the pandemic.

On a personal level, I've kept learning from everyone around me and have come to realise how important it is to be open to challenge and open to changing my mind. If I'm trying to create a culture where people feel empowered to take risks, sometimes they'll get it wrong and that applies to me too. It's less important for me, or any one individual, to be right, as long as we as a school get it right.



On a personal level, I've kept learning from everyone around me and have come to realise how important it is to be open to challenge and open to changing my mind.



STUDENT EXPERIENCE AND OUTCOMES

GOAL

The purpose of our programmes is to inspire our students as active partners in developing the knowledge, skills and self-awareness that provides them with the foundation for the next step in their careers

PROGRESS

The last year has marked a profound shift in our thinking about learning, teaching and the student experience at Salford. Our focus has been on two distinct areas:

Firstly, we have maintained a strong operational emphasis on engagement and flexibility with student outcomes in mind - we have significantly evolved our internal structures to navigate the disruption to students' education through the pandemic.

Secondly, we are fixing our sights firmly on the future as, in partnership with our students, we chart the direction and effective working practices of a post-pandemic educational experience focused on development of employability skills, knowledge and behaviours.

It is important to know that these are not two separate activities, rather a developmental continuum. Overall our students responded positively to the educational adjustments we made and the support we provided this year. However, pressures on our operating environment arising from Covid-19 significantly affected our ability to meet original targets, which were set in the hope that there would not be a second, national lockdown.

Responding to the pandemic has helped us to discover new and better ways of teaching, as well as supporting our students into their future careers.

ENABLING STUDENT SUCCESS

Over the last year we have initiated Enabling Student Success (ESS), our single student-focused priority, through which we are developing our learning and teaching environment post-Covid-19 in line with our wider strategic direction. Analysis of performance data and stakeholder conversations has led us to identify four areas as priority for improvement:

Academic success: addressing attainment gaps, growing industrial placements and delivering employability with a clear emphasis on successful transition into and through higher education

Customer service: delivering seamless, high quality course organisation and communication which allows students to focus on their studies

Leadership: growing the capability and capacity, and shared consistent culture of practice and recognition, of our course leaders to deliver a focus on quality and student success

Environment: creating the right digital, physical and regulatory environment and learning opportunities that mean our students, whether residential or commuter, want to come - and stay.

These priorities are shaped by our existing Factors of Success model, meaning we have a strong focus on join-up and ownership of actions. This approach gives us confidence that we are using key contributors - our people, alumni, partners and infrastructure - to create value for our students by delivering improved experiences and outcomes over the coming years.

For example, a re-conceptualisation of Levels 3 and 4 as an Academic Transition Stage will better support our students, who come from a wide variety of backgrounds, to make the necessary adaptations to succeed academically. An emphasis on 'practice for success' is designed to scaffold students' learning within a supportive framework, equipping our students with the tools to succeed. We have completed the following groundwork that will enable our academic colleagues to focus on providing tailored support at all levels of study, contributing to students' development of a sense of belonging, sense of purpose and confidence:

- ✓ Senate has approved changes to the pattern and flow of the academic year from 2022-23: this will support a more balanced pattern of teaching and assessment across the academic year
- ✓ Identified a need for, and initiated, a Learning and Teaching Unit to act as a focal point for enhancing pedagogic practice and a vehicle through which our teaching staff will be able to share, and engage with, best practice both internally and across the sector

- ✓ Revised our Assessment Framework to: improve transition into higher education; improve assessment submission rates; and ensure that students have the opportunity to develop and demonstrate the skills, knowledge and behaviours necessary for their progression into their chosen future
- ✓ Made significant investment in expanding and upgrading our classroom technology, and training for teaching staff, to build on our strong foundation of technology enhanced learning and assessment
- ✓ Re-developed quality assurance processes and functions that align to the emerging quality, standards and regulatory environment.

These actions form an important foundation to deliver our future plans in an increasingly challenging operating environment in which HE providers will be expected to deliver similar outcomes for all students regardless of their demographic, socio-economic and prior educational background. ESS highlights the importance of our focus on levelling-up any differences in prior experience as we begin to emerge from the pandemic and define our new 'normal'.

In developing our plans for the future of learning and teaching we recognise the impact Covid-19 has had, and continues to have, on our students, staff and partners. Despite our successful efforts to deliver the curriculum online during periods of lockdown, students missed the opportunity to experience campus fully and the social aspect of university life. This meant that our customary measure of whether we were delivering the desired student experience, as captured via the National Student Survey, was distorted this year and last by the disappointment all students felt because of the restrictions imposed by the pandemic.



Our students are actively involved in shaping education at Salford for themselves and for future students and some of the adjustments we made to teaching and assessment during the pandemic have been positive. For example, setting alternatives to formal, time-constrained written exams made a significant contribution to closing academic award gaps and the recording of taught sessions improved accessibility for students who may otherwise have experienced difficulty engaging with their learning. In partnership with the Students' Union a set of principles have been developed to support the continued use of recordings of taught sessions to support learning.

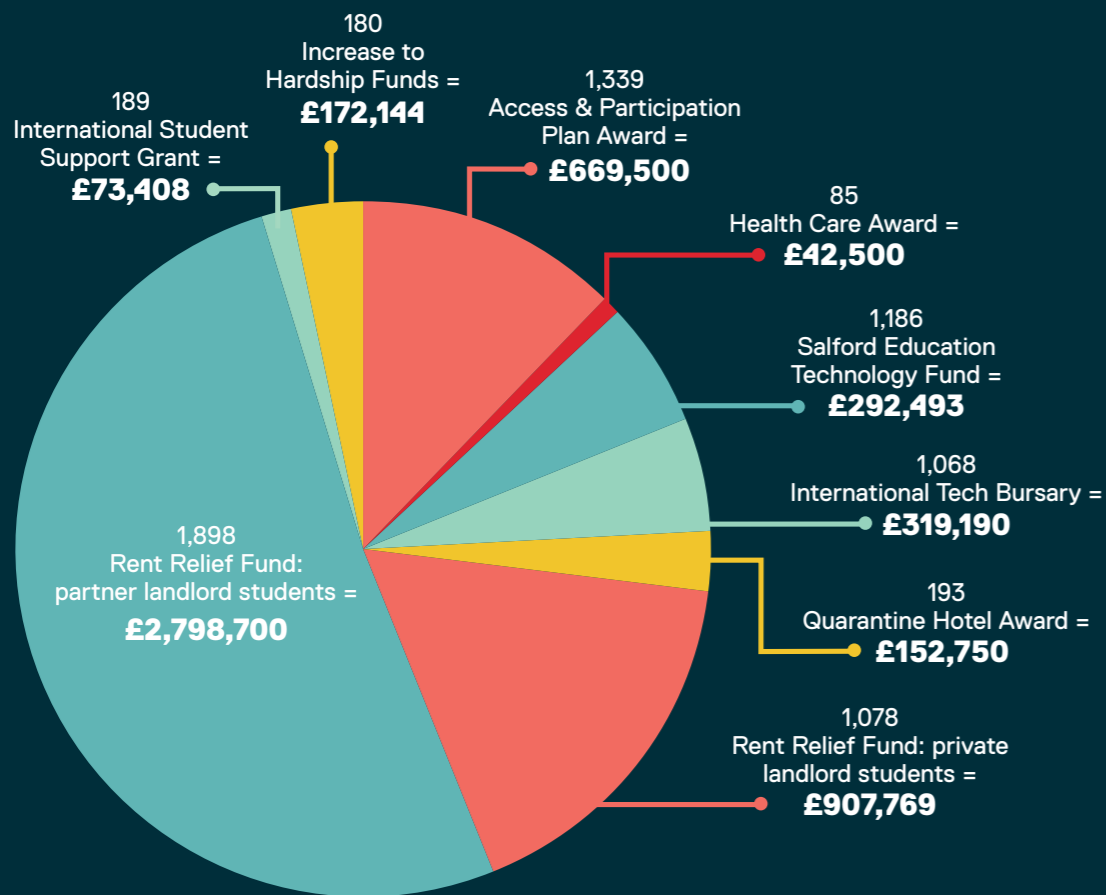
Our students have also been instrumental in action to better integrate our equality, diversity and inclusion

(EDI) work across the institution to address the barriers to academic success and graduate outcomes faced by students of Black, Asian and minority ethnic (BAME) backgrounds. Having mapped our BAME award gap plan against our Enabling Student Success (ESS) actions, we are embedding clear actions to help us maintain a focus on addressing EDI disparities. For example, the Learning and Teaching Unit will deliver targeted staff development and support to both identify and address the barriers to success experienced by students and to decolonising the curriculum. We have appointed EDI leads in all our academic schools to work with the Unit to ensure the consistent adoption of inclusive teaching and assessment practices.

PROVIDING ADDITIONAL FINANCIAL SUPPORT TO ENABLE STUDENT SUCCESS

Many of our students experience socio-economic barriers to learning, the impacts of which have been amplified during the pandemic for example as a result of lost opportunities to gain part-time employment whilst studying. Students who are care leavers or estranged from their families or rely on earning money to support their studies have been particularly vulnerable to financial hardship. The Students' Union have played an important role in helping us to target additional practical and financial support at those students most impacted by the economic effects of Covid-19 and in raising awareness of the various schemes available to these students.

We have also taken action to address 'tech poverty', a term used to describe a lack of access to suitable technology for remote learning. In 2020 we created the Salford Education Technology (SET) Fund to support students with purchasing their own laptop. The fund offers eligible students an entry level laptop; combined with our move to a cloud based visual desktop and virtual learning environment, the fund enables students to attend online lectures and access software for their course. In addition to operating our normal student support awards, this year we have made over 7,000 individual financial support awards across a range of schemes, totalling nearly £5.5 million, as shown in this infographic.



TOTAL NUMBER OF AWARDS = 7,216
TOTAL SUPPORT £s = £5,428,454

SUPPORTING OUR INTERNATIONAL STUDENTS

Our international students have experienced particular difficulties and disruption as a result of the pandemic, through disrupted international travel and quarantine, and also with the additional anxieties caused by worry about family members and the economic impacts of lockdowns in their home countries. The Students' Union led a successful programme of activities, engagement and pastoral support for our international community, including a buddy scheme for those needing to self-isolate. As a result of the positive impact we are maintaining this scheme going forward.

“It was great to have a buddy, that made me feel welcome in a foreign country where we don't know anyone. I think that it is always good to know that there are other international students that we can count on.”



PERFORMANCE

STUDENT EXPERIENCE AND OUTCOMES					
Core Indicator	ACTUALS			TREND	PROGRESS
	18-19	19-20	20-21		
Teaching on my course (%)	80	81	75		It is difficult to compare the results of this year's NSS with previous years. Following over 12 months of national restrictions impacting access to campus based learning, it is unsurprising that students reported lower levels of satisfaction than in previous years, a trend seen across much of the sector. Our internal evaluations show that students were largely satisfied with how we responded to the situation and the ways in which we supported them.
Assessment and Feedback (%)	75	75	69		
Academic Support (%)	77	79	69		
Graduate employment (%)	DLHE	72	-	-	Destination of Leavers from Higher Education (DLHE) and Graduate Outcomes (GO) survey results are not comparable. The drop in Graduate Outcomes reflects a decline nationally as a consequence of the pandemic. Salford graduates performed slightly better compared to the sector as a whole.
	GO	-	70	67	
Non-continuation (%)	11.4	-	-	-	We have moved from using non-continuation data (which includes students who need to repeat years) to using progression from Level 4 to Level 5 and is a better indicator of students' success. Progression increased significantly between 18-19 and 19-20 and we have largely maintained this improvement, despite the challenges of the pandemic.
Progression (%)	77.9	82.7	81.9		

The exceptional circumstances arising from Covid-19 significantly impacted our ability to achieve 2020-21 targets

FUTURE PLANS

Engineering our new learning landscape involves changing our teaching methods and practices – our pedagogy – to create a learning experience that addresses the challenges imposed through increasing regulation of student outcomes and builds on the new ways of working and studying tested and refined in the midst of Covid-19.

In the coming year, through our ESS programme of work we are focusing on two major elements:

Firstly, this work will focus upon our employability infrastructure and operations within the Academic Success strand of ESS. Our aim is to build a more robust model to support an expansion of work-based learning opportunities within all programmes, as well as expanding our Sandwich (Professional Placement) year offer, to improve graduate outcomes.

Secondly, working in partnership with our Students' Union, we are reengineering all aspects of the means and modes by which we capture, and use, the student voice as part of building a more responsive, agile customer experience and student experience. This work will allow us to respond and make appropriate changes on the basis of increasingly real time data and information pertaining to the lived experience of our students.

STUDENT SUCCESS STORIES

LIFE-SAVING APPRENTICE ELEANOR RECOGNISED WITH UNIVERSITY AWARD



Nursing Associate Eleanor Mears was studying on her apprenticeship course when a chance encounter during lockdown led to her putting her skills into practice to save a child's life.

Whilst Eleanor and her partner were out walking the dog, her nursing skills were put to the test. As they were changing into their walking boots in the car park, they heard a 'huge bang' and screaming.

The training Eleanor had received kicked in immediately, and she sprang into action.

Eleanor explained: "I realised I needed to go and offer my skills to help, so I threw everything into the car and went running to see what had happened. As I got out onto the main road, I could see a seven-year-old boy had been run over. He was unresponsive and not breathing. My training and everything I had learnt at university came flooding back, and I checked to see if the airway was clear and started rescue breaths and compressions.

"After what felt like hours, an air ambulance arrived as well as the paramedics; the doctor instructed me to carry on with my compressions, while he administered oxygen and gave out orders to others".

Despite being exhausted and emotional from providing CPR, Eleanor stayed on hand to help comfort the casualty's family once the paramedic team took over.

In recognition for Eleanor's heroic efforts, she was awarded 'Apprentice of the Year' by the University and has now been shortlisted for Nursing Associate Trainee of the Year at the prestigious Student Nursing Times Awards.

STUDENT SUCCESS STORIES

YOUNG ENTERPRISE SUCCESS

A group of students from the Business School made it to the national final of the Young Enterprise Start-Up Programme, a competition run by a national charity.

After coming in second place at the North West final, the level 5 Business Management and Sports students that created KitCrate UK made it to the national final, where they faced 15 other teams.

Several panels of judges, represented by a number of companies including DWF, Avanade and AT&T, judged the teams' business when they made their pitches.

KitCrate UK's business is a mystery box company specialising in selling football shirts from leagues all around the world and international teams.

Dr Jonathan Owens, who organised the competition for Salford, said: "It was great for Salford to do so well this year considering it was our first time entering. It's such a good experience for all our students who took part."



MOOTING STUDENT FINALISTS



A team from Salford came second in a national mooting competition, beating Oxford on the way to the final.

The two students from the LLB Law course in the Business School came second out of 64 in the ESU-Essex Court Chambers National Mooting Competition. The semi-finals and final took place remotely in June.

Mooting is a mock court hearing that requires participants to analyse a problem, research the relevant law, prepare written submissions, and present an oral argument. It simulates real-life court procedures and prepares students for the reality of researching, preparing and arguing an actual case.

For getting to the final, where they lost to King's College London, Shauna Lennon, a final year student, and Alexandria Edgar, a 2nd year student, will now have the opportunity of a mini-pupillage.

RISING PR STAR EMMA TATTUM TARGETS TWENTYSOMETHING SALFORDIANS WITH ENGAGING CORONAVIRUS ADVICE CAMPAIGN

Salford graduate Emma Tattum worked with Salford City Council to raise awareness of the Coronavirus rules among young people.

Assuming the role of PR Coordinator for Studio Salford – a dynamic creative studio within the University – she worked on a nine-month campaign to help keep twentysomethings engaged with Coronavirus restrictions by creating content for Instagram and TikTok.

Emma, who studied MA in Public Relations and Digital Communications, said working on the campaign was "a great start to 2021 in an industry I love".

For Emma, her first graduate job at Studio Salford couldn't be more perfect. She has already gained experience creating PR strategies and content calendars, as well as developing and monitoring social media channels.

The up-and-coming PR guru also took home the Best PR of the Year award on account of performing outstandingly during her studies at the annual Journalism Awards, a special end-of-year celebratory event in the School of Arts, Media and Creative Technology.

AMAZING SUCCESS AT THE RTS NORTH WEST STUDENT TELEVISION AWARDS

Back in May, Salford media students swept the board at the Royal Television Society's (RTS) North West Student Television Awards, striking success in over half the categories.



Romanian-born filmmaker and BA (Hons) Television and Radio Production graduate Dorothea Sterian did the double with her stand-out film *Staying Sane (During a Global Pandemic)*, which picked up accolades for Best Non-scripted Film and Best Camerawork. The thought-provoking documentary detailed her personal struggles last year, yielding a relatable, engaging, intelligent and emotive piece of short form filmmaking.

The awards also celebrated the work of Salford's talented Film Production graduates. Matt Hughes scooped the Editing award for short film *Look/Listen*, while Mackenzie Thomson, Dylan Freeman, Liam Lyall, Alfie Gadsby-Kane, Toby Dudden, Brianna Smith-Briggs, Jacques Salsbury and Eimear Doherty all picked up the Best Scripted Film award for *In Vitro*. The film follows the story of a couple who are trying for a baby and one negative pregnancy test after another results in the gradual breakdown of their relationship.

Beth Hewitt, Creative Director - Media City Directorate, said: "These awards are a fantastic acknowledgment of the emerging media talent. Employability is a major aspect that is embedded into all our courses and to be nominated 18 times across the RTS categories recognises not only the talent of the students, but also the breadth and depth of their skills."

A CYBER SECURE FUTURE FOR SALFORD GRADUATE LEONEL DOS SANTOS

When Leonel Dos Santos graduated with his master's he had set his sights on finding his ideal job. Armed with an abundance of persistence, knowledge and a can-do-it attitude, Leonel has now secured his perfect role in Cyber Security at tech juggernaut Microsoft.

Leonel believes that it was the skills and experience acquired on his MSc course that gave him the edge in the application process. He added: "The skills I learnt during my course were very helpful, especially during the interview with companies. While doing an interview, I managed to answer every single question thoroughly and with technical examples, which demonstrated how much I had learnt

during my course. Once I joined my first ever job in my field of study, I noticed that the day to day tasks that I did while working there, were very similar to what I did during my Masters, which absolutely helped me to familiarise with the company's different technologies."

Leonel also highlights that besides the practical skills he accumulated whilst studying, the MSc course allowed him to network with classmates from different cultures and ethnicities.

He will be working as a Cyber Security Customer Engineer, which involves providing technical leadership for Enterprise customers around the globe, to ensure their virtual environments are kept secure, optimised and healthy.

RESEARCH AND INDUSTRY CONNECTEDNESS

GOAL

We will be recognised as a global leader of challenge-led research and solutions-focused enterprise, delivering responsible innovation for economic, environmental and social impact

PROGRESS

Research and collaboration across private, public and civic sectors to deliver real-world solutions has been more important than ever in the global response to Covid-19. Creating new knowledge that can be shared and applied, leading to positive impact for business and society, is at our core. Disruption to some of our activities this year, caused by the pandemic, adversely affected our performance results. We continue to consolidate existing areas of strength and have taken major steps in shaping the future of innovation and collaboration at Salford.



RESEARCH EXCELLENCE FRAMEWORK

This year marked the culmination of the national Research Excellence Framework (REF) assessment cycle, the exercise which will determine our quality-related funding allocation for the next six years. We are proud to have delivered a REF submission comprising over 700 research outputs and 30 impact case studies covering all REF panels.

The work we have done to enhance our research environment, such as tailored support for colleagues on the academic research career pathway, is beginning to show positive results. Forty per cent of the staff submitted to REF2021 were women, an increase of 8 percentage points on the previous assessment in 2014. A higher proportion of staff of under-represented ethnicities were returned relative to the underlying staff pool. We are committed to continuing progress to closing the gender and ethnicity gaps in external research assessment through our School equality, diversity and inclusion plans and Innovation Strategy.

Our REF2021 impact case studies demonstrate our contribution to substantial economic, social and environmental benefits. Case study summaries show how we have designed improved practice in maternity care, decreased noise in the built environment in ways that reduce energy consumption and negative health impacts while delivering commercial benefits, and developed systems that support government responses to natural disasters overseas. See pages 36 to 37 to read about our research case studies.

INNOVATION STRATEGY

Research and development (R&D) is central to national and regional government Covid-19 recovery plans. The launch of Innovation Greater Manchester (GM) in March 2021 offers the opportunity to catalyse major investment in R&D as a new blueprint for an innovation deal between GM and government. This ambitious plan to create a new place-based partnership, underpinned by a pipeline of projects across the city region, could generate a £7 billion economic benefit and support the creation of 100,000 jobs. As a GM partner with existing strengths and a proven track record in key regional R&D sectors, we are playing an active role in shaping this initiative.

Against this exciting backdrop we have developed a new Innovation Strategy focused on the four areas where we can deliver the greatest impact: the interaction and relationship between people and machines to harness the combined potential of human creativity and automation (Industry 5.0); creating innovative solutions that make life more efficient, productive, controllable and integrated (smart living); interdisciplinary responses to climate change and contributing to Net Zero targets (sustainable environments); and addressing societal, economic and health inequalities (creative and resilient communities).

We are currently building our capabilities in Robotics, Digital and Smart Living to take advantage of opportunities in each of these areas, particularly 'soft robotics' in health care and food packaging. With focused investment in academic and technical expertise, equipment and facilities across these themes and technologies, we are helping to 'future proof' our activities by growing our reputation in research and enterprise in ways that create added value and position us for external funding.

Having a strong and accessible innovation offer is central to enabling R&D and economic recovery post-Covid. Over the last two years the operational and financial pressures facing business as a result of the pandemic meant partners did not have time or the capacity to engage with us as much as we would

KNOWLEDGE EXCHANGE

The first iteration of the Knowledge Exchange Framework (KEF) was published in March 2021 and compiles existing data and narrative information about a range of knowledge exchange activities across English higher education providers. KEF reports on the proportional volume and likely output of activities across seven 'perspectives' of knowledge exchange – from how providers approach community engagement and contribute to local growth, to the volume of work undertaken with businesses.

KEF results are presented in an interactive dashboard which enables universities to better understand and improve their own performance, and performance relative to a 'cluster' of other providers with similar capabilities and resources. Our performance is closely aligned with our single strategic priority of Industry Collaboration. We are strongest in the industry focused components of the KEF and exceed the cluster norm for: Intellectual Property and Commercialisation; Skills, Enterprise and Entrepreneurship; and Working with Business.

Having brought together our Research and Enterprise functions into a single team, management of both KEF and REF now resides in one Directorate, delivering benefits of join up, shared expertise and better integration of closely related activities. Our new Innovation Strategy embeds knowledge exchange, including public and community engagement.

OUR CHALLENGE-LED THEMES AND ENABLING TECHNOLOGIES

ROBOTICS — DIGITAL — SMART LIVING



INDUSTRY 5.0



HEALTHY LIVING



SUSTAINABLE ENVIRONMENTS



CREATIVE & RESILIENT COMMUNITIES

normally have expected, impacting contract research. Despite the challenges of the pandemic we have made progress in the following key areas:

- ✓ Securing £3.6 million Research England Development funding to resource our North of England Robotics Innovation Centre (NERIC). The award will support the recruitment of robotics specialists, investment in specialist facilities for the centre and enable us to play a pivotal role in the technology transfer from innovative research to industrial deployment.
- ✓ Commencing the process for industrial partners to participate in collaborative research projects that will use our Energy House 2.0 facility which is due to open in early 2022. Collaborations must include at least one GM Small or Medium Sized Enterprise (SME) as part of the team.
- ✓ Forming a university-led energy agency with local government and the private sector to kick-start a decade of clean energy innovation to meet the region's 2038 carbon neutral target. Announced at the Greater Manchester Green Summit, the Energy Innovation Agency will see Salford, the University of Manchester and Manchester Metropolitan University apply our collective energy and environmental research expertise to accelerate the testing and deployment of new technologies and processes at scale.
- ✓ Building on the success of the GM Cyber Foundry with the establishment of the GM AI Foundry. Working with the same partners (Manchester, Lancaster and Manchester Metropolitan Universities) we are applying our collective knowledge and research to embed artificial





intelligence capabilities in SMEs across four themes identified in the region's Local Industrial Strategy: advanced materials and manufacturing, clean growth, digital and creative media, and health innovation.

POSTGRADUATE RESEARCH

During the last year we have launched a 'PhD Reimagined' initiative to equip our research students with the skills they need to address global challenges, working across sectors and disciplines as they explore creative and innovative approaches to real world problems. Our links with industry have led us to develop a pioneering Graduate Enterprise Studentship, in which the research candidate undertakes commercial work alongside original research - meaning our research students can move fluidly between research and industrial contexts, providing the skills to undertake industry-relevant research, and to translate those findings into tangible benefits.

We have worked closely with members of our postgraduate research (PGR) community, their supervisors and support teams to find ways to overcome disruption to their PhD studies caused by the pandemic. An extension to the completion date has been necessary for some students to avoid unacceptable compromise in their research. While this will impact our overall completion rates in the short-term, we are committed to providing a supportive environment for our PGRs and applaud the resilience they have shown in the face of challenging circumstances. And while Covid-19 has undoubtedly had undesirable effects, we are embedding positive learning such as online vivas which have been universally supported by candidates and assessors alike.

PERFORMANCE

RESEARCH AND INDUSTRY CONNECTEDNESS						
Core Indicator	ACTUALS			TREND	TARGET	PROGRESS
	18-19	19-20	20-21		21-22	
Grant Awards (£'000s)	14,989	7,960	6,137		-	With the need for additional teaching activity during the lockdowns, time for bid writing, and thus success, was limited. Our new Innovation Strategy sets out clear plans to grow our research awards portfolio and our targets are currently being reviewed.
Research Grant Income (£'000s)	7,700	6,300	6,295		7,088	With the lockdowns and the need for social distancing, much funded research was either slowed down or temporarily paused. As campus restrictions ease, research capacity is able to return to pre-pandemic levels and spend resume.
Enterprise Income (£'000s)	6,935	5,064	5,306		7,502	Many of the sectors we work with have struggled during the pandemic, which has limited their developmental and commercial activity. Growth in enterprise income is a key cornerstone of our new Innovation Strategy and investment in a new team to support greater working with industry will allow us to seize new opportunities to grow income.
Citations Impact (Field weighted)	1.28	1.28	1.26		1.28	As this is a five-year average figure this represents only minimal change and should recover in future years.

The exceptional circumstances arising from Covid-19 significantly impacted our ability to achieve 2020-21 targets

FUTURE PLANS

In the near term we will specifically seek opportunities to support local, regional and national post-Covid economic recovery, using our expertise and world-leading facilities in new and creative ways to help industry and other partners recover and realise their full potential. Within this focus on Covid recovery we will resume contract research that has been disrupted during the pandemic.

From 2022 we will begin to expand our world-leading research in the built environment and carbon reduction in our Energy House 2.0 test chambers, and in robotics following completion of the North of England Robotics Innovation Centre (NERIC). Future priorities include a replacement acoustics facility and a new Centre for Human Movement & Rehabilitation, areas where we have unique capabilities aligned to external need.

We will reflect on our performance in research, knowledge exchange and enterprise and set out the ways by which we will improve. Together with the results of REF2021, due to be announced in May 2022, our Innovation Strategy builds on existing synergies in research and enterprise and provides an ambitious framework for the coming years.



RESEARCH CASE STUDIES

ENHANCING COMMUNITY PREPAREDNESS FOR DISASTERS IN SRI LANKA

World Bank data has shown that over 800 million people could see their living standards worsen by 2050 due to major disaster events. The decision-making processes in addressing disaster risk reduction (DRR) largely take place in silos, conducted by different agencies, institutions and other actors, all with their own priorities, perspectives and time horizons. Salford's research team has made a significant impact in shifting the focus of DRR from pure emergency response to building resilience through digitally enabled multi-agency collaboration.

Our research has led to the development of an advanced technology platform: MOBILISE. The platform allows previously disconnected data on vulnerability, hazard prediction and exposure to be shared, enabling collective decision making in DRR and disaster response to save lives and prevent disruption in the context of Sri Lanka. Approximately 50,000 families have benefitted directly from the digital platform to date, with the platform's detailed landslide early warning messages reaching more than 50% of the nation's population, allowing them to better prepare in an emergency.

The World Bank considers MOBILISE an 'integral part of the solution' in building on existing capabilities in early warning and disaster risk reduction and response.



National Building Research Organisation (NBRO), Sri Lanka

IMPROVING PRACTICE IN MATERNITY CARE THROUGH SOCIAL MEDIA

Limited resources and increasing use of technology in daily life mean the NHS is seeking innovative, more effective approaches to care and is looking towards digital media as one possible solution. Facemums is the world's first professionally moderated social media platform to meet the information and support needs of pregnant women. Midwives (Facewives) moderate private Facebook groups to support women during their pregnancy (Facemums). Expectant mums are provided with information, guidance and support by the midwives, as well as each other. The platform has improved users' understanding and awareness about their health, facilitated greater self-management of pregnancy and enhanced overall health and wellbeing outcomes. The Deputy Chief Midwifery Officer at NHS England has stated that Facemums 'improves communication and knowledge as well as empowering women to determine the choices they wish and need'.

Additional benefits include changes to professional attitudes, skill sets and service delivery, enabling NHS Trusts to effectively adapt the model and increase support provision in response to the pandemic.



REDUCING NOISE AND IMPROVING THE SOUND OF THE BUILT ENVIRONMENT

Environmental noise and poor acoustics in the built environment are known to create numerous short- and long-term health problems, including cardiovascular disease, sleep disturbance and poorer work performance (World Health Organisation). Our researchers have addressed poor acoustics through better ISO standards and guidance used in buildings, product design and noise assessment. These methods have been adopted as standard practice by government bodies, test houses and manufacturers, particularly in construction and the automotive and aerospace sectors. Direct commercial exploitation of our research by companies, including Audi and Siemens, have led to benefits that include reduced noise, improved music and speech communication in buildings and lower weight of vehicles to lessen energy consumption. In addition to these improvements in user experience and wellbeing, our research enables physical prototypes of products to be replaced with computer models. Not only does this facilitate faster and more efficient prototyping for vehicles and buildings, but also reduces waste.



2021 THREE MINUTE THESIS™ WINNER, KEVWE OLOMU, TELLS US ABOUT HER SALFORD RESEARCH STORY SO FAR...

I first joined the University of Salford in January 2017 as a master's student having gained a postgraduate scholarship from my home country of Nigeria. Sadly, in October 2017, my father passed away. This was a difficult and trying time for me, but with support from my friends and family, and the supervision of Andrew Clark, I successfully completed my master's degree.

My doctoral work explores air pollution perceptions and responses from the UK and Nigerian perspectives. Through the Salford Postgraduate Research Training (SPoRT) programme, I began to develop my knowledge, skills, and self-confidence. In November 2020, I was privileged to be selected as one of thirteen postgraduate research (PGR) students to join the Academic Citizenship Programme (ACP) which is a training opportunity designed to help PGRs transition into an academic role. The ACP training involved a fully funded application for Associate Fellowship of the Higher Education Academy.

At the 2021 Salford Postgraduate Annual Research Conference (SPARC), I secured two awards: winner of the Three Minutes Thesis competition (3MT) and best sessional oral presentation. The three minutes thesis competition challenges a researcher to effectively communicate their research and its significance to a non-specialist audience! Air pollution is a topic of intense research focus globally, and I am happy that I managed to win the heart of the judges.

There is still a lot I need to accomplish and achieve before the end of my doctoral journey, and with the continued support from my supervisory team, staff, and fellow PGRs, I feel like the sky is the limit!



ENABLERS

GOAL

Delivering the right enabling infrastructure to make Salford a great place to study and work

PROGRESS

We rely on our enabling infrastructure – the physical estate, technology, facilities, equipment, and internal organisational structures and culture – to deliver a sustainable chain of learning, innovation and collaboration outputs that create value for our stakeholders. Our long-term plans for the University campus and Crescent area have taken a major step forward with capital investment of nearly £50 million this year. Moreover, Covid-19 has enabled us to grasp the opportunity to be bold in how we operate and make positive cultural progress, in particular in relation to our equality, diversity and inclusion goals.



CREATING A VIBRANT PLACE-BASED EXPERIENCE

We are making a significant contribution to the regeneration of our city region. Together with our partners, Salford City Council and The English Cities Fund, we have committed to a £2.5 billion, 15 to 20 year Crescent Masterplan to drive economic and social prosperity in the region. Our vision is to transform the University and Crescent area of Salford into a globally recognised destination for people to live, learn, work, visit, play and be active. Capitalising on existing assets and recent investment, such as MediaCityUK, gives us a great starting point for responsible and sustainable place-making. Central to the Crescent Development Framework is tackling longstanding inequalities by creating opportunities that benefit individuals and the wider community, and protect and enhance the natural environment. In this context the following United Nations Sustainable Development Goals are of particular relevance and have formed a key consideration in the development of the Framework:

The completion of a refresh of our University Masterplan in autumn 2020 is enabling us to dovetail on-campus developments with delivery of the wider plans for the Crescent District, including the creation of an Innovation Zone. Strategically located within Salford’s Innovation Triangle - University of Salford, Salford Royal Hospital and MediaCityUK – this development will create a community of innovation and will significantly boost multi-disciplinary collaboration between our researchers and industry and employers, and deliver opportunities for learning, employment and investment in the city.

Work is already starting with the North of England Robotics Innovation Centre (NERIC) due to be completed in 2022 and other developments are currently in the planning stage.



CREATING A DIGITAL CAMPUS

With the increased importance of our digital infrastructure in supporting the successful delivery of our business model, we continue to invest in our digital platforms. In September 2020 we implemented a Virtual Desktop Infrastructure (VDI); the virtualisation of over 145 pieces of software in the cloud has allowed our staff and students anytime, anywhere access to critical software. With all the computer power provided in the cloud, students can run the most complex software on the cheapest of devices, removing some significant cost and technological barriers and improving access for students who would not ordinarily be able to engage with such resources from home.

We have migrated our Virtual Learning Environment (VLE) to the cloud; the resulting infinite scalability this affords enabled us to meet the increased demand for online lectures and improve the stability, security and availability of the system during a time when this has never been more important. Our cloud-based VLE came with the latest mobile compatible functionality, further supporting remote learning and teaching.

The significant increase in remote learning and teaching has been underpinned by improvements in cyber defence. A number of projects have delivered system hardening activities as well as improvements in our ability to detect and respond to cyber related incidents.

REIMAGINING HOW WE WORK AND STUDY

Our digital developments mean that we can be innovative in shaping how we work, support student learning, engage with our partners and deliver services. We are in the process of concluding a project to shape our future ways of working to enhance service delivery and retain the benefits of agile working that have helped to support improved access and flexibility for students as well as staff, whilst ensuring that the needs of the wider business are met. Working with students and other stakeholders we will look to trial, test and evaluate hybrid working options that will provide us with a basis as we plan for the long-term future.

We have already seen the positive impact of changes to how we deliver some of our student services. For example, the introduction of remote and telephone evening appointments has significantly boosted the take up and accessibility of our disability services, particularly for those who are parents, guardians, carers or on placement. Remote appointments have reduced the number of missed appointments, enabling the service to be more efficient in its delivery. New ways of working with students, such as Teams calls with students with Autistic Spectrum Conditions and the introduction of an online network for neuro-diverse students have led to improved engagement over traditional face-to-face support.

We will continue to explore expansion of remote service provision where we have evidence of successful impact. While we have seen a substantial rise across some services, driven by lockdown, it remains to be seen how student behaviour responds as society, and campus, continues to open up post-Covid.

CREATING CULTURAL IMPACT

Recent events, including the tragic murders of George Floyd and Sarah Everard, have brought a sharp social focus on race and gender, leading many individuals and organisations to reflect on the type of future they want and the values that are truly important. Over the last twelve months we have embarked on an organisational journey to co-create with our students positive change in how we talk about, and more importantly act upon, matters of equality, diversity and inclusion (EDI).

To effect genuine, sustained change we are bringing together multiple strands of activity under one umbrella as we move towards a clear institutional approach to EDI. This encompasses our progress to advance gender and race equality within external frameworks, namely the Athena Swan Charter and Race Equality Charter (REC). In the last year we have retained our bronze Athena Swan award as an institution, achieved the same rating for our School of Science, Engineering and Environment, and are finalising our institutional REC submission. Each School and professional service area has its own EDI plan to address local issues and opportunities, linking to our institutional goals.

We have challenged ourselves to have open and honest conversations on difficult and uncomfortable topics including racism, gender-based abuse and behaviours that can adversely impact on individuals and groups whose experience differs from our own. The Students' Union have led on an institutional working group to identify actions to address the BAME Awards gap, with these actions now mapped into the University's Enabling Student Success priorities. These conversations, and analysis of internal data, are enabling us to take action to create positive impact, to acknowledge where we haven't got things right and

state how we are continuing to learn as a large, diverse organisation.

In 2020 we published our institutional anti-racism commitments setting out our collective responsibility as a community of colleagues, students and partners to hold a position of zero-tolerance to racism. The Vice Chancellor publishes a quarterly progress update and actively shares examples of initiatives such as, "Walk in my shoes" – a reverse mentoring scheme; regular informal sessions to build confidence in holding uncomfortable conversations and sharing wisdom; and working with the Students' Union to build student voice mechanisms through the lens of students with protected characteristics.

Following elevated public interest in cases of sexual assault and misconduct in UK universities, the Office for Students has issued an updated statement of expectation for preventing and addressing such cases in higher education. Together with the Students' Union we have conducted a review of our institutional approach to the management of issues associated with sexual harassment and assault. We recognise that the proposals arising from this review have resonance with other forms of discrimination, harassment and matters of a sensitive nature, and as such are applying the recommendations in this broader context. The implementation of the recommendations is being rolled-out institution wide from the beginning of the new academic year and is planned to be fully embedded by the end of the first semester 2021-22. Our existing Report and Support scheme, introduced in Autumn 2020 for students, has already been extended to all members of staff, enabling any colleague or student to report an experience they have had or witnessed that is unacceptable in a safe and confidential way.



PERFORMANCE

Core Indicator	ACTUALS			HIT TARGET	TREND	ENABLERS	PROGRESS
	18-19	19-20	20-21			TARGET 21-22	
Operating Surplus/ (Deficit) % of Income	(13.7)	13.1	7.3	✓	↗	2.8	The University continues to generate a level of surplus which will allow us to continue to invest in the student experience. The surplus was higher than plan mainly due to better than anticipated overseas recruitment.
Pay to income ratio % (excluding exceptional costs)	56.8	58.5	53.9	✓	↘	56.4	In 2020-21 income grew while underlying staff costs were unchanged as there was a national pay freeze and we kept a tight control over staff recruitment. The net impact of this is an improved pay to income ratio.
Operating cash flow as a % of income	8.8	12.8	22.7	✓	↗	10.2	Operating cash flow was well above target reflecting better than planned outturn and significant favourable working capital movements for creditors which will partially reverse in 2021-22.
Building Quality - A+B (high quality) %	90.0	90.0	92	✓	↔	89	Performance reflects a minimum baseline and will improve over time with the delivery of our Campus Masterplan.

Key:

- ✓ Met or exceeded target
- Within 5% of target
- ✗ Missed target

FUTURE PLANS

Over the last 18 months we have begun to move towards a more sustainable business model that allows us to take forward our learning from the pandemic to create an improved environment where our students and staff thrive and succeed. Our focus is very firmly on the future of our campus and city region, and making the vision for Crescent Salford a reality. We have confidence in this vision despite the disruption caused by the pandemic and challenging policy agenda facing the higher education sector – by 2022 we will have invested £100 million in capital projects dedicated to the practical application of science and technology. Our future plans include new Sound and Vision facilities to expand existing strengths, facilitate greater interdisciplinary research and collaboration with external partners, and align with government priorities for economic and social recovery.

As a knowledge and skills-based organisation, our future success as a university depends on the success of our colleagues and students, underscoring how essential it is that we maintain a focus of inclusivity across the whole organisation. Embedding a strategic, joined-up approach across the whole business in the coming year will create a clear line of sight on the early impact of our work.

IN DISCUSSION WITH....

Chief Operating Officer Huw Williams talks to journalism student Anya Hudson about the Crescent Masterplan

How did the idea for the Crescent Masterplan come about?

It's been around for some time and recognises the broader role the University has in the community. We have a masterplan for our own campus development which fits into a broader masterplan for the development of the University and Crescent district within Salford.

The idea itself came around with the development of Central Manchester, and the recognition of what a fantastic area we have for our campuses. The location, paired with the ability to build on our areas of expertise, is something that has been emerging over a period of years, but in the last two years it has moved from something which was a good idea into something which is now very tangible.

It will be a long-term project. The initial appointment of our private sector partner, English Cities Fund, is for ten years with a potential to renew for a further five, so it could be a fifteen-year appointment. The programme is hugely ambitious, but rightly so. It will take time to see how to build the programme but it's right that from the outset we have this level of ambition.



The idea is to develop the police building into a hotel which would then service Maxwell Hall as a convention centre and music venue.



What are some of the benefits of being partnered with the English Cities Fund?

They're well experienced in terms of urban regeneration. As well as English Cities Fund (ECF), Salford City Council are a partner, so with the University the three organisations form the partnership. ECF have worked with Salford City Council in the redevelopment of New Bailey and Chapel Street so they know Salford very well, they've got a good track record of delivery, and when the University and the Council appointed ECF we felt they were an organisation that listened and understood our ambitions.

For a number of reasons ECF feel like a very good appointment and we've got a great working relationship with them.

What does the masterplan involve?

It involves the development of the areas around the Crescent and Peel Park Campus. The areas for development on the north side are the Innovation District, and to the west is the Frederick Road area and campus which will be redeveloped for health innovation. We've got the area around Salford Crescent Railway Station where the plan is to develop it as a multi-mode transport hub, ideally linking train to metro to Media City and eventually into the centre of Manchester, and include access to sustainable forms of transport such as e-scooters.

Development of the Crescent itself focuses on decongesting road traffic while maintaining routes for public transport, but also to make it into a civic and cultural destination. There are plans around Maxwell Hall, Fire Station Square, and the police building. The idea is to develop the police building into a hotel which would then service Maxwell Hall as a convention centre and music venue, and to redevelop Fire Station Square into a broader food and beverage venue.

Within the overall area which is about 250 acres there are different subsets of the area which will be themed for different purposes. Critically for us the big takeaways will be the development of the Innovation District, and it's not just about physical development. Innovation is much more about the community

and the culture of the way that we work. It's important to bring people together, whether it's industry, staff, students, which hopefully can cause collision conversations that ignite good innovation.

The last 12 months have been challenging. Has this had an impact on construction developments on campus?

It has had an impact, but we've managed it well. Two things have been impacted. One is the timeline for delivery. For each of our major developments currently underway, particularly the Science, Engineering and Environment Building (SEE) and Energy House 2.0, the team have had to look at the timing of the delivery and extend it, but not substantially.

The other impact is cost. Construction costs are rising globally and there is a huge demand for resources. Because of Covid there has been supply chain difficulties which have collectively caused cost escalation. Our team have however been able to agree with the contractors how to manage that cost exposure at a very early stage, which has put a fixed ceiling on the overall cost positions there.

Covid has had an impact but we've managed our way through it to date in a good way so that we're still able to deliver projects within good timelines and for budgets that are affordable.

How has funding been impacted for these projects, especially within the last 12 months?

We've actually been very successful. The University is investing a significant amount of its own money in these projects, but we've also been able to secure external funding.

Energy House 2.0 is part funded by the European Regional Development Fund (ERDF) and the Office for Students, and Robotics is half funded by ERDF and Research England. The nature of those facilities is working closely with industry partners which is very much part of the University's DNA.

The SEE Building however, a huge project for one of our four schools, is entirely funded by the University's own resources.

How do you expect the campus to change as a result of the Crescent Masterplan?

What we want to create is a 'sticky campus'. We want to create a community where people stay on campus. It's not just about the buildings but a community of learning, a community of industry engagement, and how we can create and support those communities through the way we develop the physical infrastructure.

It means looking at the proximity of buildings, opening times of services, how we can deliver



I'm looking forward to seeing the social spaces we've invested in being used to their fullest.



services in a tailored way for specific needs. We're focused on making an atmosphere where both undergrad and postgrad students, and staff, but particularly students can go between learning in lectures to spaces with good facilities where they can continue to do their learning in an environment geared to their needs.

I really hope to see the social learning spaces we've invested in used to the fullest and I'm sure they will be.

How will construction on this scale contribute to the sustainability agenda?

Sustainability is a theme of the Masterplan and is built into the project. There are a number of different ways. One is using up-to-date techniques in terms of construction to ensure the carbon footprint is minimised through using renewable materials.

Second is using the development as a Living Lab, experimenting with various different things from a research and development sense, which is what we're about as a University. Read more about the Living Lab as part of our IGNITION project on page 46.

Finally it's about making sure we maintain green spaces. This means there are three key ways we're making the Masterplan sustainable while being experimental in what works well for us.

Is there an element of the masterplan you're most excited about?

I think it's the totality. It's ambitious, but if we can deliver on it it's absolutely transformational.

I've not been with the University very long, but when I first saw the location we have on the edge of Central Manchester, with Peel Park and the meadow, I realised what fantastic assets we have. If we can deliver the totality of the Masterplan it will be transformational.

We've got the best of both worlds – very good access into the centre of Manchester, but what we also have here is very different to other universities in the area in that it is very much a campus university and we've got brilliant facilities on our doorstep.



STRIVING FOR ENVIRONMENTAL SUSTAINABILITY

GOAL

By embedding sustainability in all aspects of University life, we will enable our University community to have maximum beneficial impacts for society and environment

PROGRESS

Climate change is the defining issue of our time and a top priority for our future students. The effects of climate change are now impacting all corners of the planet in shifting weather patterns, rising sea levels, increased and more severe weather events, flooding and wildfires, and the resulting threats to food production, damage to infrastructure, loss of habitat and threat to life.

We have a responsibility to enable our students and staff to contribute to a sustainable world and are proud to be supporting the Greater Manchester (GM) carbon revolution which will transform GM into a world-leading greener, cleaner, climate resilient city region, improving the health and quality of life for millions of people and protecting our green spaces and environment for future generations.

ALIGNING OUR ACTIONS TO DELIVER GREATEST IMPACT

This year we launched our new Environmental Sustainability Plan (www.salford.ac.uk/environmental-sustainability) which consolidates our existing action towards environmental sustainability and focuses on our target to become Net Zero Carbon by 2038. In deliberately taking a holistic view of our aim to be a sustainable university, we have aligned our actions and objectives with the UN Sustainable Development Goals. In addition to setting out our goals for environmental management, our use of energy and water, carbon production and waste, we are placing an increased emphasis on sustainable procurement and construction, community engagement, and learning, teaching and research.



SUSTAINABLE TRAVEL

We completed the review and update of our Sustainable Travel Plan, an enabler for our Environmental Sustainability Plan, Net Zero Carbon target and our Campus Masterplan. Its package of measures, initiatives and targets will help us to reduce the environmental impact of the travel we generate from all modes of transport. As we move to new ways of working from the Covid-19 pandemic the plan will support our staff, students and visitors to choose sustainable travel modes. We are also improving our own fleet, having replaced five of our Estates vehicles with zero carbon electric models.



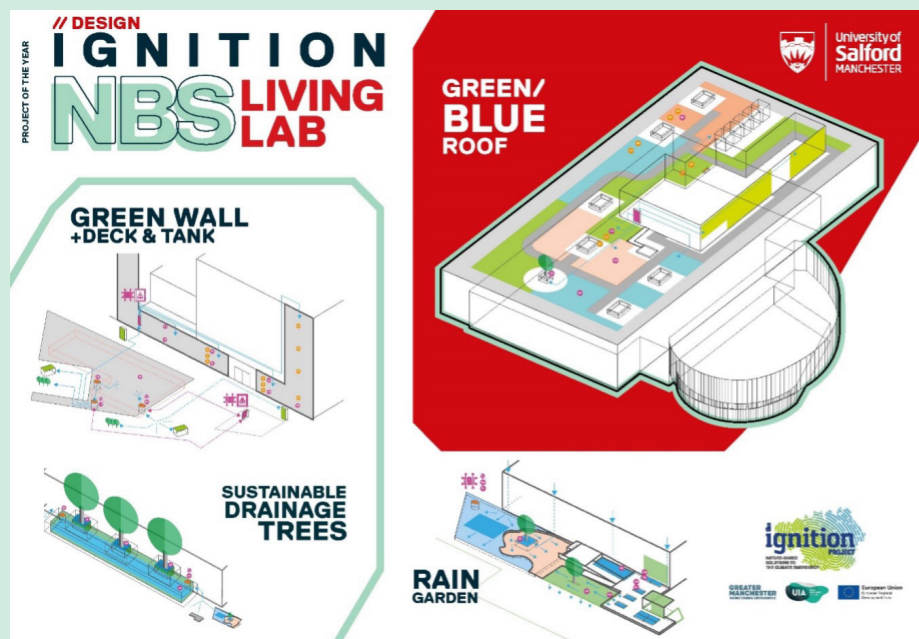
NATURE-BASED SOLUTIONS FOR GREATER MANCHESTER

Our contribution to the race to urgently tackle climate change is evident in our IGNITION Nature-based Solutions Living Lab within the €4.6 million EU-funded IGNITION Project promoting wide scale implementation of green infrastructure (GI) -building with nature to solve climatic and urban challenges - in Greater Manchester. In collaboration with 11 other partner organisations working across local government, academia, NGOs and business, we are developing innovative solutions, using GI technologies, to tackle socio-environmental challenges such as flooding events, air quality, biodiversity and human health and wellbeing.

A highlight of the IGNITION project this year is the official launch of our on-campus Living Lab, attended by the Salford City Mayor alongside virtual attendance by Mayors from leading cities in Europe, Australia and Canada, who

discussed the Living Lab as a contributor to GI technologies in cities. In the Living Lab we install, examine and analyse different types of rain gardens, living walls, green/blue roofs and sustainable urban drainage systems for street trees - using real time data as evidence for the environmental and economic benefits.

Through the experimentation, research and monitoring done by the Living Lab research team led by Prof Hisham Elkadi, the lab enables researchers and businesses to analyse the impact of GI in a real-world retrofit urban environment. By providing knowledge that benefits investors and other stakeholders in assessing the value and positive impact of GI, our aim is to enable major investment in large-scale environmental projects which can increase climate resilience across the GM region.



COP26

As government policies, legislation and regulation become increasingly focused on meeting legal climate change commitments, industry and business will need graduates with the knowledge and skills to innovate, develop and implement new technologies, processes and business practices to achieve sustainable development goals.

In 2020 we joined the COP26 Universities Network, the primary engagement route for UK universities into the UN Climate Change conference in Glasgow in November 2021. Work has focused on maximising this engagement in the build up to COP26 resulting in us securing high-profile participation in international forums, discussion panels, and multiple seminars and conferences.

Post-COP26 and longer-term, we have the opportunity and potential to deliver real-world solutions for climate change mitigation and adaptation, building on both our well-established and developing areas of expertise including energy efficiency, Nature-based Solutions, environmental research, disaster resilience and sustainable homes. Our focus on industry and strategic partnerships is attracting both industry leaders and start-ups to work with us.

'Green Recovery' is a core theme of our new Innovation Strategy and provides a structure with which to pro-actively develop and pursue opportunities arising from the global focus on climate change.

OUR STUDENTS ARE LEADING THE WAY

The environmental impacts of the fashion industry are enormous. The CARING SHARING brief for our BA (Hons) Fashion Image Making & Styling students addresses this and equips them with the capabilities they need to be tomorrow's game changers, who are confident to stand up for issues they believe in and who can work together to progress sustainable solutions within the fashion industry.

Working in groups, students were tasked with creating a full 'look', with zero-waste and ethical environmental consciousness at its core. Their work was exhibited as part of our 'Go Green Salford' month and included a re-creation of the iconic Louis Vuitton logo as a Green Party collaboration, patchwork blankets made from oil rig boiler suits and teaching schoolchildren how to reconnect to skills like sewing and dyeing.

The project was Highly Commended in the final of the Next Generation Learning and Skills category at the 2020 Green Gown Awards. Established in 2004, the Green Gown Awards recognise the exceptional sustainability being undertaken by colleges and universities and has become the most prestigious recognition of best environmental practice within further and higher education.







Green Gown Awards 2020, Highly Commended

Caring Sharing, BA (Hons Fashion Image Making & Styling (2020)

Photograph Mollie Keogh

PERFORMANCE

IMPACT AREA	INDICATOR	PROGRESS	TREND	CURRENT TARGET
 CARBON AND ENERGY	Absolute Scope 1 and 2 carbon emissions	5,388 tonnes		81% reduction from 2005-6 by 2029-30 in scope 1 and 2 carbon emissions
	From 2005-6 baseline	-72% reduction		Net Zero Carbon by 2038
 WATER	Energy use, kWh/m ²	169 kWh/m ²		155 kWh/m ² (-25%) by 2029-30
	From 2016-17 baseline	-21% reduction		
 WASTE AND RECYCLING	Water use, m ³ /FTE	-37% reduction		-20% reduction in water use per FTE by 2024-25 (from 2018-19)
	Total waste, kg/FTE (waste excluding construction)	-65% reduction from baseline		
 BIODIVERSITY	From 2016-17 baseline	44% waste recycled		-12% kg/FTE from 2018-19 (waste excluding construction) by 2024-25
	Recycling			65% recycling by 2024-25
	Green Flag Status	Achieved		Maintain Green Flag Status

FUTURE PLANS

Sustainable development is a strong focus of our Campus Masterplan, which is being delivered alongside a broader vision for the Salford Crescent Development in partnership with Salford City Council. We are also an active member of the Salford Climate Action Board and sub-groups to support projects and programmes associated with the city's net zero carbon target and GM's five-year environment plan.

2022 will see the near completion of our new School of Science, Engineering and Environment, our first all-electric building which will help us reduce carbon emissions now and in the future. The four-storey building provides new, flexible teaching spaces, including lab and research facilities, as well as speciality departments for Robotics, Built Environment, Civil, Aeronautical & Mechanical Engineering, Computer Science & Networking, Human & Natural Science and The Morson Maker Project. The project maximises the use of natural light and ventilation to improve sustainability and create a pleasant working and learning environment.

RISK

OUR APPROACH TO RISK

We maintain a corporate register of the key risks across the institution and their associated mitigating actions. This is reviewed and reported on in accordance with the University's Risk Management Policy. The University Risk Register is reviewed regularly by the Executive Team, the internal and external environments being constantly monitored with robust mitigating actions put in place and completed. The nature of the external environment means that some risks continue to escalate and we therefore identify and develop additional and/or alternative means to mitigate these areas.

RISK GOVERNANCE

	ROLE	RESPONSIBILITY
Council	Oversight	Overall responsibility for risk management within the University.
VC and Executive Team	Ownership	Delegated responsibility from Council to implement Risk Management Policy, controls and processes. Escalates risks to Council as appropriate.
Audit and Risk Committee	Scrutinize and probe	On behalf of Council, keeps under review the integrity and effectiveness of the University's risk management framework, alerting Council to any emerging issues.
External Assurance Providers	Assurance / Testing	Undertake independent review, audit of key controls, and formal reporting on assurance.
Strategy Directorate	Coordination / Advice	Leads on the management and governance of the corporate risk management strategy, including the development of associated policy and procedure, and the monitoring of its implementation.
Deans of School and Directors of Professional Services	Operational implementation	Responsible for identifying, managing, and reporting the strategic and operational risks specific to their areas.

RISK APPETITE

In pursuit of our strategic aims and academic mission it is necessary that we accept a degree of risk when investing in our future that is commensurate with the potential reward. We maintain a responsible approach to risk management which recognises and manages our overall exposure to risk, keeping it within defined tolerances.

Corporate and operational risk appetite

Our general approach is to minimise exposure, classified as 'minimalist', with respect to our core business and values specifically:

- ✓ Prioritisation of the health and safety of staff, students and visitors to the University
- ✓ Ensuring business continuity
- ✓ Maintenance of the quality of academic provision
- ✓ Compliance with statutory requirements

Project risk appetite

We are committed to seizing the opportunities provided by the imagination and enthusiasm of our staff and co-operation of partners and their support for innovation. We

therefore have a risk appetite which is described as 'open'. We undertake projects ensuring that they are consistent with our mission and vision and that the potential benefits (reward and value for money) and risks are fully understood before developments are authorised, and that appropriate measures to mitigate risk are established.

Strategic risk appetite

We are driven to pursue our mission and goals through taking advantage of developed opportunities, or new opportunities presented by a rapidly changing environment, whilst ensuring we protect our core business and values.

Our risk appetite is described as 'cautious'.

COVID-19

The Covid-19 pandemic has significantly impacted our risk profile over the last 18 months, exacerbating risks in both their severity and proximity, necessitating new and more timely interventions and mitigating actions. As restrictions ease, we are still navigating a pandemic, and as we move forward over the next few months, we will make longer term plans for the way in which we want our university to operate. We will also understand more about our stakeholders and how they engage with us, post-Covid.

TOP RISKS

As described under The World Around Us, we are conscious of the turbulence in the sector, the wider policy environment and the ongoing impact of the coronavirus pandemic. The main mitigation to this uncertainty is in the strategic response that we make as an organisation. Alongside the external risks there are also a number of internal factors to which we could become vulnerable if not closely managed. The following risks are extracted from the full University Risk Register and show the most concerning risks and those upon which we are particularly focused.

PENSION COSTS			
RISK DESCRIPTION	KEY MITIGATING ACTIONS	RISK STATUS	MOVEMENT YEAR ON YEAR
Pension costs are too high	<ul style="list-style-type: none"> ✓ Strategic sustainability plan ✓ Input into UUK/USS consultations 	High and likely to impact in the next 12 months	Static
CHANGES IN GOVERNMENT POLICY			
RISK DESCRIPTION	KEY MITIGATING ACTIONS	RISK STATUS	MOVEMENT YEAR ON YEAR
Government policy directly or indirectly impacts HE sector Downward pressure on and / or restrictions or removal of funding for programmes not passing Value for Money thresholds	<ul style="list-style-type: none"> ✓ Monitor political and economic situation and lobby via UUK; seek to influence regional and national policy makers via Public Affairs Plan ✓ Engage with local and national policy ✓ Exploit opportunities arising from the Plan for Growth and related strategies ✓ Enabling Student Success programme and workstreams ✓ Development of higher technical qualifications at levels 4 and 5 and proposal for GM Institute of Technology ✓ Continue to explore other options for diversification of income 	High and likely to impact in the next 1-2 years	Static
CYBER SECURITY			
RISK DESCRIPTION	KEY MITIGATING ACTIONS	RISK STATUS	MOVEMENT YEAR ON YEAR
Cyber Security and Information Security	<ul style="list-style-type: none"> ✓ Advanced threat protection ✓ Security Patching ✓ Regular security penetration testing ✓ Cyber security incident response capabilities review 	High at any time	Increasing
STUDENT RECRUITMENT (HOME/EU AND INWARD INTERNATIONAL)			
RISK DESCRIPTION	KEY MITIGATING ACTIONS	RISK STATUS	MOVEMENT YEAR ON YEAR
Failure to meet planned student recruitment targets	<ul style="list-style-type: none"> ✓ Central contingency ✓ Active management of portfolio ✓ Well-articulated and communicated brand ✓ Broaden geographic reach ✓ Distance learning and blended delivery models 	High and likely to impact in the next 6-12 months	Increasing

PUBLIC BENEFIT

OUR APPROACH TO PUBLIC BENEFIT

The University was granted the status of an exempt charity by statutory instrument in 1967. We act in accordance with the Charity Commission guidance on public benefit and are responsible to the Office for Students, our principal regulator, which is charged with monitoring compliance with charity law obligations.

The University's Charter reflects an institutional commitment to public benefit: 'The objects of the University shall be to advance education and knowledge by teaching and research, and in doing so to foster an academic environment which is enterprising and applied to business and the professions, and for the benefit of society at large'.

CIVIC UNIVERSITY

We have joined forces with the other higher education institutions in Greater Manchester to develop a Civic University Agreement (CUA) for the whole city region. CUAs bring together universities and local partners to co-create ambitious, evidence-based plans that respond to local needs and opportunities. Collaboration between the partners will extend the reach and impact of our work across the region beyond what could be achieved individually. Covering the areas of education and skills; inequalities; jobs and growth; digital economy; net zero; and creative and cultural economy, the CUA is the first of its kind, encompassing ten local authorities and around three million people.

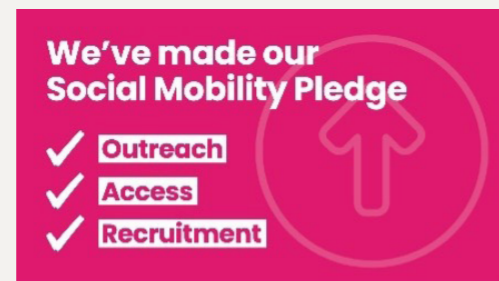
SOCIAL MOBILITY AND OUTREACH

Our purpose is to advance education and knowledge by harnessing the skills, imagination and enthusiasm of our students and staff to work in partnership, creating positive change for individuals, communities and the economy. Widening access to the personal, social and economic benefits of a higher education is a core objective. Our Access and Participation Plan 2020-21 to 2024-25 (APP) (<https://www.salford.ac.uk/access-and-participation>) contains deliberately ambitious targets to reach and work with some of the most disadvantaged groups in society to open up pathways into a university education and on to successful future outcomes. The plan identifies seven underrepresented groups that we target within our access and participation work. These groups have been

selected based on our assessment of our performance as an institution at specific stages of the student lifecycle: access, continuation, attainment and progression, and our plan sets out our actions to reduce differences in outcomes.

This year we have delivered a fully virtual programme of outreach activities totalling 114 events and engaged over 2,700 learners between the ages of 13 to 18. Our learning in the earlier stages of the pandemic enabled us to develop innovative ways to continue to provide young people with key sessions and activities to help them with their decision making. Highlights include a six week confidence building programme for care experienced young people; our Student Ambassadors provided one-to-one e-mentoring of Year 10, 12 and 13 learners in schools and colleges; and the online format of our Young Carers Day resulted in a significant increase in engagement by participants from across Greater Manchester.

Our commitment to social mobility through education is drawn together in a Social Mobility Opportunity Action Plan in partnership with the Social Mobility Pledge.



LIVING WAGE CITY

As an accredited Living Wage employer we're playing an active role in the campaign to make Salford a Living Wage City. We are a member of the Salford Living Wage Action Group which won the 'Places Champion Award' in the Living Wage Champion Awards 2021. The award recognised the group's work to increase the number of accredited Living Wage employers in the city. In the three years since the launch of the action group, we've supported 11 more employers to become Living Wage accredited and this has boosted the number of jobs in the city which pay the Living Wage from just under 10,000 to over 12,000.

FREEDOM OF EXPRESSION

We uphold the fundamental rights of freedom of speech and expression and academic freedom. We wholeheartedly support an environment in which all staff and students are treated with respect and do not deny use of University premises on grounds connected with beliefs, views, policies or objectives as long as such use is at all times within the law. Our Freedom of Speech Policy and effective partnership working with the Students' Union allows us to adopt a risk based approach for managing external events and fulfil our obligations under Prevent, the Higher Education and Research Act (2017) and Equalities legislation. The government has recently introduced the Higher Education (Freedom of Speech) Bill 2021. We have convened a working group to consider our existing Policy and will ensure that it continues to be fit for purpose and in line with any new legislation.

We have formally adopted the International Holocaust Remembrance Alliance's (IHRA) working definition on antisemitism. Adopting the IHRA's definition does not affect the application of equality law and the rights it affords to members of our community or our commitment to provide an environment free from harassment and discrimination. Nor does it affect our legal obligations and the legal rights of our staff and students in relation to freedom of speech and expression, including the ability to discuss and question difficult and sensitive topics, views and opinions, provided that is done responsibly, with respect for others and within the law.

VALUE FOR MONEY

We recognise our responsibility to achieve value for money from all of our activities, regardless of how they are funded. For students our focus is to ensure that they receive the full benefits of attending higher education both during their studies and after graduation. For the taxpayer we ensure that public funds are used efficiently and effectively so that students from all backgrounds graduate and can contribute to society and the economy.

In a year that brought uncertainty and an ever changing landscape, our focus was ensure to that we supported our students both academically and financially. Whilst we had to operate within government guidelines, we taught face to face wherever possible, operated a no-detriment policy so that no student was disadvantaged by Covid-19 in their assessment grades and worked alongside the Students' Union to provide appropriate extra curricula activities. We made wellbeing calls to students who were self-isolating and arranged food deliveries for those living on campus where required. As highlighted earlier, we made over 7,000 additional individual financial support awards across a range of schemes totalling £5.5 million. We also completed 60 projects focused on new equipment and refurbished student spaces which will improve the student experience for new and returning students in 2021-22.



PUBLIC BENEFIT

PUBLIC EVENTS AND ENGAGEMENT

VIRTUAL PUBLIC EVENTS

We have continued to deliver a strong programme of virtual public events this year. The Salford Lecture Series spanned a diverse range of topics and we also held the Greater Manchester Mayoral Hustings on transport in March 2021.



CONTRIBUTING EXPERTISE TO PARLIAMENT

Our academic experts have submitted evidence based on their research on matters of public relevance to the House of Lords and Public Accounts Committee. The House of Lords Committee on Sport and Recreation invited Dr Alex Fenton to give oral evidence on his research into fan based fitness apps that build on the sense of community that exists in sports clubs to encourage sustained healthier behaviours.

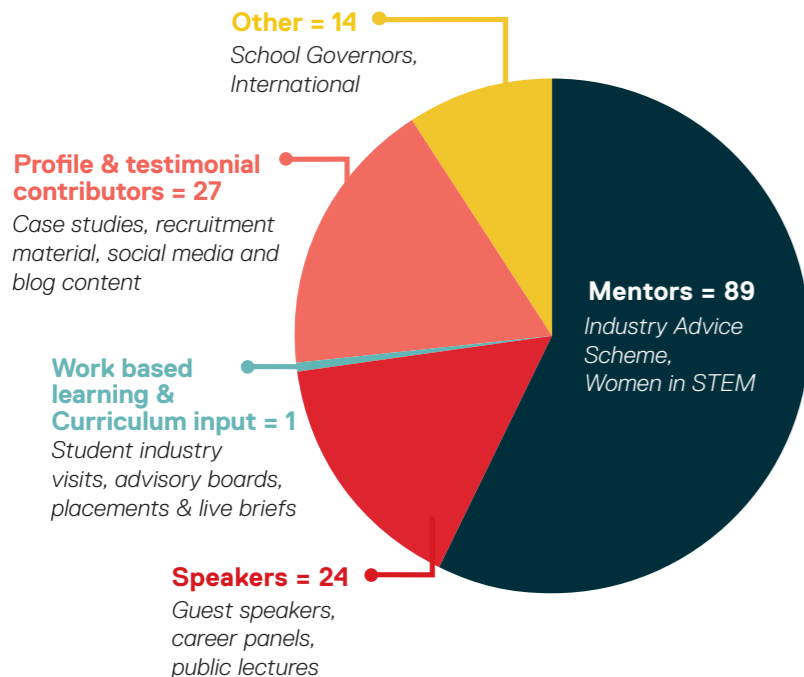
Professor Lisa Scullion, a member of the national Welfare at a (Social) Distance research project, submitted evidence to the Public Accounts Committee on the work of the Department of Work and Pensions during the Covid crisis. The evidence provided insight into the specific types of benefit support claimants need, where better join up is needed across different government programmes, and how the benefits system needs to adapt to changes in the demographic population of claimants.

ALUMNI VOLUNTEERING 2020-21

Over **1,600 alumni** with a registered interest in volunteering

Over **10%** of our volunteer community participated in multiple acts of volunteering

Types of volunteering activity:



PHILANTHROPY IN ACTION

52 STUDENTS in receipt of donor funded Scholarships in 2020-21

5 CAMPUS INITIATIVES FUNDED, supporting our staff and student communities through projects focused on improving health and wellbeing, resilience, confidence and employability

A SIGNIFICANT GRANT OF £180,000 secured to match fund the purchase of a Mammography system as part of the Centre for Medical Imaging, enabling the University to train the next generation of Radiographers, and to apply to become a clinical site for public provision of breast screening services

UNIVERSITY ART COLLECTION

Through 2020-21 the University Art Collection has continued to develop work to support artists and to engage audiences locally, regionally and internationally. Like many arts organisations we have adapted and innovated, expanding our digital reach.



PEER TO PEER: UK/HK brought together 23 arts organisations from the UK and Hong Kong in an online festival of contemporary art. Overall programme engagement was 6,888, with a total reach of 95,988 from across 72 different countries.

Sharon Lee Cheuk Wun, *Same River Twice* (2020)

Digital mixed media

Commissioned on the occasion of Peer to Peer: UK/HK by Open Eye Gallery and University of Salford Art Collection

The programme, **HOW WILL WE REMEMBER?** seeks to identify gaps in the public consciousness around who is affected by Covid-19. It is part of a wider programme of support for artists who have otherwise lost work during the pandemic.

Sarah Eyre, *Untitled GIFs* (2020)

Still from digital GIF

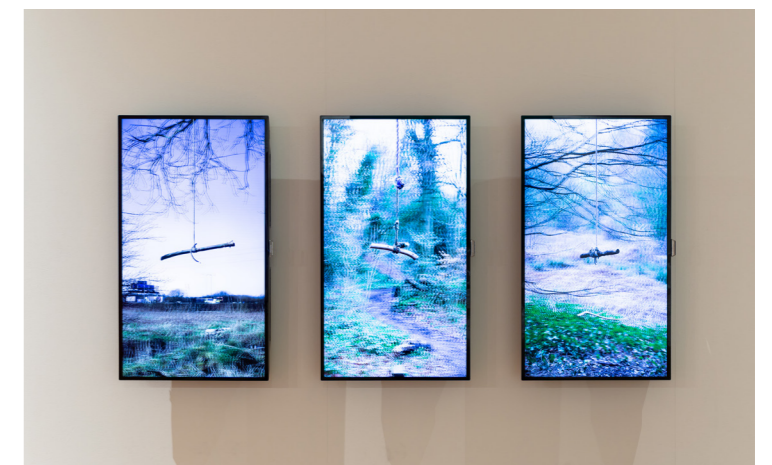
Commissioned by the University of Salford Art Collection and Open Eye Gallery



You Belong Here, installation view, Salford Museum and Art Gallery 2021. Photograph Heiss Rourke Photography – Hilary Jack



YOU BELONG HERE is at the heart of a city-wide creative programme Rediscovering Salford, which highlights and celebrates Salford's parks and green spaces. The exhibition aimed to share some of the city's unique history, and offer new narratives about our local natural environments.



You Belong Here, installation view, Salford Museum and Art Gallery 2021. Photograph Heiss Rourke Photography – Jack Brown

FINANCIAL PERFORMANCE

KEY FINANCIAL HIGHLIGHTS

2020-21

£16.7m

Surplus for the Year

£25.7m

Comprehensive Income for Year

£52.4m

Cash flow from operating activities

£79.3m

Net assets

2019-20

£41.6m

Surplus for the Year

£4.6m

Comprehensive Income for Year

£27.3m

Cash flow from operating activities

£53.6m

Net assets

STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

Surplus for the year

The University Council's process for reviewing the performance of the University is primarily to consider the underlying operating surplus and the controllable surplus as well as the cashflow generated from operating activities. These measures exclude the impact of movements on long term pension liabilities including the Greater Manchester Pension Fund (GMPF) and Universities Superannuation Scheme (USS) as well as movements on the early retirement provision in respect of former Teachers' Pension Scheme (TPS) members which while significant cannot be controlled by management in the short term.

Income and expenditure in £m

2020-21 and 2019-20 actuals and key variances to prior year

	2020-21	2019-20 Restated*	Change to Prior Yr
INCOME			
Tuition fee and educational contracts	189.6	169.8	19.8
Funding body grants	21.5	20.3	1.2
Research grants and contracts	6.3	6.3	0.0
Other income	12.6	16.0	(3.4)
Investment and donations income	0.9	1.4	(0.5)
Controllable operating income	230.9	213.8	17.1
STAFF COSTS			
Staff costs	(124.4)	(125.1)	0.7
(Less non controllable gain) / add back non controllable charge	(0.2)	1.3	(1.5)
Other operating expenses	(70.7)	(62.3)	(8.4)
Depreciation	(14.1)	(13.9)	(0.2)
Interest and other finance costs	(5.0)	(5.6)	0.6
Controllable operating expenditure	(214.4)	(205.6)	(8.8)
Day to day operating surplus	16.5	8.2	8.3
Profit/(Loss) on disposal of fixed assets	0.0	13.4	(13.4)
Taxation	0.0	0.1	(0.1)
Underlying operating surplus	16.5	21.7	(5.2)
IMPACT OF NON CONTROLLABLE EXCEPTIONAL ITEMS			
Change in USS Deficit recovery plan	0.0	21.2	(21.2)
Other non controllable movements	0.2	(1.3)	1.5
Surplus for the Year	16.7	41.6	(24.9)
Change in fair value of hedging financial instruments	2.7	(0.7)	3.4
Actuarial loss in respect of pension movements	6.3	(36.3)	42.6
Total comprehensive income for the year	25.7	4.6	21.1

* Refer to note 1a on page 88 of Financial Statements

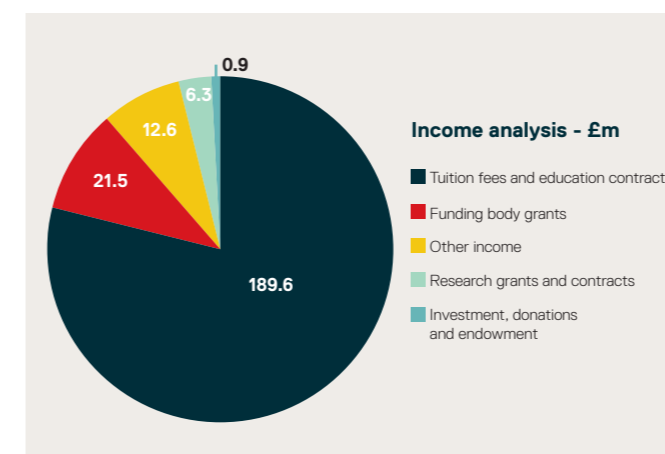
In 2020-21 the University made a day to day operating surplus of £16.5m. This was higher than the budget due to a combination of better than anticipated overseas recruitment and Covid-19 contingencies not being fully utilised.

Total comprehensive income and expenditure

The total Comprehensive income was £25.7m after favourable actuarial movements of £6.3m on GMPF and favourable hedge movements on loans of £2.7m. The favourable movement in GMPF was due to the improvement in the global stock market in the period to July 2021 exceeding the adverse movement in liabilities.

Controllable income

In 2020-21 total income increased by £17.1m (8.0%) to £230.9m.

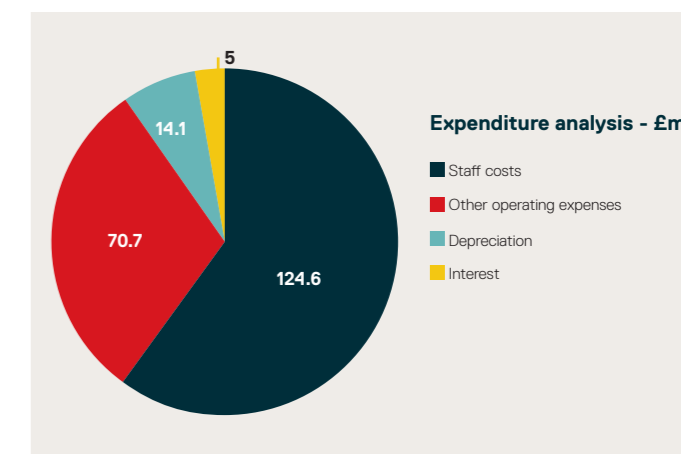


Total tuition fees and educational contracts increased by £19.8m (11.7%) to £189.6m. Home and EU student fees increased by £13.7m of which £3m was due to a switch from educational contracts to tuition fees following a change in the funding for nursing and allied health courses. The remainder was due to an increased recruitment relative to earlier years. International activity increased by £7.4m (45.3%) to £23.6m due to increased recruitment of both international and Transnational Education (TNE) students.

The Funding body grants increased by £1.2m (5.7%) to £21.5m, research grants and contracts was unchanged while Other Income fell by £3.4m (21.3%) to £12.6m. The reductions in Other Income reflect the impact of Covid-19 on activity.

Controllable expenditure

In 2020-21 total expenditure increased by £8.8m (4.3%) to £214.4m.



Staff costs increased by £0.8m (0.6%) to £124.6m due to the increase in severance costs following the enactment of a mutual consent to leave exercise. Recurrent staff costs, excluding mutual consent to leave and redundancy, now accounts for 53.1% of income compared to 57.5% in 2019-20 as income has grown in 2020-21 while underlying pay costs are largely unchanged due to the national pay freeze and recruitment control. This key KPI continues to be closely monitored.

Other operating expenses rose by £8.4m (13.5%) to £70.7m. In 2019-20 operating expenditure was reduced due to the impact of Covid-19 from March 2021 onwards. In 2020-21 whilst there has been savings in staff travel and catering most other categories have risen. In the last quarter as the financial impact of Covid-19 became clearer we were able to invest in several initiatives that will improve the future student experience.

Depreciation has risen by £0.3m.

Interest has fallen by £0.6m to £5.0m due to a fall of £0.4m in the notional interest charged on the GMPF deficit and a reduction of £0.2m in loan interest as the capital sums are paid off.

Non controllable items

In 2020-21 non controllable items were an overall £0.2m gain compared to a £19.9m gain in the previous year.

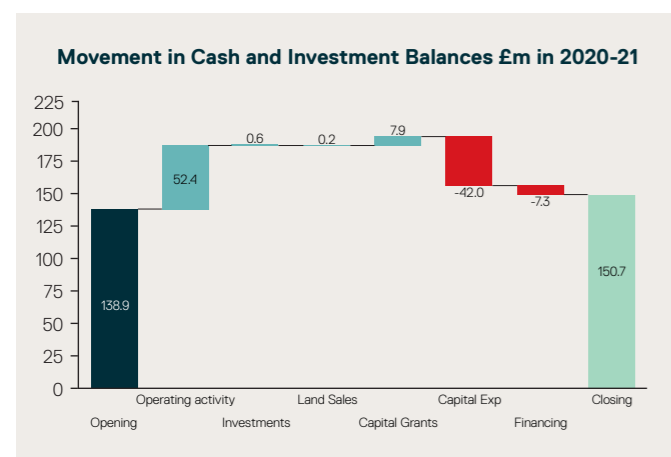
In 2020-21 the only non-controllable item was a £0.2m credit (2019-20 £1.3m Charge) for pension enhancements in respect of earlier years for former members of the Teachers' Pension Scheme (TPS). Whilst the March 2020 USS valuation was ongoing

in 2020-21 it was not completed by the year end so the resultant impact will be a cost in the 2021-22 financial statements. (2019-20 exceptional USS pension credit of £21.2m following completion of March 2018 USS valuation.)

Balance Sheet

At 31 July 2021 our net assets had increased by £25.7m to £79.3m due to a surplus of £16.7m and actuarial gains on the GMPF scheme of £6.3m and gains on the loan hedges of £2.7m.

We continue to have healthy net current assets of £108.3m (£113.6m at 31 July 2020), with cash and short-term net investments of £150.7m (£138.9m at 31 July 2020) which is enough to cover 275 (2020: 295) days of expenditure. The waterfall chart below explains the rise in cash and investments over the last 12 months by analysing the cash flow statement.



It was anticipated that the cash and investments would fall during 2020-21 but this has not occurred primarily because of creditors rising by £23.5m at the year end due to the timing of operating expenditure and the fact that the profile of international recruitment activity changed with significant levels of income received for future year courses.

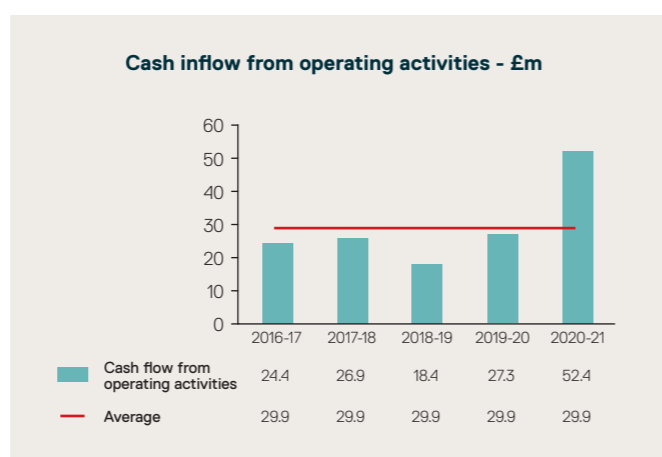
The cash and investments will fall during 2021-22 as creditors are paid and the construction of the Science and Engineering and Energy House 2.0 buildings are completed.

We have secured borrowing including derivatives and finance leases of £63.3m (£69.9m at 31 July 2020) which represents 27.4% (32.7% at 31 July 2020) of income and is below the sector average. We are looking to finance future capital expenditure through our current cash holdings, internally generated resources including land sales and grants rather than additional borrowing.

We have pension provisions totalling £142.1m (£142.7m

at 31 July 2020) which includes a deficit in the GMPF scheme of £104.2m (£103.3m at 31 July 2020), obligation to fund deficit on USS pension of £25.5m (£26.2m at 31 July 2020) and enhanced Teachers' Pension Scheme liabilities of £12.3m (£12.9m at 31 July 2020). Affordability of pensions is a key financial risk and since 1st August 2019 colleagues appointed on grades 1 to 6 are only eligible to join the University of Salford Pension plan which is a defined contribution scheme.

USS commenced its March 2020 actuarial valuation with the updated contributions originally to be determined by Spring 2021. This deadline was missed, and USS is currently consulting with employees over a proposal amendment which needs to be completed and agreed by the 28th February 2022. If this proposal is agreed, it will result in an increase of provisions of £48.4m on the provision reported at 31 July 2021. If this proposal is not agreed, then a "backstop" would be implemented which would increase provisions by £91.9m. Further details can be found in the "Events after the Reporting Period" note 28.

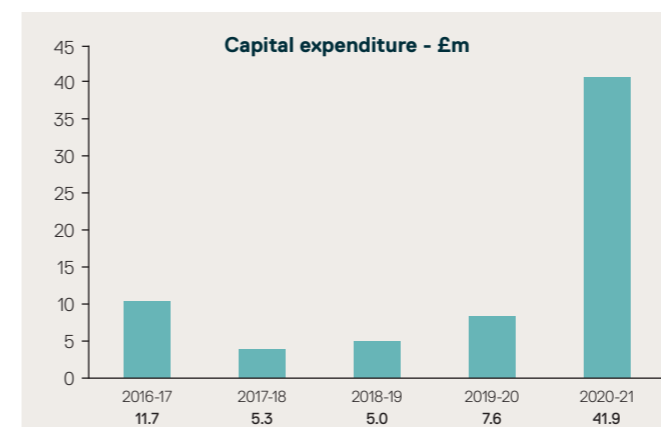


Cash flow

Cash flow generation continues to be our key financial metric, particularly in a time of volatile pension movements. We recognise that we need to continue to generate above the sector average to service our loans and to continue to invest in our students' experience.

Cash flow from operating activities was £52.4m (2019-20 £27.3m) which is 22.7% of income. The level of cashflow in 2020-21 is a "one off" due to the increase in creditors and deferred fee income at the year end. The increase in creditors will partially reverse out in 2021-22 resulting in cashflow being below the £20m target but the average across the two years will be well above this target. Over the last 5 years the University cash inflow from operating activities

averaged £29.9m [2019-20, 5 year average £23.7m).



Capital Expenditure

We continue to invest in our estate and equipment, spending £41.9m in 2020-21. Schemes included construction of the new Science & Engineering Building and Energy House 2.0 and refurbishment of laboratories within the Cockcroft building.

Payment of Creditors

The Late Payment of Commercial Debts (Interest) Act 1998 and Late Payment of Commercial Debts Regulations 2002 and 2013 requires institutions, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. We endeavoured to adhere to this policy during the year except where there were genuine reasons for dispute. Subject to the terms of individual contracts, where there are disputes on invoices, we only withhold payment on the disputed element of the invoice.

During 2020-21 the University paid 91% (2019-20: 98%) of invoices received within 30 days under Public Contract Regulation 113. Under the new legislation the University is required to report the value of notional interest due on invoices that are paid late and for 2020-21 this is £10,451 (2019-20 £11,016).

Professional Advisors

Bankers	Lloyds Bank plc and Barclays Bank plc
Investment Advisors	KW Wealth
Internal Auditor	PriceWaterhouseCoopersLLP
External Auditor	KPMG LLP

Conclusion and Future Prospects

Over the last 5 years the University's cash inflow from operating activities has averaged £29.9m, showing the University has a good track record of generating cash to invest in our staff and facilities. The future prospects of the University are considered over a 5 year period with the financial plan for 2021-22 to 2025-26 approved by Council in July 2021. The financial plan includes annual Income & Expenditure statements, capital expenditure, cash flow and balance sheet statements and an assessment of loan covenant compliance at each year end. Part of the financial planning process included scenario planning which stress tested key assumptions in respect of student recruitment, pay awards and pensions as well as the potential impact of external factors such as Covid-19 on student recruitment and retention. The scenario planning also included consideration of potential remedial actions and these scenarios are reviewed on an ongoing basis.

Overall recruitment for 2021-22 has been sound with an under recruitment relative to budget of home undergraduates compensated by better than budget recruitment in international students. The University is again targeting a "controllable" surplus in 2021-22 though the overall position will be one of expenditure exceeding income due to the exceptional USS pension charge. The external environment is likely to continue to be challenging due to the changes brought about by Covid-19 and the impact of the Review of Post-18 Education and Funding. Despite these pressures the University's underlying financial position remains sound and the University will continue to invest in improving the student experience with significant investment in infrastructure planned and continued investment in staff.

Based on this work and the ongoing review of the financial position during autumn recruitment the accounts continue to be prepared on a going concern basis.

Professor H Marshall
Vice Chancellor

Rt Hon. Lord Bradley
Chair of Council

26 November 2021

GOVERNANCE

MEMBERSHIP OF THE COUNCIL

	Term (of 3)	ARC	FRC	GNEC	HDC*	RemCo	Lead member
INDEPENDENT MEMBERS							
Rt Hon. Lord Bradley (Chair)	2nd		Ex officio	Ex officio	Ex officio	Ex officio	
Sean O'Hara (Deputy Chair)	3rd		✓	✓	Ex officio	Ex officio	International
Angela Adimora (from 1 February 2021)	1st		✓				
Professor Dame Sue Bailey	1st~				✓		
Dr Tony Coombs	2nd	✓					
Phil Cusack	2nd~					✓	
Garry Dowdle	3rd		✓				IT
Ben Gallop	3rd				✓		
Philip Green (from 1 February 2021)	1st	✓					
Merlyn Lowther	1st~	✓				✓	
Councillor John Merry	2nd		Co-optee				
Ian Moston	2nd~		✓				Finance
Micheal Omoniyi (from 1 February 2021)	1st			✓			
Sam Plant	3rd			✓			
Professor Susan Price (until 31 July 2021)	2nd			✓	✓		Student Exp
Alan Roff	1st		✓				
Helen Taylor	2nd					✓	
Dr Elsa Zekeng (from 1 February 2021)	1st	✓					
STAFF AND STUDENT MEMBERS							
Professor Helen Marshall (Vice Chancellor)	Ex officio		Ex officio	Ex officio	Ex officio		
Dr Karen Stansfield (until 31 July 2021)	1st						
Rik Sterken	1st						
Professor Mike Wood	1st			✓			
Temi Adebayo [#]	2nd				✓		
Ade Oluwalogbon Oni [#]	1st						
Festus Robert [#]	1st						
Akeem Ojetola [#]	1st						
CO-OPTED MEMBERS							
John Bland	1st	✓					
Stephen Gleave	1st		✓				
Professor Nigel Linge (until 31 July 2021)	Senate					Senate	
David McGovern	1st	✓ to 12 May 2021		✓ from 13 May 2021			
Jo Purves	Ex officio					Ex officio*	
Claire Sproston (from 1 February 2021)	1st			✓			
Natalie Walker (from 1 February 2021)	1st	✓				✓	
Nigel Wilcock (from 1 February 2021)	1st	✓					

~until 31 July 2021 (financial year-end)

[#]due to alignment with the election of sabbatical officers of the Students' Union, student members' terms commence on 1 July and cease on 30 June

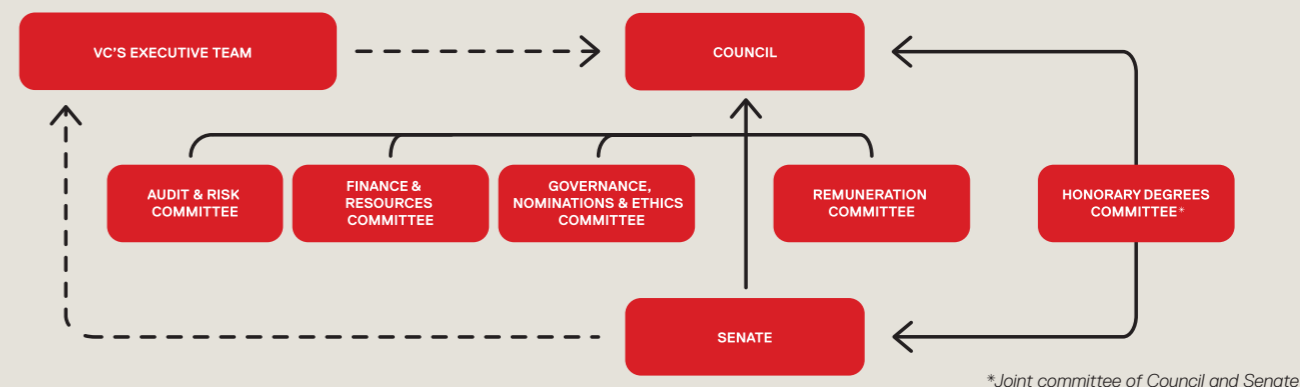
*ex officio in their capacity as member of Senate

NB: There are currently vacancies for the role of Lead Member for Estates and Lead Member for Human Resources, and Lead Member for Student Experience (from 31 July 2021)

KEY:

ARC – Audit and Risk Committee
 FRC – Finance and Resources Committee
 GNEC – Governance, Nominations and Ethics Committee
 HDC – Honorary Degrees Committee
 REMCO – Remuneration Committee

UNIVERSITY GOVERNANCE AT A GLANCE



CORPORATE GOVERNANCE STATEMENT

(in respect of financial year 2020-21 and the period up to the approval of the financial statements on 25 November 2021).

This Statement provides an overview on the ways the University executes good governance, advocates for a successful student experience and ensures processes for risk management and internal control.

The University is an independent corporation, whose legal status derives from a Royal Charter granted in 1967. The Charter and Statutes set out the University's objectives, powers and framework of governance and cannot be amended without approval from the Government-appointed Regulatory Body (the Office for Students). The University also holds exempt charitable trust status.

The Charter requires the University to have a supreme governing authority (the Council) and an academic authority (the Senate). Through the Charter and the Statutes, Council and Senate are granted defined functions and responsibilities, including giving Council the power to establish standing committees to discharge certain parts of its governing duties.

The University is committed to observing the highest standards of governance. Properly enacted this will ensure integrity and objectivity in the transaction of business, and wherever possible demonstrate probity and transparency. The University has adopted the Higher Education Code of Governance published by the Committee of University Chairs (CUC). The Code was substantially revised and re-published in September 2020 and the Council has assured itself that its governance policies and practices meet or exceed the required standards [COU.21.15] (see also the work of Governance, Nominations and Ethics Committee below).

The University has also adopted the CUC Higher Education Senior Staff Remuneration Code published in 2018 and more recently the CUC Higher Education Audit Committees Code of Practice published in June 2020 (see also the work of Audit and Risk Committee below).

The HE Code of Governance adopts and builds on the Principles of Public Life (the 'Nolan Principles') which together provide an overarching ethical framework for the personal and collective behaviours of governors (selflessness, integrity, objectivity, accountability, openness, honesty and leadership). To ensure personal responsibility for the Nolan Principles and proper conduct of public business, the Council approves and publishes the Code of Conduct for Members of Council and Senior Officers (revised July 2021). To give practical effect to the Nolan Principles, the University implements (and keeps under review) a range of corporate policies approved by the Council which apply to all colleagues and students (where indicated (*)):

/ Financial Regulations and Delegated Financial Authority

Regulations and approved authorities to ensure effective accountability, regularity and propriety in the use of public funding, creation of value for money, that funding is used in accordance with any issued grant(s), compliance with relevant legislation, and assets of the University are safeguarded.

/ Register of Interests, Gifts and Hospitality Policy (Declaration and Management Conflicts of Interest)

Interests (pecuniary or otherwise) gifts and hospitality that could give rise to a perceived, potential or realised conflict of interest are understood, declared and appropriately acted upon, and, where applicable, logged on the Register of Interests and/or the Register of Gifts and Hospitality. Conflicts of interest are also practically managed through the Standing Orders for Committees.

/ Whistleblowing Policy

The process by which an employee can make a disclosure which they believe to be in the public interest (i.e., possibly unethical, criminal, fraudulent or dangerous behaviour), the approach the University is bound to undertake in response to whistleblowing reports, and the management actions it can implement.

/ Counter Fraud Policy & Response Plan / Anti-Bribery Policy / Criminal Finance Act Policy

The processes by which suspicion of theft, fraud, bribery, corruption or financial irregularity can be reported, and how these reports are dealt with.

/ Dignity at Work and Study Policy and Procedures*

The protection and promotion of an individual's right to respect and dignity in the work or learning environment that is free from victimisation, harassment or bullying.

There are also two value frameworks which encompass wider policy sets, processes and local strategies:

/ The Inclusive University*

The range of policies that recognises the University's commitment to equality, fairness, autonomy and safety. (This includes the University's Modern Slavery Act Statement, which is approved annually by the Governance, Nominations and Ethics Committee). The University has committed to a number of Equality Charters and made anti-racism commitments.

/ The Ethics Framework*

The ethical considerations that underpin all University functions (this Framework incorporates the policies listed above and more, is overseen by the Governance, Nominations and Ethics Committee).

We are committed to transparency in our corporate governance arrangements. To that end the University publishes the minutes of Council meetings together with details of the functions, terms of reference and membership of Council and its committees on its website at www.salford.ac.uk/governance-and-management/council.

The outbreak of Covid-19 and the subsequent regulations in England arising from the response to the pandemic ('national lockdown') expedited the planned transition toward digital resources and the use of multimedia software but did so in an exceptional way. All meetings of the Council, Senate and their Committees since March 2020 have been undertaken via digital conferencing, utilising the University's Microsoft Office365 platform and applications. Professional Services colleagues have worked tirelessly to ensure that these transactions have remained secure and robust, whilst members and attendees of committees have participated, adapted and contributed to the development of governance 'from

home'. As a result, the formal governance arrangements have not been affected, no 'emergency powers' have been enacted and business has been conducted to schedule (or to meet revised external deadlines).

The Council agreed, in consultation with the Executive, to defer the planned consideration of the Corporate Strategy (effectively extending the lifespan of the current Strategy). In passing this resolution [COU.21.33] Council recognised that the Corporate Strategy remained fit for purpose and that deferral would ensure full input from its members (new and previous), colleagues and students through formative review at a more appropriate time. The pre-pandemic review of Council effectiveness conducted by AdvanceHE in 2019-20 had focused on the interactions between the Council and Vice Chancellor/Senior Officers and in-part on capacity to contribute to strategy at a formative stage, thus it was important to continue to realise this capacity.

(At the time of writing the pandemic is ongoing and the Council continues its operations under the University's corporate and operational risk assessments. The return to meetings and interactions on-campus is planned in a phased manner across Autumn/Winter 2021).

Another priority recommendation following AdvanceHE's review was to consider diversity and succession planning for Council membership. A very successful recruitment campaign led to the appointment of three new independent members to the Council and three new co-opted members to standing Committees. The appointments enabled a refresh of the Committees constitution and membership arrangements, and importantly gave rise to a process for succession planning from co-option to full membership of Council (enacted under Ordinance 8.5, [COU.21.33]). Additionally, a Statement of Protocol for Member Recruitment and Succession Planning was established [COU.21.18].

Student experience has continued to be the lead item at each meeting of the Council, to provide a platform for a range of individual 'lived experiences' to be discussed.

Reports on the University's Equality, Diversity and Inclusivity (EDI) action plan and the University's Enabling Student Success action plan were both made standing agenda items.

COUNCIL

Chair: Rt Hon. Lord Bradley, met six times during 2020-21 (five ordinary and one special meeting).

The Council is the supreme governing body of the University. It has ultimate responsibility for the affairs of the institution, overseeing effective management and administration, determining its mission and future direction, ensuring there is a robust system of risk management and internal control in place and managing activities such that it ensures the institution delivers a high-quality student experience, value for money in all of its activities and remains financially sustainable and viable.

The constitution and powers of the Council are laid down in, and limited by, the University's Charter and Statutes. These instruments of governance form the basis of the Scheme of Corporate Governance along with the Ordinances, Standing Orders for Committees, Terms of Reference for Committees, Financial Regulations, Scheme of Delegation and Code of Conduct for Council Members and Senior Officers. The Scheme facilitates effectiveness in decision-making processes and sets out the principal roles and responsibilities for governance and management. Components of the Scheme are approved by the Council but amendments to the Charter or Statutes are in the power of the Office for Students.

There are a maximum of twenty-four members of the Council, the majority of whom are independent (twenty actual members at the beginning of 2020-21). There are also student and staff members, and an appointee from Senate. The role of Secretary to the Council (University Secretary) has been undertaken by an interim appointment during the 2020-21 session, and it is expected a permanent appointment will be made during Autumn 2021.

None of the members receive payment for membership, except for reimbursement for expenses (e.g., travel costs). The role of Chair is offered on a remunerated basis however the current incumbent has waived this right.

Members of the Council are trustees for charitable law purposes.

The Council exercises its responsibilities in a corporate manner, that means decisions are taken collectively by the members acting as a single body in the best interests of the institution or, where applicable, specifically the student body (for example, the Student Protection Plan, or Access and Participation Plan).

The Council approved a revised Statement of Primary Responsibilities [COU.21.15] (published on the University website). This comprises twelve key duties:

1. Strategic Development and Planning

Shaping the development of and ultimately approving the University's vision, mission and strategic plan (including relevant sub-strategies in cognisance of the University's obligations to promote equality of opportunity for staff and students).

2. Monitoring Effectiveness and Performance

Ensuring effective and proactive monitoring of the implementation of the strategic plan (and relevant sub-

strategies); this includes confirming that there are effective key performance indicators, which wherever possible and appropriate, are benchmarked against other institutions.

Ensuring that there are in place appropriate arrangements for the management of the University, particularly through appointment of the Vice Chancellor and other designated senior positions.

Ensuring that there are effective control and accountability mechanisms, including financial and operational controls and risk assessment and management.

Monitoring its own effectiveness as a governing body and reporting thereon.

Putting in place suitable arrangements for monitoring the performance of the Vice Chancellor and other designated senior positions.

3. Academic Affairs

Recognising and supporting Senate's role as the academic authority of the University, ensuring that there is effective and satisfactory performance in relation to academic affairs, such as academic partnerships and collaborations, academic quality and the student experience, student recruitment and achievement, data provision and research integrity.

Ensuring, in conjunction with Senate, that the general welfare of students is assured.

Ensuring, in conjunction with Senate, that the principles of academic freedom are maintained.

4. Legal and Regulatory Commitments and Obligations

Ensuring that the University meets its diverse legal and regulatory obligations (including those relating to health, safety and equality).

5. Finance

Ensuring the solvency of the University and safeguarding its assets.

Shaping the development of and approving the financial strategy and the overall annual budget, and ensuring its congruence with the overall University strategy.

Ensuring that the funds provided by the Office for Students (OfS) are used in accordance with the terms and conditions specified in the OfS terms and conditions.

- Considering and approving annual accounts.
- Ensuring that, subject to relevant legislation, appropriate arrangements are in place for the management and operation of such companies as are wholly or partly owned by the University.
- Acting as a trustee for any property, legacy, endowment, bequest or gift in support of the welfare of the University.

6. Audit and Risk

Directing and overseeing the University's arrangements for internal and external audit. This includes ensuring an effective approach to risk management, control and governance (including ensuring the probity of the financial statements and the effective management and quality assurance of data submitted to funding bodies).



7. Estate Management

Shaping the development of, approving and subsequently reviewing an estates strategy that identifies the property and infrastructure requirements (including information technology requirements) needed to fulfil the objectives of the University's strategic plan.

Providing for a planned programme of maintenance for the University's estate.

Considering and approving all acquisitions and all disposals of land and property.

8. Human Resource Management

Shaping the development of, approving and subsequently reviewing the University's human resources strategy and policies, including remuneration policy.

Ensuring the University has clear procedures for handling internal grievances and for managing conflicts of interest.

Appointing the Vice Chancellor and other senior designated positions and setting the terms and conditions for these posts.

9. Governance and management

Ensuring that all students and staff have opportunities to engage with the governance and management of the institution.

10. Ethics and Values

Conducting its business in accordance with best practice in corporate governance and with the principles of public life as drawn up by the Committee on Standards in Public Life.

Safeguarding the good name and values of the University and being responsible for the ethical governance of the University.

Promoting a culture which supports inclusivity and diversity across the University.

Protecting the principle of freedom of speech in line with legislation.

11. Public Benefit

Ensuring that, as an Exempt Charity, the University's obligations to demonstrate public benefit are met.

12. Students' Union

Ensuring that the Students' Union operates in a fair and democratic manner and is accountable for its finances.

There were five standing Committees of Council: Audit & Risk; Finance & Resources; Governance, Nominations & Ethics; and Remuneration. In addition, there is one committee established jointly with the Senate: Honorary Degrees.

Members of the Council may be appointed to serve on one or more of the Committees of Council, in order for it to properly discharge its duties and responsibilities. Other special or ad hoc working groups may be established from time to time and will meet as appropriate. This year, a task and finish group was convened to search for the next Chancellor of the University, it is expected to make an appointment recommendation in late Autumn 2021.

Each standing committee has written terms of reference and dates of meetings are fixed and published in advance.

Governance, Nominations and Ethics Committee reviews and confirms on Council's behalf the terms of reference for each standing committee, thus ensuring that Council fulfilled its responsibilities to ensure effective governance and controls. Key items taken by each committee during 2020-21 are outlined below:

AUDIT AND RISK COMMITTEE (ARC)

Chair: Merlyn Lowther, met eight times during 2020-21 (five ordinary and three special meetings).

- / Internal audit
- / External audit, including statutory end-of-year accounts
- / Corporate Risk Register and Business Assurance Framework
- / Health and safety, including oversight of Covid-19 management operations and risk assessment
- / Regulatory compliance, including reportable events to the Office for Students (OfS) and regulatory returns (e.g., Access and Participation)
- / Annual value for money report (aligned to the OfS VFM Strategy, 2019)
- / Transparent Approach to Costing (TRAC) (the return on the allocation of resources between Teaching, Research and Enterprise)
- / Oversight of cybersecurity arrangements
- / Policy assurance (e.g., Whistleblowing Policy and Data Quality Policy)
- / Adoption of the CUC Higher Education Audit Committees Code of Practice

FINANCE AND RESOURCES COMMITTEE (FRC)

Chair: Sean O'Hara, met six times during 2020-21 (five ordinary and one special meeting).

- / Financial performance and solvency, including subsidiary companies
- / University Pension Schemes
- / Estate and facilities management, including the Environmental Sustainability Plan
- / Human resources
- / Information technology
- / International plans
- / Student recruitment and student experience/value for money
- / Review of 5-year budget
- / Bi-annual Bad Debt Recovery Report (by exception, ordinarily presented annually)
- / Updates on Covid-19 management operations

GOVERNANCE, NOMINATIONS AND ETHICS COMMITTEE (GNEC)

Chair: Sam Plant, met five times during 2020-21 (four ordinary and one special meeting (reconvened)).

- / Corporate governance arrangements, including adoption of the revised CUC HE Code of Governance, Code of Conduct for Members and Senior Officers, University Ordinances and Scheme of Delegation
- / Whistleblowing reports
- / Policy Review, including Whistleblowing Policy, Freedom of Speech Policy, adoption of the International Holocaust Alliance definition of antisemitism, adoption of a membership diversity recruitment protocol
- / The Prevent Agenda
- / Ethical framework (non-academic)
- / Council membership and succession planning, including skills assessment and balance of diverse characteristics
- / Council members' induction and development
- / Council Effectiveness Review recommendations implementation

REMUNERATION COMMITTEE (REMCO)

Chair: Helen Taylor, met four times during 2020-21.

- / Review of Vice Chancellor's performance
- / Senior management remuneration and reward
- / The framework for reward and recognition
- / Compliance with the CUC Higher Education Senior Staff Remuneration Code

UNIVERSITY COUNCIL AND THE OFFICE FOR STUDENTS (OFS)

The University has been registered with the OfS since September 2018 and, under the Regulatory Framework for Higher Education in England, the governing body is responsible for ensuring the ongoing 'provider's compliance with all of its conditions of registration and with the OfS's accounts direction' (Condition E3).

The governing body is also responsible for the adequacy and effectiveness of corporate governance (Condition E2), risk management and ensuring compliance with the terms and conditions of funding for OfS, UK Research and Innovation and other government funders.

Audit and Risk Committee (ARC) largely fulfils these responsibilities on behalf of Council supported by the work undertaken by internal and external auditors. Specific assurance mechanisms used by ARC in 2020-21 were:



- / Consideration of the University's annual returns to OfS and other bodies, including the Access and Participation Plan
- / Timely and effective communication with key University officers
- / Monitoring of OfS compliance via the Business Assurance Framework
- / Oversight of reportable event submissions to the OfS

The governing body is responsible for financial sustainability (Condition D). Finance and Resources Committee (FRC) fulfils this responsibility on behalf of Council and prior to approval of the annual accounts FRC undertook a going concern review.

VICE CHANCELLOR'S EXECUTIVE TEAM MEETING (VCET)

Chair: Professor Helen Marshall, met weekly during 2020-21 (ordinarily a fortnightly meeting, with a planned return to this schedule from 5 October 2021).

As Chief Executive Officer of the University, the Vice Chancellor is appointed by and accountable to the Council. Under the terms of the Financial Memorandum between the University and the Office for Students (OfS) the Vice Chancellor is the nominated Accountable Officer and can in that capacity be summoned to appear before the Public Accounts Committee of the House of Commons.

The Vice Chancellor's Executive Team supports the Vice Chancellor in her responsibility for effective management of the University's performance and the delivery of the University's strategic and operational plans. Where applicable, VCET makes recommendations to the Council or its standing committees.

In addition to the Vice Chancellor the Executive Team comprises the:

- / Pro Vice Chancellor Academic Development
- / Pro Vice Chancellor Student Experience
- / Pro Vice Chancellor Research and Innovation
- / Chief Operating Officer
- / Executive Director of Finance (also appointed Deputy Chief Executive for a period of two years from 1 October 2019)
- / Director of HR and Organisational Development
- / Interim Director of Student administration and Student Services (combined with the role of Executive Director of Marketing, Recruitment and External Relations and in August 2021 renamed Associate Chief Operating Officer)

In attendance at VCET Meetings during 2020-21 were the Director of Strategy, Deans of Schools and the Interim University Secretary.

SENATE

Chair: Professor Helen Marshall, met six times during 2020-21 (four ordinary and two special meetings).

The Charter establishes the Senate as the academic authority of the University. Its primary duty is to oversee learning, teaching and research, including the academic quality and standards of the University, ensuring that its academic activities, including mutually beneficial collaborations, develop and flourish. The Senate draws its membership from the staff and student bodies of the University.

- / Assurance of the quality of learning opportunities, academic practices and the student experience, and promote their enhancement
- / Development and promotion of research and innovation
- / Authorisation of the University's Academic Regulations and accompanying policies and procedures

STATEMENT OF INTERNAL CONTROL (CORPORATE GOVERNANCE)

(in respect of financial year 2020-21 and the period up to the approval of the financial statements on 25th November 2021).

As the Council of the University of Salford, we are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which we are responsible.

This is in accordance with the responsibilities assigned to the Council in the Charter and its accompanying Statutes and the Financial Memorandum with the Office for Students.

The key elements of the Group's system of internal financial controls, which are designed to discharge the responsibilities include the following:-

- a) Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and professional support service departments;
- b) A medium or short term planning process supplemented by annual budgets;
- c) Regular reviews of academic and professional support service performance;
- d) Clearly defined and formalised requirements for approval and control of expenditure, with capital expenditure being subject to formal detailed appraisal and review according to approval levels set by the University Council;
- e) Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the University Council. Supplementing the Financial Regulations are policies designed to prevent and detect fraud, corruption, bribery and other irregularities as well as a Counter Fraud Response plan.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to identify the principal risks; including business, operational, compliance and financial, to the achievement of policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently and economically. These procedures have been in operation throughout the year ended 31 July 2021 and up to the date of the approval of the financial report and accounts.

We have undertaken the following actions in respect of our risk management strategy: -

- a) In accordance with the approved Risk Management Policy, a Corporate Risk Register is maintained and reviewed. The Corporate Risk Register looks at all risks including financial, business, operational (Schools, Professional Support and subsidiaries), projects and compliance and considers the likelihood of a risk occurring, the impact and threat and also mitigating action that is being taken to manage the risk.
- b) Charged the Vice Chancellor's Executive Team with overseeing the management of risk.
- c) The VC's Executive Team receive quarterly risk management and internal control updates and risk management is embedded in day to day operations at both School and Professional Support levels.

We have ensured that our meeting calendar and agendas enable risk management and internal control to be considered on a regular basis during the year. Risk management is incorporated into the corporate planning and decision making processes of the institution.

We receive periodic reports from the Audit and Risk Committee concerning internal control, including recommendations of improvement and we require regular reports from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects.



In the academic year 2020-21, the University's internal audit service was provided by PriceWaterhouseCoopersLLP (PWC) which operates to standards defined in the OfS Audit Code of Practice. The internal auditors submit regular reports which include an independent opinion on the adequacy and effectiveness of the system of internal control, together with recommendations for improvement and the University's performance in delivering value for money. PWC undertook 13 internal audit reviews during 2020-21 of which 1 audit was advisory in nature and 12 audits where a risk classification was provided. Where a risk classification was provided 8 resulted in a "Low risk", 3 "Medium risk" and 1 "High risk" classification with 51 recommendations being made of which 2 were graded high, 19 medium and 30 low. A further 19 actions were made in respect of advisory audits. The "High risk" report was in respect of Cyber Security where PWC noted "Although the review resulted in a High risk conclusion, it is evident that progress is being made to mitigate the level of risk and the residual risk should continue to decrease once a number of the actions have been implemented." PWC undertook follow up work on previous recommendations during 2020-21 and concluded that 88.7% of audit recommendations had been implemented with the rest either in progress or no longer relevant. Based on the reviews undertaken during 2020-21, PWC concluded that "Governance, risk management and control and value for

money arrangements in relation to business critical areas is generally satisfactory. However, there are some areas of weakness and non-compliance which potentially put the achievement of objectives at risk." This opinion is the second highest of the four opinions available.

In 2020-21 the University's external audit was undertaken by KPMG. The primary focus of external audit is to obtain reasonable assurance that the financial statements are free from material error and that funds from external sources including OfS have been applied in accordance with the terms and conditions of funding. In undertaking the audit, the external auditors review the internal controls that are relied upon in producing the financial statements and highlight weaknesses - no significant weaknesses were highlighted during the audit. The external auditors are not required to comment on University value for money during the audit but do provide benchmarking information on the University's performance relative to other institutions.

Our review of the effectiveness of the system of internal control is informed by both the work of the internal and external auditors and the senior managers within the University who have responsibility for the development and maintenance of the internal control framework and by comments made by the external auditors in their management letter and other reports.



STATEMENT OF COUNCIL RESPONSIBILITIES

IN RESPECT OF THE INTEGRATED REPORT AND FINANCIAL STATEMENTS

The Council are responsible for preparing the Strategic Report and the financial statements in accordance with the requirements of the Office for Students' terms and conditions of funding for higher education institutions and Research England's terms and conditions of Research England grant and applicable law and regulations.

We are required to prepare group and parent University financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The terms and conditions of funding further require the financial statements to be prepared in accordance with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, in accordance with the requirements of the Accounts Direction issued by the Office for Students. We are required to prepare financial statements which give a true and fair view of the state of affairs of the group and parent University and of their income and expenditure, gains and losses and changes in reserves for that period.

In preparing each of the group and parent University financial statements, we are required to:

- / Select suitable accounting policies and then apply them consistently;
- / Make judgements and estimates that are reasonable and prudent;
- / State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- / Assess the group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- / Use the going concern basis of accounting unless they either intend to liquidate the group or the parent University or to cease operations, or have no realistic alternative but to do so.

We are responsible for keeping proper accounts and proper records in relation to the accounts. We are responsible for such internal control as we determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

We are also responsible for ensuring that:

- / Funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- / Funds provided by the Office for Students and Research England have been applied in accordance with the terms and conditions attached to them;
- / There are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- / Securing the economical, efficient and effective management of the University's resources and expenditure.

We are responsible for the maintenance and integrity of the corporate and financial information included on the University's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Rt Hon. Lord Bradley Chair of Council

26 November 2021

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF THE UNIVERSITY OF SALFORD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the University of Salford ("the University") for the year ended 31 July 2021 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Changes in Reserves, Consolidated and University Balance Sheet, Consolidated Cash Flow Statement and related notes, including the Statement of Accounting Policies.

In our opinion the financial statements:

- ✓ give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2021, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended; and
- ✓ have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the

audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Council has prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the University or to cease their operations, and as they have concluded that the Group and the University's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Council's conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the Group and University's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- ✓ we consider that the Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- ✓ we have not identified, and concur with the Council's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the University's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the University will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- ✓ Enquiring of the Council and the Audit and Risk committee and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- ✓ Reading Board, Audit and Risk Committee and Remuneration Committee minutes.
- ✓ Obtaining a copy of the Group's risk register.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that Group

management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition due to tuition fees being generally based on standard fee rates and due to their non-variable nature. We don't believe there to be an incentive to manipulate other income streams that are material.

We did not identify any additional fraud risks.

We also performed procedures including:

- ✓ Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management and those with a debit entry to cash and a corresponding credit entry to something other than income or debtors.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Council and other management (as required by auditing standards), and discussed with the Council and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with

regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), taxation legislation, pensions legislation and specific disclosures required by higher education legislation and regulation, charities legislation and related legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the need to include significant provisions. We identified the following areas as those most likely to have such an effect: compliance with Higher Education regulatory requirements of the Office for Students, recognising the regulated nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is

not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Council is responsible for the other information, which comprises the Strategic Review and the Report of the Governing Body and Corporate Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- / we have not identified material misstatements in the other information; and
- / in our opinion the information given in the Strategic Review and the Report of the Governing Body and Corporate Governance Statement, is consistent with the financial statements.

Council responsibilities

As explained more fully in their statement set out on page 69, the Council is responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We are required to report on the following matters by the Accounts Direction dated 25 October 2019 issued by the Office for Students ('the Accounts Direction').

In our opinion, in all material respects:

- / funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation;
- / income has been applied in accordance with the University's Statutes;
- / funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions; and
- / the financial statements meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in Note 10b has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 4 to the financial statements has been materially misstated.

We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Council and in accordance with the Articles, Charters, Statutes or Ordinances of the institution. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the Council for our audit work, for this report, or for the opinions we have formed.

Timothy Cutler
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
1 St Peter's Square, Manchester,
M2 3AE

Date - 02/12/21



CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE YEAR ENDED 31 JULY 2021

	Notes	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
		Consolidated	University	Consolidated	University
		£'000	£'000	Restated*	Restated*
Income					
Tuition fees and education contracts	1	189,604	188,503	169,801	168,634
Funding body grants	2	21,490	21,490	20,328	20,328
Research grants and contracts	3	6,300	6,300	6,295	6,295
Other income	5	12,588	12,495	16,014	15,588
Investment income	6	618	618	1,019	1,019
Donations and endowments	7	294	294	346	346
Total income		230,894	229,700	213,803	212,210
Expenditure					
Staff costs	8	124,350	121,417	125,177	121,762
Change in USS deficit recovery plan	8a	-	-	(21,186)	(21,186)
Other operating expenses	10	70,745	72,247	62,317	63,905
Depreciation	12	14,116	14,116	13,846	13,846
Interest and other finance costs	9	4,954	4,955	5,576	5,584
Total expenditure		214,165	212,735	185,730	183,911
Surplus before other (losses)/gains		16,729	16,965	28,073	28,299
Gain /(Loss) on disposal of fixed assets	12	(36)	(36)	13,402	13,402
Surplus before tax		16,693	16,929	41,475	41,701
Taxation	11	-	-	87	(2)
Surplus for the year		16,693	16,929	41,562	41,699
Actuarial gain/(loss) in respect of pension schemes	30	6,238	6,238	(36,318)	(36,318)
Change in fair value of hedging financial instruments	31	2,736	2,736	(673)	(673)
Total comprehensive income for the year		25,667	25,903	4,571	4,708

* Refer to Note 1a

CONSOLIDATED AND INSTITUTION STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE (CONTINUED) YEAR ENDED 31 JULY 2021

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Represented by:				
Endowment comprehensive income/ (expenditure) for the year	98	98	(51)	(51)
Restricted comprehensive income /(expenditure) for the year	(207)	(207)	50	50
Unrestricted comprehensive income/ (expenditure) for the year	25,776	26,012	4,572	4,709
	25,667	25,903	4,571	4,708
Surplus for the year attributable to:				
University	16,693	16,929	41,562	41,699

The accompanying notes form part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN RESERVES YEAR ENDED 31 JULY 2021

	INCOME AND EXPENDITURE ACCOUNT					
	Endowment	Restricted	Unrestricted	Hedge reserve	Revaluation reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	629	785	14,165	(10,480)	43,940	49,039
Surplus/(deficit) from the income and expenditure statement	(50)	50	41,562	-	-	41,562
Other comprehensive income / (expenditure)	-	-	(36,318)	(673)	-	(36,991)
Transfers between revaluation and income and expenditure reserve	-	-	8,242	-	(8,242)	-
Total comprehensive income / (expenditure) for the year	(50)	50	13,486	(673)	(8,242)	4,571
Balance at 1 August 2020	579	835	27,651	(11,153)	35,698	53,610
Surplus/(deficit) from the income and expenditure statement	98	(207)	16,802	-	-	16,693
Other comprehensive income / (expenditure)	-	-	6,238	2,736	-	8,974
Transfers between revaluation and income and expenditure reserve	-	-	4,131	-	(4,131)	-
Total comprehensive income / (expenditure) for the year	98	(207)	27,171	2,736	(4,131)	25,667
Balance at 31 July 2021	677	628	54,822	(8,417)	31,567	79,277

The accompanying notes form part of the financial statements

INSTITUTION STATEMENT OF CHANGES IN RESERVES YEAR ENDED 31 JULY 2021

	INCOME & EXPENDITURE ACCOUNT					
	Endowment	Restricted	Unrestricted	Hedge reserve	Revaluation reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 August 2019	629	785	13,485	(10,480)	43,940	48,359
Surplus/(deficit) from the income and expenditure statement	(50)	50	41,699	-	-	41,699
Other comprehensive income / (expenditure)	-	-	(36,318)	(673)	-	(36,991)
Transfers between revaluation and income and expenditure reserve	-	-	8,242	-	(8,242)	-
Total comprehensive income / expenditure for the year	(50)	50	13,623	(673)	(8,242)	4,708
Balance at 1 August 2020	579	835	27,108	(11,153)	35,698	53,067
Surplus/(deficit) from the income and expenditure statement	98	(207)	17,038	-	-	16,929
Other comprehensive income / (expenditure)	-	-	6,238	2,736	-	8,974
Transfers between revaluation and income and expenditure reserve	-	-	4,131	-	(4,131)	-
Total comprehensive income / (expenditure) for the year	98	(207)	27,407	2,736	(4,131)	25,903
Balance at 31 July 2021	677	628	54,515	(8,417)	31,567	78,970

The accompanying notes form part of the financial statements

CONSOLIDATED AND INSTITUTION STATEMENT OF FINANCIAL POSITION

	Notes	AS AT 31 JULY 2021		AS AT 31 JULY 2020	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	12	195,066	195,066	162,972	162,972
Investments	14	128	5	128	5
		<u>195,194</u>	<u>195,071</u>	<u>163,100</u>	<u>162,977</u>
Current assets					
Stock	15	106	106	109	109
Trade and other receivables	16	30,020	29,841	23,708	23,605
Investments	17	116,331	116,331	117,372	117,372
Cash and cash equivalents	24	34,332	34,079	21,478	21,054
		<u>180,789</u>	<u>180,357</u>	<u>162,667</u>	<u>162,140</u>
Less: Creditors: amounts falling due within one year	18	(72,500)	(72,252)	(49,035)	(48,928)
Net current assets		<u>108,289</u>	<u>108,105</u>	<u>113,632</u>	<u>113,212</u>
Total assets less current liabilities		<u>303,483</u>	<u>303,176</u>	<u>276,732</u>	<u>276,189</u>
Creditors: amounts falling due after more than one year	19	(80,474)	(80,474)	(79,019)	(79,019)
Provisions for liabilities					
Pension provisions	20	(142,137)	(142,137)	(142,710)	(142,710)
Other provisions	20	(1,595)	(1,595)	(1,393)	(1,393)
Total net assets		<u>79,277</u>	<u>78,970</u>	<u>53,610</u>	<u>53,067</u>
Restricted reserves					
Income and expenditure reserve - endowment reserve	22	677	677	579	579
Income and expenditure reserve - restricted reserve	23	628	628	835	835
Unrestricted reserves					
Income and expenditure reserve – unrestricted		54,822	54,515	27,651	27,108
Revaluation reserve		31,567	31,567	35,698	35,698
Hedge reserve	31	(8,417)	(8,417)	(11,153)	(11,153)
Total reserves		<u>79,277</u>	<u>78,970</u>	<u>53,610</u>	<u>53,067</u>

The accompanying notes form part of the financial statements.

The financial statements were approved by the Council on 26 November 2021 and were signed on its behalf on that date by:

Rt Hon. Lord Bradley
Chair of Council

Professor Helen Marshall
Vice- Chancellor

Mrs Julie Charge
Executive Director Finance

CONSOLIDATED STATEMENT OF CASH FLOWS YEAR ENDED 31 JULY 2021

	Notes	YEAR ENDED 31 JULY 2021 £'000	YEAR ENDED 31 JULY 2020 £'000
Cash flow from operating activities			
Surplus for the year before taxation		16,693	41,475
Adjustment for non-cash items			
Depreciation	12	14,116	13,846
Decrease /(Increase) in stock		3	(9)
(Increase) in debtors		(3,054)	(812)
Increase in creditors		18,377	283
Decrease/ (Increase) in pension provision		3,989	(16,684)
Increase in other provisions		202	123
Adjustment for investing or financing activities			
Investment income	6	(618)	(1,019)
Interest payable	9	4,954	5,576
Endowment Income		-	-
Loss/ (Profit) on disposal of fixed assets		36	(13,402)
Deferred capital grant release		(2,300)	(2,126)
Cash flow from operating activities		<u>52,398</u>	<u>27,251</u>
Taxation		-	87
Net cash inflow from operating activities		<u>52,398</u>	<u>27,338</u>
Cash flows from investing activities			
Withdrawal /(Placement) of deposits		941	(42,718)
Investment income		618	1,019
Receipts from disposal of fixed assets		221	18,750
Payments made to acquire fixed assets		(41,945)	(7,612)
Deferred capital grants received		7,870	2,696
		<u>(32,295)</u>	<u>(27,865)</u>
Cash flows from financing activities			
Interest paid		(3,199)	(3,415)
Repayments of amounts borrowed		(4,050)	(4,050)
		<u>(7,249)</u>	<u>(7,465)</u>
Increase/(Decrease) in cash and cash equivalents in the year		<u>12,854</u>	<u>(7,992)</u>
Cash and cash equivalents at beginning of the year	24	21,478	29,470
Cash and cash equivalents at end of the year	24	34,332	21,478

The accompanying notes form part of the financial statements.

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 JULY 2021

1. Accounting convention

The Consolidated and Institution financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education issued 2019. They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Office for Students (OfS), the Terms and conditions of funding for higher education institutions issued by the OfS and the Terms and conditions of Research England Grant.

The Institution is a public benefit entity and therefore has applied the relevant public benefit requirement of the applicable UK laws and accounting standards.

2. Change in accounting policies

Following the 2017 triennial review of FRS102 the Institution is preparing its financial statements in accordance with the revised provisions of FRS102 and the 2019 edition of SORP from the previous 2015 version for the second time in 2020.

3. Basis of preparation

The Consolidated and Institution financial statements have been prepared under the historical cost convention (modified by the revaluation of certain financial assets and derivative financial instruments).

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the operational and financial review which forms part of the Integrated Report. The Integrated Report also describes the

financial position of the Institution, its cash flows, liquidity position and borrowing facilities.

The financial statements have been prepared on a going concern basis which the University Council consider to be appropriate for the following reasons.

The University prepares a 5 year financial plan which is updated and approved on an annual basis. The most recent plan was approved on the 9th July 2021 by the University Council. As part of the plan University Council considered the impact of several scenarios, including Covid-19 and pensions on the financial plan and Council adopted a stress testing framework against the plan. The stress testing impacts were measured against loan covenants and potential mitigating actions were identified to reduce expenditure.

Post approval of budget the potential impact of Covid-19 on student recruitment for both home and overseas students has continue to be stress tested with various shortfalls in recruitment in 2021/22 and 2022/23 considered. After student enrolment in autumn 2021 the financial plan for the next two years has been updated and further scenario testing undertaken including plausible downsides in the worst case assessment.

The financial plan has considered options to address downsides which could include measures such as staff recruitment and pay freezes as well as reduction in investment and operating expenses. The financial plan has included preparing monthly cash flow forecasts up until July 2023.

The University Council after reviewing the original 5 year financial plan and the groups updated financial plan after student registration which reflects changes arising from the Covid-19 pandemic, is of the opinion that, having taken account a range of plausible downsides the group and university have adequate resources to continue for the foreseeable future.

The University Council believe the group and University has sufficient funding in place to be compliant with its debt covenants even in downside scenarios.

Consequently, the Council are confident that the Group and University will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of financial statements and therefore have prepared the financial statements on a going concern basis.

The financial statements are prepared in sterling which is the functional currency of the group and rounded to the nearest £'000.

4. Exemptions under FRS102

The University has taken the exemption under section 3.3 of the SORP (1.12(b) of FRS 102) to not produce a cash flow statement for the Institution in its separate financial statements.

5. Basis of consolidation

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2021.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation. Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates and joint ventures are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying amount of assets of either entity, the part relating to the Institution's share is eliminated.

The consolidated financial statements do not include the income and expenditure of the Students' Union as the University does not exert control or dominant influence over policy decisions.

6. Income recognition

Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount.

Bursaries and scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the University is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

Investment income is credited to the statement of income and expenditure on a receivable basis

Funds the University receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure of the University where the University is exposed to minimal risk or enjoys minimal economic benefit related to the transaction.

Grant funding

Government revenue grants including funding council block and research grants are recognised in income over the periods in which the University recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants (including research grants) from non-government sources are recognised in income when the University is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the University is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms applied to the individual endowment fund.

There are four main types of donations and endowments with restrictions:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the University.
3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the University has the power to use the capital.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Capital government grants in respect of buildings and equipment are treated as deferred capital grants. Such grants are credited to deferred capital grants and an annual transfer made to the Consolidated Statement of Comprehensive Income and Expenditure over the useful life of the asset, at the same rate as the depreciation charge on the asset for which the grant is awarded. Government research grants are also treated as deferred capital grants with the grants credited to deferred capital grants with an annual transfer made to the Consolidated Statement of Comprehensive Income and Expenditure over the life of the grant, at the same rate as the depreciation charge on the asset for which the grant is awarded. Where part of a capital grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Capital government grants in respect of land and other capital grants and donations from non-government sources are recorded in income when the University is entitled to income subject to any performance related conditions being met.

7. Accounting for retirement benefits

The four principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS), the Greater Manchester Pension Fund (GMPF), University of Salford Pension Plan (USPP) and the Teachers' Pension Scheme (TPS).

USS, GMPF and TPS schemes are defined benefit schemes, which are externally funded and contracted out of the State Second Pension (S2P). Each of these funds is valued every three years by professionally qualified independent actuaries. USPP is a defined contribution scheme which is contracted out of S2P.

The USS and TPS are multi-employer schemes for which it is not possible to identify the assets and liabilities to the University due to the mutual nature of the scheme and therefore these schemes are accounted for

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 JULY 2021 (CONTINUED)

as a defined contribution retirement benefit scheme.

A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Multi-employer schemes

Where the University is unable to identify its share of the underlying assets and liabilities in a multi-employer scheme on a reasonable and consistent basis, it accounts as if the scheme were a defined contribution scheme.

Where the University has entered into an agreement with such a multi-employer scheme that determines how the Institution will contribute to a deficit recovery plan, the University recognizes a liability for the contributions payable that arise from the agreement, to the extent that they relate to the deficit, and the resulting expense is recognised in expenditure.

Defined benefit plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the University's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the University. The net liability is recognised in the balance sheet in respect of each scheme and is the

present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date. The Group recognises a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the University is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as actuarial gains and losses.

The cost of the defined benefit plan, recognised in expenditure as staff costs, except where included in the cost of an asset, comprises the increase in pension benefit liability arising from employee service during the period and the cost of plan introductions, benefit changes, curtailments, and settlements. The net interest cost is calculated by applying the discount rate to the net liability. This cost is recognised in expenditure as a finance cost.

Further detail is provided on the specific pension schemes in note 30 to the accounts.

8. Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the

University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

9. Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance leases and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

10. Service concession arrangements

Fixed assets held under service concession arrangements are recognised on the Balance sheet at the present value of the minimum lease payments when the assets are bought into use with a corresponding financial liability.

Payments under the service concession arrangement are allocated between service costs, finance charges and financial liability repayments to reduce the financial liability to nil over the life of the arrangement.

11. Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

12. Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Surplus or Deficit (except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in other comprehensive income). Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, (Sterling), at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, while still retaining control, the relevant proportion of the accumulated amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while still retaining significant influence or joint control, the exchange differences shall be recognised in other comprehensive income and accumulated in reserves.

13. Fixed assets

Land and buildings

Land and buildings are capitalised at cost on initial recognition.

After initial recognition land and buildings are subsequently measured at cost/ deemed cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued at 31 July 2014, the date of transition to 2015 SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Costs incurred in relation to land and buildings after initial purchase or construction, and post the 31 July 2014 valuation, are capitalised to the extent that they increase the expected future benefits to the University.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives of up to 60 years on the amount at which the tangible fixed asset is included in the balance sheet less their estimated residual value.

Refurbishment costs are depreciated over 10 years.

Where an item of land and buildings comprise two or more major components with substantially different useful economic lives (UEs), each component is accounted for separately and depreciated over its individual UEL. Expenditure relating to subsequent replacement of components is capitalised as incurred.

No depreciation is charged on assets in the course of construction.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Statement of Financial Position.

Equipment

Equipment, including computers and software, costing less than £50,000 (prior to 31 July 2013: £20,000) per individual item is written off in the year of acquisition. All other equipment including groups of related

items costing more than £50,000 and equipment in respect of the fit out of new buildings is capitalised.

Capitalised equipment is stated at cost and depreciated over its expected useful life as follows:

- ✓ Computer Equipment 3 years
- ✓ Equipment acquired for specific research projects 2-5 years according to the period of the grant.
- ✓ Other Equipment up to 20 years

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Impairment

A review for potential indicators of impairment is carried out at each reporting date. If events or changes in circumstances indicate that the carrying amount of the property, plant and equipment may not be recoverable, a calculation of the impact is completed and arising impairment values charged against the asset and to the Statement of Comprehensive Income and Expenditure.

Borrowing costs

Borrowing costs are recognised as an expense in the Consolidated Statement of Comprehensive Income and Expenditure in the period in which they are incurred.

14. Intangible assets

Intangible assets created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

15. Investments

Non-current asset investments are held on the Balance Sheet at amortised cost less impairment.

Investments in associates and subsidiaries are carried at cost less impairment in the University's accounts. Investments in associates are also carried at cost in the consolidated accounts as the University group does not participate in the day to day management of such companies and the value of the holding is not material to the consolidated accounts. Current asset

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 JULY 2021 (CONTINUED)

investments are held at fair value with movements recognised in the Surplus or Deficit.

16. Financial Instruments

The Institution has elected to adopt Sections 11 and 12 of FRS 102 in respect of the recognition, measurement, and disclosure of financial instruments. Financial assets and liabilities are recognised when the Institution becomes party to the contractual provision of the instrument and they are classified according to the substance of the contractual arrangements entered into.

A financial asset and a financial liability are offset only when there is a legally enforceable right to set off the recognised amounts and an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Basic financial assets include trade and other receivables, cash and cash equivalents, and investments in commercial paper (i.e. deposits and bonds). These assets are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest rate method. Financial assets are assessed for indicators of impairment at each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of comprehensive income.

For financial assets carried at amortised cost the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates,

or joint ventures are initially measured at fair value, which is typically the transaction price. These assets are subsequently carried at fair value and changes in fair value at the reporting date are recognised in the statement of comprehensive income. Where the investment in equity instruments are not publicly traded and where the fair value cannot be reliably measured the assets are measured at cost less impairment.

Financial assets are de-recognised when the contractual rights to the cash flows from the asset expire or are settled or substantially all of the risks and rewards of the ownership of the asset are transferred to another party.

Financial liabilities

Basic financial liabilities include trade and other payables, bank loans, and intra-group loans. These liabilities are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

To the extent that the Institution enters into forward foreign exchange contracts which remain unsettled at the reporting date the fair value of the contracts is reviewed at that date. The initial fair value is measured

as the transaction price on the date of inception of the contracts. Subsequent valuations are considered on the basis of the forward rates for those unsettled contracts at the reporting date. The Institution does not apply hedge accounting in respect of forward foreign exchange contracts held to manage cash flow exposures of forecast transactions denominated in foreign currencies.

Financial liabilities are de-recognised when the liability is discharged, cancelled, or expires.

17. Derivatives

Derivatives are held on the Balance Sheet at fair value. The University has adopted and complied with the requirements of hedge accounting and as a result movements in fair value are recorded within other comprehensive income.

18. Stock

Stock is held at the lower of cost and selling price less costs to complete and sell.

19. Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term (maturity being less than three months from the placement date), highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

20. Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- (a) The University has a present obligation (legal or constructive) as a result of a past event;
- (b) It is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) A reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the University a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the University a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the University.

Contingent assets and liabilities are not recognised in the Statement of Financial Position but are disclosed in the notes.

21. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full on timing differences that exist at the reporting date and that result in an obligation to pay more tax, or a right to pay less tax in the future. The deferred tax is measured at the rate expected to apply in periods

in which the timing differences are expected to reverse, based on the tax rates and laws that are enacted or substantively enacted at the reporting date. Unrelieved tax losses and other deferred tax assets shall be recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax assets and liabilities are not discounted.

The University is an exempt charity within the meaning of Part 3 of the Charities Act 2011. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The University receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on expenditure (revenue and capital) is included in the costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

The University's subsidiaries are liable to Corporation Tax in the same way as any other commercial organisation.

22. Reserves

Reserves are allocated between restricted and unrestricted reserves. Restricted endowment reserves include balances which, through endowment to the University, are held as a permanently restricted fund as the University must hold the fund to perpetuity.

Other restricted reserves include balances through which the donor has designated a specific purpose and therefore the University is restricted in the use of these funds.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the University's financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income, and expenses. These judgements, estimates, and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Significant Judgements:

Management consider the areas set out below to be those where critical accounting judgements have been applied and the resulting estimates and assumptions may lead to adjustments to the future carrying amounts of assets and liabilities:

(a) Income recognition

Judgement is applied in determining the value and timing of certain income items to be recognised in the financial statements. This includes determining when performance related conditions have been met, and determining the revenues associated with partially delivered courses and training where the activities have not been fully completed at the reporting date.

(b) Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the Institution's total assets. Therefore, the estimated useful lives can have a significant impact on the depreciation charged and the Institution's reported performance. Useful lives are determined at the time the asset is acquired and reviewed regularly for appropriateness. The lives are based on historical experience with similar

assets as well as anticipation of future events.

(c) Impairment of property, plant and equipment

The assets carrying value are reviewed each year end to consider obsolescence and physical damage and also whether future business plans and the potential impact of covid-19 require the carrying value of the assets to be impaired. External valuers have been used to assist in this process where appropriate.

Details of the carrying values of property, plant and equipment are shown in note 12.

(d) Accounting for car parking at the Peel Park accommodation

In autumn 2015 the University entered into a 45 year arrangement with Standard Life Investments for the provision of car parking at the Peel Park accommodation. As the University assumes the risks and rewards of ownership this has been accounted for as a finance lease with a fixed asset net of depreciation to date of £4,114,000 (2019-20 £4,219,000) and liability of £5,234,000 (2019-20 £5,156,000) recognised on the balance sheet which is then accounted for in accordance with the finance lease accounting policies.

(e) Accounting for service concession arrangements

The University has an annual nominations arrangement with Campus Living Villages where it nominates rooms for students on the Peel Park accommodation within the University campus. As detailed in Note 13 the University accounted for this under the service concession arrangement reflecting the value of these nominations within the Balance Sheet with the annual nominations then unwound in the Statement of Comprehensive Income and Expenditure the following financial year. When students were unable

to attend campus due to Covid-19 restrictions the University made payments to CLV as part of the nominations guarantee. This cost has been netted off the income recognised in Residencies, Catering and Conference income as detailed in note 5.

(f) Accounting for hedge arrangements

The University has derivatives in place on some of its loans in order to fix the interest rate for the period of the loan. The University Council is satisfied that the conditions are met to account for this under hedge accounting so that movements are separately disclosed after surplus after tax within the Consolidated Statement of Comprehensive Income and Expenditure and a separate hedge reserve is created within reserves in the balance sheet. The hedge movement is disclosed in Note 31.

Critical accounting estimates:

(a) Recoverability of debtors

The University has bad debt provisions in respect of both student and commercial and research debt. The student bad debt provision is calculated on a specific basis according to where the student or the student sponsor is in the debt collection cycle with most debt over 12 months old provided for in full.

The commercial and research debt is also calculated on a specific basis according to where the debt is in the debt collection cycle with most debt over 12 months old provided for in full except for EU funded research grants where the recovery period is longer. The provision basis for both student and commercial and research debt is still considered appropriate in the current covid environment.

(b) Accounting for retirement benefits

(i) Pensions - University Superannuation Scheme (USS)

The University recognises a provision for its obligation to fund deficits arising within the USS. The provision is currently based on the USS deficit recovery plan agreed after the 2018 actuarial valuation which required deficit recovery payments of 2% of salaries from October 2019 increasing to 6% from October 2021 to March 2028. The provision is based on management's estimate of expected future salary inflations, changes in staff numbers and the prevailing discount rate at July 2021.

Further details in respect of USS are set out in Note 20 (A) and 30 (i).

(ii) Pensions – Enhancement on termination

The University has a provision for enhanced pensions for former employees who were members of the Teacher's Pension Scheme. Details of this liability are disclosed in Note 20 (B). This provision is based on management's estimate of the prevailing discount rate and life expectancy at the year end.

(iii) Pensions – Greater Manchester Pension Fund (GMPF)

The GMPF deficit is disclosed in Note 20 (D) and 30 (ii). The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. The assumptions are the responsibility of management and are set following advice received from a qualified actuary.

No change has been made to the mortality assumption as at 31 July 2021 to reflect the potential effects of covid-19. At this stage the impact of covid-19 on long term mortality rates for pensions scheme members is unclear but a 1 year change in member life expectancy changes liabilities by approximately £12,600,000. Mortality rates will continue to be kept under review in future years.

There has been a change in approach in calculating the Consumer Price Index (CPI) which is the basis of pension increases. CPI is set with reference to the Retail Price Index (RPI) to reflect increased clarity on the future of the RPI index. On 25th November 2020 HM the UK Chancellor and the UK statistics jointly published correspondence confirming that the Chancellor would not approve a change in RPI before 2030 and the intention is to align RPI to CPIH (CPIH is CPI with allowance for housing costs; the two are assumed to be similar over the long term).

In the light of this update, the method for calculating the RPI assumption (on which the CPI assumption is based) has been updated, resulting in a reduction in the pension liability of approximately £10,300,000 at 31 July 2021 relative to the previous methodology. In addition, the difference between CPI and RPI (the RPI-CPI wedge) has been updated, resulting in the pension liability increasing by approximately £30,800,000 at 31 July 2021 relative to the previous methodology.

These changes are linked and are based on pre-2030 and post-2030 rates, so the net impact of this is that the GMPF pension liability is approximately £20,500,000 higher than it would have been under the previous methodology and the Total Comprehensive Income for 2020-21 is £20,500,000 lower than under the previous methodology.



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2021

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	Restated *	Restated *
			£'000	£'000
1. Tuition fees and education contracts				
Full-time home and EU students	146,935	146,935	133,179	133,179
Full-time international students	23,637	23,637	16,265	16,265
Part-time students	11,195	11,195	9,377	9,377
Other teaching contracts	5,198	5,198	8,541	8,541
Short courses	1,742	641	1,693	526
Research Training Support Grant	897	897	746	746
	<u>189,604</u>	<u>188,503</u>	<u>169,801</u>	<u>168,634</u>

* Refer to Note 1a

1a Prior period adjustment

£603,000 of income has been reclassified to "Tuition fees and educational grants" from "Research grants and contracts" following an in year reclassification review. The impact is presentational within "Total Income", with Notes 1,3 and 4 restated. There is no impact on the Surplus for the year previously reported.

2. Funding body grants

Office for Students and Higher Education Funding Council recurrent grant

Teaching	12,236	12,236	11,892	11,892
Research	4,231	4,231	4,400	4,400

Specific grants

Research England	347	347	200	200
Office for Students Special Initiatives and Hardship Funding	1,203	1,203	-	-
Higher Education Innovation Fund	1,678	1,678	1,840	1,840
Deferred capital grants released in year:				
Buildings	1,266	1,266	1,266	1,266
Equipment	529	529	730	730
	<u>21,490</u>	<u>21,490</u>	<u>20,328</u>	<u>20,328</u>

3. Research grants and contracts

			Restated*	Restated*
Research councils (UK)	1,358	1,358	1,339	1,339
Research charities (UK)	593	593	671	671
Government (UK and EU)	2,395	2,395	2,492	2,492
Industry and commerce (UK)	377	377	347	347
Knowledge Transfer Partnerships	170	170	309	309
Other	1,032	1,032	1,137	1,137
Deferred Capital Grants Released	375	375	-	-
	<u>6,300</u>	<u>6,300</u>	<u>6,295</u>	<u>6,295</u>

* Refer to Note 1a

Notes	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	Restated *	Restated *
			£'000	£'000

4. Total grant and fee income

Grant income from the Office for Students	15,234	15,234	13,888	13,888
Grant income from other bodies	11,955	11,955	11,955	11,955
Fee income for taught awards	186,965	186,965	167,361	167,361
Fee income for research awards	1,497	1,497	1,527	1,527
Fee income for non-qualifying courses	1,743	642	1,693	526
	<u>217,394</u>	<u>216,293</u>	<u>196,424</u>	<u>195,257</u>

*Refer to Note 1a

Note 4 details the source of grant and fee income included in Note 1 to 3.

5. Other income

Residences, catering and conferences	6,598	6,553	8,028	7,753
Other income	5,860	5,812	7,856	7,705

Deferred capital grants released in year:

Buildings	130	130	130	130
	<u>12,588</u>	<u>12,495</u>	<u>16,014</u>	<u>15,588</u>

The Residences, catering and conference income is after the payment of a nominations underwriting fee to Campus Living Villages. (See Note 13 for further details.)

Other Income includes provision of products (including tenant and leisure facilities), consultancy, nursery services and various grants including those for funding of student placements as well as £494,000 - Consolidated (19/20 £1,318,000); £451,000 - University (19-20 £1,220,000); of government grants under the coronavirus job retention scheme.

6. Investment income

Investment income on endowments	22	3	3	5	5
Other investment income		615	615	1,014	1,014
		<u>618</u>	<u>618</u>	<u>1,019</u>	<u>1,019</u>

7. Donations and endowments

Donations with restrictions	23	199	199	248	248
Unrestricted donations/donations with performance criteria		95	95	98	98
		<u>294</u>	<u>294</u>	<u>346</u>	<u>346</u>

8. Staff costs

Salaries		85,530	82,852	86,481	83,383
Social security costs		9,001	8,792	9,160	8,916
Movement on USS provision		(923)	(923)	(970)	(970)
Enhanced Pension on Termination charge	20	169	169	242	242
Other pension costs	30	28,939	28,896	28,054	28,009
Early Retirement, Voluntary Severance, Redundancy and Mutual Consent Initiative					
***		1,634	1,631	2,210	2,182
		<u>124,350</u>	<u>121,417</u>	<u>125,177</u>	<u>121,762</u>

8. Staff costs (continued)

*** The category Early Retirement, Voluntary Severance, Redundancy and Mutual Consent Initiative includes:

- / £1,742,000 payable or paid to 94 University of Salford staff including staff who were paid under mutual consent initiative (2020; £960,000 to 38 staff none of whom were paid under the mutual consent initiative);
- / £56,000 in respect of the additional future pension cost of taking early retirement for 4 University staff who were members of the Local Government Pension Scheme (2020; Nil to 0 staff);
- / £6,000 in respect of additional USS costs for 1 University staff who were members of the USS scheme (2020; Nil);
- / £173,000 saving for the cost of paying previously agreed pension enhancements on termination in respect of former staff who were members of the Teacher's Pension Scheme (2020; £1,297,000 charge);
- / No saving on the actual cost of previous year retirements (2020; (£75,000)); and £3,000 redundancy costs paid to 1 member of staff who was employed by the subsidiary company Salford Professional Development Limited, (2020; £28,000 redundancy costs were paid to 3 members of staff who were employed by the subsidiary company Salford Professional Development Limited).

VICE CHANCELLORS REMUNERATION	2020-21 £'000	2019-20 £'000
Salary of Vice Chancellor (VC)	216	216
Performance related pay bonus	-	-
Benefits in kind	3	3
Total	219	219
Pension Contributions	-	-
Total Emoluments	219	219

The VC's Benefit in Kind is in respect of private medical care.

The University has a total group income of £230.9m and employs over 2,300 people. The Council has outlined "Our strategy" and "Operational Performance" earlier in the Integrated Report. In setting the base salary for the Vice-Chancellor, the Remuneration Committee has taken into consideration the depth, breadth and complexity of the role. The Remuneration Committee has undertaken benchmarking across the Higher Education sector, including comparative information relating to the relevant contribution and income groups.

Other elements of the total remuneration package for the Vice-Chancellor are reviewed by the Remuneration Committee alongside the annual individual performance review.

The nationally negotiated pay settlement was awarded to the Vice-Chancellor in 2019-20 (1.8%). There was no offer of a nationally negotiated pay increase for 2020-21 due to the

unprecedented challenges facing the HE sector and the pay freeze applied to the Vice-Chancellor.

The Remuneration Committee agreed with the Vice-Chancellor a series of performance objectives for the 2019-20 and 2020-21 academic years, covering the organisational, professional and personal areas of focus necessary to achieve the University's strategic objectives. The Remuneration Committee has delegated authority to make decisions, under the current senior pay framework, on annual non-consolidated pay bonuses between 0% and 5%.

As reported above and confirmed by the Remuneration Committee on 29 October 2021, the Vice-Chancellor will receive Nil Performance Related Pay bonus payment in 2021-22 in respect of 2020-21 (Nil Performance bonus in respect of 2019-20).

Further information in relation to the Total Remuneration package of the Vice-Chancellor and other

senior postholders is available in the Annual Remuneration Report which can be found at www.salford.ac.uk/sites/default/files/2021-12/AnnualRemunerationReport2021.pdf

The Vice-Chancellor's basic salary is 6.1 (2019-20; 6.6) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University and its subsidiaries to its staff.

The Vice-Chancellor's total remuneration is 5.4 (2019-20; 5.7) times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University and its subsidiaries to its staff.

8. Vice Chancellors Remuneration (continued)

There has been a reduction on both pay multiples in the year ending 31 July 2021. This change can be attributed to the pay freeze noted earlier as although there was no nationally negotiated pay increase for University staff, those staff eligible for pay increments continued to achieve them. As the Vice-Chancellor's pay did not increase at all, this structural pay increase for eligible colleagues resulted in pay multiple reductions.

The University has adopted the OfS 2019-20 guidance in respect of calculating the median salary early so has excluded agency staff and staff paid under the IR35 legislation from the respective calculations. The calculations also do not include some one-off staff payments where staff are paid for a specific piece of work which were not paid for on an hourly basis and staff on long term sick where they are no longer on full pay. The reasons for non inclusion of these groups in the median calculation are the University had not required the recording of the number of hours taken for individuals who are paid in accordance with the delivery of a piece of work and the University considers that inclusion of staff on long term sick who receive reduced pay would distort the calculation.

Remuneration of higher paid staff (including the Vice-Chancellor)

Remuneration of higher paid staff, excluding any bonus payments, pension contributions and all are shown before any salary sacrifice arrangements. The bandings do not include staff who joined or left part way through the year but would have received salary in these bands in a full year.

	2020-21 No.	2019-20 No.
£100,000 to £104,999	2	2
£105,000 to £109,999	-	3
£110,000 to £114,999	4	3
£115,000 to £119,999	1	2
£120,000 to £124,999	-	-
£125,000 to £129,999	1	-
£130,000 to £134,999	1	1
£135,000 to £139,999	1	1
£140,000 to £144,999	-	-
£145,000 to £149,999	-	-
£150,000 to £154,999	-	-
£155,000 to £159,999	-	-
£160,000 to £164,999	-	-
£165,000 to £169,999	-	-
£170,000 to £174,999	1	1
£215,000 to £219,999	1	1
	12	14
Average staff numbers by major category:	No.	No.
Academic including technicians	1,084	1,032
Administrative, including clerical and manual	1,234	1,257
	2,318	2,289

"The Administrative, including clerical and manual" category includes 71 staff (2019-20 ; 80) who were employed by Salford Professional Development Ltd (SPD) to provide agency staff largely to University of Salford.



8. Staff costs (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the University. Staff costs include compensation paid to key management personnel.

Year ended 31 July 2021	Year ended 31 July 2020
£	£
1,389,044	£1,296,871

In 2019-20 the team consisted of Vice Chancellor, Chief Operating Officer, Registrar, Pro Vice Chancellor (PVC) Student Experience, PVC

International & Regional Partnerships, Executive Director of Finance (and also acting as Deputy Chief Executive from 1st October 2019) Executive Director of Human Resources and PVC Research and Innovation from 1 January 2020.

In 2020-21 the team consisted of Vice Chancellor, Chief Operating Officer, Pro Vice Chancellor (PVC) Student Experience, PVC for Academic Development, PVC Research and Innovation, Executive Director of Finance (and also acting as Deputy Chief Executive), Executive Director of Human Resources and Interim Director of Student Success, Administration and Support Services.

Council Members

In 2020 -21 the Chair of Council was paid £ Nil (2019-20; £ Nil) as the Chair of Council has waived his remuneration in respect of this role.

No other council members have received any remuneration/waived payments from the group during the year (2019-20 - none). The total expenses paid to or on behalf of council members was £Nil (2019-20 - 8 council members - £2,302). This represents travel, subsistence and course costs incurred in their role as Council member.

8a. Change in USS deficit recovery plan

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Change in USS deficit recovery plan	-	-	(21,186)	(21,186)

9. Interest and other finance costs

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Loan interest	2,918	2,918	3,138	3,138
Other	4	5	2	10
Finance lease interest	357	357	353	353
Net charge on pension scheme	1,675	1,675	2,083	2,083
	4,954	4,955	5,576	5,584

10. Other operating expenses

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Scholarships, bursaries and other student expenses	7,511	7,511	5,261	5,261
Catering	1,623	1,623	2,132	2,108
Student Union Grant	1,590	1,590	1,166	1,166
IT Supplies and lease costs	8,240	8,214	7,519	7,490
Books and periodicals including online access	3,049	3,049	3,186	3,186
Printing, stationery and office expenses	682	679	985	968
Licences/ Insurance/ Subscriptions	2,625	2,559	2,817	2,770
Telephones	282	273	255	250
Equipment and furniture including hire and maintenance	5,661	5,660	3,036	3,036
Financial charges	620	647	883	852
Consumables	1,111	1,109	850	853
Vehicles and transport costs	292	291	451	436
Professional and other fees	13,007	12,519	9,840	9,375
Agency and contract staff	2,305	2,305	1,849	1,849
Staff travel and subsistence costs	395	396	1,450	1,432
Marketing	1,735	1,627	1,460	1,350
Staff recruitment and welfare	329	311	251	207
Premises, maintenance and repairs	5,477	5,469	4,777	4,777
Rates, rents and utilities	6,244	6,244	6,360	6,339
Security	324	324	345	345
Service concession expenditure – Note 13	7,643	7,643	7,444	7,444
Trading with subsidiary companies	-	2,204	-	2,411
Total	70,745	72,247	62,317	63,905

The University trading with subsidiaries includes £2,201,000 (2019/20 - £2,469,000) of agency costs provided by SPD which are treated as pay in the consolidated costs.

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
External auditors remuneration in respect of statutory audit services	117	97	103	85
External auditors remuneration in respect of non statutory audit services:				
Grant and other audit related services	6	6	12	12
Taxation including advice	54	54	29	24
Operating lease rentals				
Land and buildings	3,404	3,404	3,515	3,515
Other	468	466	452	452

The external auditor's costs, in line with guidance, have been disclosed net of VAT though the University is largely unable to recover the VAT incurred.

10. Other operating expenses (continued)

10a. Analysis of total expenditure by activity

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	£'000	£'000	£'000 Restated*	£'000 Restated*
Academic and related expenditure	122,404	121,144	114,123	112,848
Administration and central services	32,201	32,201	36,153	36,153
Premises	32,746	32,746	29,558	29,558
Residences, catering and conferences (including service concession cost)	10,334	10,208	10,512	10,002
Research grants and contracts	6,354	6,354	6,362	6,362
Other expenses	10,127	10,083	(10,978)	(11,012)
	214,166	212,736	185,730	183,911

*Refer to Note 1a

10b. Access and Participation

	Consolidated	Plan	Consolidated	Plan
	£'000	£'000	£'000	£'000
Access investment	1,674	1,504	1,474	1,240
Financial support	4,195	2,657	2,009	2,005
Disability support	588	550	618	539
Research and evaluation	101	100	98	-
	6,558	4,811	4,199	3,784

This note shows the Access and Participation investment as per the requirements of the OfS Monitoring return

(i) The Disability support excludes costs already allocated to Access investment and Financial support.

(ii) £1,827,000 (2019-20 £1,656,000) of these costs are already included in the overall staff figures – see Note 8 (Staff costs).

Access and Participation is the investment undertaken in attracting and recruiting new students to the University (Access) for those students who are classified as Widening Participation (WP) such as BAME, Disabled, low income backgrounds, care leavers, mature students etc. Information is collected through this monitoring return for the purposes of:

a. Understanding whether providers have met the provisions of the Access agreements in force in 2020-21.

b. Transparency, in the interests of students.

c. Providers in receipt of the student premium, disabled student premium funding or both are expected to submit a monitoring return so that the university can demonstrate that the funds have been correctly accounted for and have been used appropriately.

Using student analysis data, the proportion of Home/EU students have been determined that are WP classified, and allocated this percentage (49%) (2019-20 : 49%) to specific student-facing teams that undertake access activities, to determine an appropriate level of investment.

All disability spend gets allocated to specific project codes, which

have been used to determine the total investment the University has undertaken for its disabled students. These investments have been within Estates and Student Services.

The University of Salford's Access agreement and 2020-21 Access and participation plan can be found at www.salford.ac.uk/access-and-participation

The increase in overall financial support reflects; the additional hardship funding received from OfS due to the pandemic and the fact that the University of Salford Inspire bursary scheme is now in its third year so 3 cohorts have received bursaries in 2020-21 compared to 2 in 2019-20.

11. Taxation

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Recognised in the statement of comprehensive income				
Current tax				
Current tax expense in respect of 17-18	-	-	(89)	-
Foreign tax	-	-	2	2
Current Tax expense	-	-	(87)	2

12. Fixed assets

Consolidated and University	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Leased Assets £'000	Equipment £'000	Assets in the Course of Construction £'000	Total £'000
Cost or valuation						
At 1 August 2020	190,677	22,324	4,745	55,643	7,685	281,074
Additions	-	11	-	3,084	43,150	46,245
Transfers	-	-	-	429	(429)	-
Disposals	-	-	-	(6,180)	-	(6,180)
At 31 July 2021	190,677	22,335	4,745	52,976	50,406	321,139
Consisting of valuation as at:						
Cost	190,677	22,335	4,745	52,976	50,406	321,139
Depreciation						
At 1 August 2020	62,588	7,575	526	47,413	-	118,102
Charge for the year	9,667	1,018	105	3,326	-	14,116
Disposals	-	-	-	(6,145)	-	(6,145)
At 31 July 2021	72,255	8,593	631	44,594	-	126,073
Net book value						
At 31 July 2021	118,422	13,742	4,114	8,382	50,406	195,066
At 31 July 2020	128,089	14,749	4,219	8,230	7,685	162,972

A full valuation of University estate excluding Media City, Centenary Building and Adelphi Buildings was carried out on 31 July 2014 by DTZ (Independent Consultant surveyors). The Centenary Building and Adelphi Building were excluded from the July 2014 valuation following the decision taken to no longer use these buildings for teaching and research from August 2016 and these have been depreciated down to their market value. No further depreciation has taken place on these buildings during 2020-21 whilst the buildings have not been in use as their market value has not been impacted.

13. Service concession arrangements

The University has one On-Balance Sheet arrangement where service delivery has commenced. In November 2013 the University entered into an agreement with Salford Village Limited which (at that time) was comprised of Equitix, Graham Construction, Kier Project Investment and student accommodation operator Campus Living Villages Limited (CLV) to build and run a 1,367 student accommodation village on the Peel Park Campus with the accommodation opened to students from Autumn 2015. The finance for this £85m development was provided by Standard Life Investments (now part of the abrdn group) and CLV will run the accommodation until Summer 2060 at which date the University has the option to purchase the accommodation and head lease for £1. The University has the option to terminate the agreement from Autumn 2020 subject to payment of compensation to Campus Village Limited. The University is ultimately

responsible for the payments of rents under the underlease between Salford Village Limited and ASI, as, in the event of default by Salford Village Limited, ASI may demand payment from the University.

Under the terms of the agreement the University entered into an annual nominations agreement with Campus Living Village Limited. Following a review of the transaction this is to be accounted for in accordance with a service concession arrangement.

In December 2019 the University nominated 1,367 rooms in respect of academic year 2020-21 at a cost of £7,643,000. In line with concession accounting a notional current asset (right to use asset) of £7,643,000 and a notional concession liability of £7,643,000 has been created at 31 July 2020. These assets and liabilities have then been unwound in "Residencies, catering and conferences Income" and "Other operating expenses" respectively in the Statement of Comprehensive Income and Expenditure in 2020-21.

Under the terms of the nomination the University guarantees payment

to CLV for the rooms nominated. When students were unable to attend campus due to Covid-19 restrictions the University made payments to CLV as part of the nominations guarantee. This cost has been netted off the income recognised in Residencies, Catering and Conference income as detailed in note 5.

In December 2020 the University nominated 1,367 rooms in respect of academic year 2021-22 at a cost of £7,727,000. In line with concession accounting a notional current asset (right to use asset) of £7,727,000 and a notional concession liability of £7,727,000 has been created at 31 July 2021. These assets and liabilities will be unwound in "Residencies, catering and conferences Income" and "Other operating expenses" respectively in the Statement of Comprehensive Income and Expenditure in 2021-22.

As it is an annual occupancy guarantee at the 31 July 2021 the University has no future commitments other than those detailed above.

14. Non-current investments

	Subsidiary companies	Investment in spin outs	Other fixed assets investments	Total
	£'000	£'000	£'000	£'000
Consolidated				
At 1 August 2020	-	128	-	128
Additions	-	-	-	-
Disposals	-	-	-	-
Impairment	-	-	-	-
At 31 July 2021	-	128	-	128
University				
At 1 August 2020	-	5	-	5
Additions	-	-	-	-
Disposals	-	-	-	-
Impairment	-	-	-	-
At 31 July 2021	-	5	-	5

14. Non-current investments (continued)

Other non-current investments consist of:

	£'000	% Owned
Salsa Sounds Limited	-	37.36%
Optimum Imaging Limited	-	31.73%
Carbon Air Limited	103	20.59%
The Protocol Lab Limited	-	17.24%
PIDHC Limited (formally ProofID Limited)	-	4.62%
Incanthera Limited	20	0.95%
Salford Valve Company Limited	-	4.25%
University Loan to Health & Education Co-operative Limited	5	No Shareholding
	<u>128</u>	

15. Stock

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Building and Engineering Stores	106	106	109	109

16. Trade and other receivables

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Amounts falling due within one year:				
Research grants receivables	1,937	1,937	823	823
Other trade receivables	9,563	9,361	7,519	7,397
Other receivables	76	76	20	18
Prepayments and accrued income	10,717	10,540	7,703	7,555
Right to use an asset- concession accounting	7,727	7,727	7,643	7,643
Amounts due from subsidiary undertaking	-	200	-	169
	<u>30,020</u>	<u>29,841</u>	<u>23,708</u>	<u>23,605</u>



17. Current investments

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Short term investment in shares & Corporate bonds	615	615	514	514
Certificates of deposit and corporate bonds	110,367	110,367	101,355	101,355
Short term deposits	5,349	5,349	15,503	15,503
	<u>116,331</u>	<u>116,331</u>	<u>117,372</u>	<u>117,372</u>

The short-term investment in shares and corporate bonds are investments in a number of ethical funds administered by our advisors KW Wealth. Short term deposits are held with banks and building societies operating in the London market and regulated by Prudential Regulatory Authority with three months or more maturity at the transaction date. Certificates of deposit and

corporate bonds have a maturity of up to 24 months at maturity date. The interest rates for £110,367,000 (2020: £101,355,000) of these deposits are fixed for the duration of the deposit at time of placement. For the remaining £5,349,000 (2020: £15,503,000) interest rates vary.

At 31 July 2021 the weighted average interest rate of these fixed rate deposits including certificates of

deposit and corporate bonds was 0.30% (2020: 0.76%) per annum and the remaining weighted average period for which the interest rate is fixed on these deposits was 168 days (2020 144 days). The fair value of these deposits including certificates of deposit and corporate bonds was not materially different from the book value.

18. Creditors: amounts falling due within one year

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Secured loans	4,050	4,050	4,050	4,050
Service concession rights to use an asset (note 13)	7,728	7,728	7,643	7,643
Trade payables	16,420	16,381	6,283	6,262
Social security and other taxation payable	2,512	2,512	2,558	2,558
Other payroll creditors	2,147	2,147	2,073	2,073
Accruals and deferred income	37,053	36,223	24,320	23,465
Deferred capital grant	2,491	2,491	1,909	1,909
Student Union Deposit	99	99	199	199
Amounts due to subsidiary undertakings	-	621	-	769
	<u>72,500</u>	<u>72,252</u>	<u>49,035</u>	<u>48,928</u>

Deferred income

Included within accruals and deferred income are the following items of income which have been deferred until specific performance related conditions have been met.

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Donations	665	665	127	127
Research grants received on account	184	184	578	578
	<u>849</u>	<u>849</u>	<u>705</u>	<u>705</u>

19. Creditors: amount falling due after more than one year

	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	£'000	£'000	£'000	£'000
	Consolidated	University	Consolidated	University
Deferred capital grant	21,256	21,256	13,093	13,093
Obligations under finance lease	5,234	5,234	5,156	5,156
Derivatives	8,417	8,417	11,153	11,153
Secured loans banks	45,567	45,567	49,617	49,617
	<u>80,474</u>	<u>80,474</u>	<u>79,019</u>	<u>79,019</u>
Analysis of secured and unsecured loans:				
Due within one year or on demand (Note 18)	4,050	4,050	4,050	4,050
Due between one and two years	4,050	4,050	4,050	4,050
Due between two and five years	12,150	12,150	12,150	12,150
Due in five years or more	29,367	29,367	33,417	33,417
Due after more than one year	<u>45,567</u>	<u>45,567</u>	<u>49,617</u>	<u>49,617</u>
Total secured loans	<u>49,617</u>	<u>49,617</u>	<u>53,667</u>	<u>53,667</u>
Secured loans	49,617	49,617	53,667	53,667
	<u>49,617</u>	<u>49,617</u>	<u>53,667</u>	<u>53,667</u>

Included in loans are the following:

Lender	Amount	Term	Interest rate	Borrower
	£'000		%	
Barclays	6,290	2030	5.80	University
Barclays	2,640	2032	5.18	University
Barclays	11,400	2035	5.18	University
Lloyds	4,166	2027	4.45	University
Lloyds	25,121	2036	6.02	University
	<u>49,617</u>			

20. Provisions for liabilities

Consolidated & University	(A) Obligation to fund deficit on USS Pension	(B) Pension enhancement on termination	(C) Standardisation of Pension benefits of former University College Salford Staff Benefit Obligations	(D) Deficit in the Scheme- Net pension liability GMPF	Total Pensions Provisions	Other	Total Other
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 August 2020	26,215	12,972	231	103,292	142,710	1,393	1,393
Interest on funds	191	169	-	1,484	1,844	-	-
Utilised in year	(1,150)	(665)	-	(4,470)	(6,285)	-	-
Additions in year	227	-	1	3,848	4,076	202	202
Unutilised amounts reversed in 2020-21	-	(173)	(35)	-	(208)	-	-
At 31 July 2021	25,483	12,303	197	104,154	142,137	1,595	1,595

(A) USS deficit

The obligation to fund the past deficit on the University's Superannuation Scheme (USS) arises from the contractual obligation with the USS to fund deficit payments in accordance with the deficit recovery plan. In calculating this provision, management have assessed future staff levels within the USS scheme for the duration of the contractual obligation and salary inflation. Key assumptions are set out below and further information is provided in Note 30 (i).

Following completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed of which more detail is given in Note 30 (i). This new deficit plan requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028.

The major assumptions for calculating the obligation are as follows:

	Consolidated and University
USS Discount rate	0.87% (2019-20 0.73%)
Pensionable payroll growth - Salary inflation of USS employees	2.5% for 2021-22, before reverting to 3% (2019-20: 1% for 2020-21 before reverting to 3.0% for future years)
Staff changes of USS employees	2.25% in 2021-22 and 2.25% in 2022-23 before reverting to 0% (2019-20: 0% going forward)
Sensitivity Analysis	

As set out in the accounting policies, there are some critical judgements made in estimating the obligation to fund the USS deficit. The sensitivity of the principal assumptions used to measure the USS deficit provision are set out below:

Change in assumptions at 31 July 2021	Approximate Impact
0.5% pa decrease in discount rate	£0.51m
0.5% pa increase in salary inflation over duration	£0.50m
0.5% pa increase in salary inflation year 1 only	£0.12m
0.5% increase in staff changes over duration	£0.5m
0.5% increase in staff changes year 1 only	£0.12m
Increase in deficit contributions from April 2020	£4.21m
1 year increase in term	£4.21m

20. Provisions for liabilities (continued)

(B) Pension enhancement

The assumptions for calculating the provision for pension enhancements on termination under FRS 102, are as follows:

	Consolidated and University
Inflation Rate	2.6% (2019-20 2.2%)
Interest Rate	1.6% (2019-20 1.3%)
Net interest Rate	(1.0%)(2019-20 (0.9%))

The provision is for the enhanced pension benefits payable to retired staff who were members of the Teacher's pension scheme. The provision for the enhanced pension benefits payable to retired staff has been calculated using a net interest rate of (1.0%) (2019-20 (0.9%)) The interest on funds has been calculated using an interest rate of 1.6% (2019-20 1.3%).

(C) The provision is for the standardisation of pension benefits for former University College Salford Staff so that current members of the TPS pension scheme receive the same ill health and death in service benefits as USS members.

(D) Deficit in the scheme- net pension liability Greater Manchester Pension Fund GMPF. See note 30 for further details.

21. Financial Instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Examples of financial instruments include cash, bank, debtors and creditors, investment and hedging instruments and loans.

(a) The University's activities expose it to a variety of financial risks and Covid-19 has increased these risks. The main risks to the University's treasury activities are :

(i) Credit and counterparty risk (security of investments);

Credit risk arises as the University debt is primarily with the Student Loan Company as well as a large number of students and

organisations across diverse sectors and geographical areas. This is managed through collecting student debt in instalments and regular communications with customers over outstanding debt.

Counterparty risk is managed through a Treasury Management Policy which has prudence as its primary goal and Finance review the long term rating of the counterparty by independent credit rating agencies before investing any monies with a bank or building society.

(ii) Liquidity risk/ refinancing risk (inadequate cash resources/ impact of debt maturing in future years)

As part of its budget process a detailed three year cash flow projection is produced to ensure that the University has adequate resources to meet future commitments. Finance then monitors actual performance against budget on a monthly basis.

(iii) Market or interest rate risk

The University is exposed to risk in terms of exposure to interest rate movements on borrowings and investments. Movements in interest rates have a complex impact on the University. For instance, a rise in interest rates would mean that for borrowing at variable rates the interest expense charged to the surplus or deficit would rise.

In order to mitigate this risk, the University "hedges" its interest risk using swaps which provide stability against interest rate fluctuations. The total balance below comprises hedging of the Lloyds Bank plc and Barclays Bank loan facilities through

an interest rate swap and the University hedge accounts.

Consolidated & University	2021	2020
	£'000	£'000
Fair Value liability of derivative at 1 August	11,153	10,480
Change in fair value	(2,736)	673
Fair value liability of derivative at 31 July	8,417	11,153

For Investments at variable rates the interest income credited to the surplus or deficit will rise so the University invests cash for a variety of different periods up until 24 months.

(iv) Inflation risk (exposure to inflation)

The University is exposed to general economic inflation which then results in pay pressures. The University's ability to control this is limited but it manages this through prudent budget setting and inclusion of contingencies on capital projects.

(v) Foreign exchange risk.

The university manages this by keeping the holdings of foreign currency to a minimum with holdings just sufficient to meet known liabilities.

21. Financial instruments (continued)

(b) The carrying value of the Group and University's financial assets and liabilities are summarised by category below:

Financial Assets	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Measured at undiscounted amount receivable				
<i>Trade and Other receivables</i>	22,293	22,114	16,065	15,962
Measured at amortised cost				
<i>Investments</i>	115,716	115,716	116,858	116,858
<i>Cash and cash equivalents</i>	34,332	34,079	21,478	21,054
<i>Stock</i>	106	106	109	109
<i>Obligations under service concession arrangements</i>	7,727	7,727	7,643	7,643
Measured fair value through income & expenditure				
<i>Investment in investment funds</i>	615	615	514	514
Equity investments measured at cost less impairment				
<i>Non-current asset investments in unlisted equity instruments</i>	128	5	128	5
	<u>180,917</u>	<u>180,362</u>	<u>162,795</u>	<u>162,145</u>
Financial Liabilities	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Measured at undiscounted amount payable				
<i>Trade and other creditors</i>	58,231	57,983	35,433	35,326
Measured at amortised cost				
<i>Loans and finance leases payable</i>	49,617	49,617	53,667	53,667
<i>Obligations under finance lease</i>	5,234	5,234	5,156	5,156
<i>Obligations under Service concession agreements</i>	7,728	7,728	7,643	7,643
<i>Deferred capital grants</i>	23,747	23,747	15,002	15,002
Measured at fair value through Statement of Comprehensive Income				
<i>Derivative financial liabilities</i>	8,417	8,417	11,153	11,153
	<u>152,974</u>	<u>152,726</u>	<u>128,054</u>	<u>127,947</u>

The derivative balance shown above relates to a "receive floating, pay fixed" interest rate swap measured at fair value through income and expenditure. The floating rate swap is three month's LIBOR, with the fixed rate 6.02% and 5.8%. The Group settles the swaps quarterly, with the difference between the fixed and floating interest rates settled on a net basis.

The Group's income, expense, gains and losses in respect of financial instruments are summarised below:

Interest income and (expense)	YEAR ENDED 31 JULY 2021		YEAR ENDED 31 JULY 2020	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Total interest income for financial assets at amortised cost	618	618	1,019	1,019
Total interest expense for financial liabilities at amortised cost	(3,275)	(3,275)	(3,491)	(3,491)
	<u>(2,657)</u>	<u>(2,657)</u>	<u>(2,472)</u>	<u>(2,472)</u>
On investments assets measured at fair value through income and expenditure	105	105	2	2
On hedging financial instruments through Statement of Comprehensive Income	2,736	2,736	(673)	(673)
	<u>2,841</u>	<u>2,841</u>	<u>(671)</u>	<u>(671)</u>

22. Endowment reserves

Restricted net assets relating to endowments are as follows:

	RESTRICTED PERMANENT ENDOWMENTS	EXPENDABLE ENDOWMENTS	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
At 1 August 2020				
Capital	3	347	350	364
Accumulated income	13	216	229	265
	<u>16</u>	<u>563</u>	<u>579</u>	<u>629</u>
New endowments	-	-	-	-
Investment income	-	3	3	5
Expenditure	-	(10)	(10)	(57)
	<u>-</u>	<u>(7)</u>	<u>(7)</u>	<u>(52)</u>
Increase in market value of investments	3	102	105	2
At 31 July 2021	<u>19</u>	<u>658</u>	<u>677</u>	<u>579</u>
Represented by:				
Capital	3	347	350	350
Accumulated income	16	311	327	229
	<u>19</u>	<u>658</u>	<u>677</u>	<u>579</u>
Analysis by type of purpose:				
Scholarships and bursaries	-	345	345	290
Research support	-	3	3	3
Prize funds	16	-	16	13
General	3	310	313	273
	<u>19</u>	<u>658</u>	<u>677</u>	<u>579</u>
Analysis by asset				
Current asset investments			<u>677</u>	<u>579</u>

23. Restricted reserves

Reserves with restrictions are as follows:	2021	2020
	Total £'000	Total £'000
At 1 August 2020	835	785
New grants/ research grants	17	-
New donations	199	248
Income	-	11
Expenditure – Revenue	(267)	(209)
Expenditure - Capital	(156)	-
	<u>(207)</u>	<u>50</u>
At 31 July 2021	<u>628</u>	<u>835</u>

Analysis of other restricted funds /donations by type of purpose:

Prizes	1	1
Scholarships and bursaries	270	276
Research support	32	34
General	325	524
	<u>628</u>	<u>835</u>

24. Cash and cash equivalents

Consolidated	At 31 July 2020	Cash Flows	At 31 July 2021
	£'000	£'000	£'000
Cash and cash equivalents	<u>21,478</u>	<u>12,854</u>	<u>34,332</u>



25. Consolidated reconciliation of net debt

	£'000	
Net Debt at 1 August 2020	(56,141)	
Movement in cash and cash equivalents	12,854	
Repayment of amounts borrowed	4,050	
Finance Lease movement	(78)	
Other non cash changes	2,651	
Net Debt at 31 July 2021	<u>(36,664)</u>	
Change in Net Debt	<u>19,477</u>	
Analysis of Net Debt	At 31 July 2021	At 31 July 2020
	£'000	£'000
Cash and Cash Equivalents	34,332	21,478
Borrowings : amounts falling due within one year		
Secured Loans	(4,050)	(4,050)
Obligations under finance leases	-	-
Service Concession arrangements	(7,728)	(7,643)
	<u>(11,778)</u>	<u>(11,693)</u>
Borrowings : amounts falling due after one year		
Obligations under finance leases	(5,234)	(5,156)
Derivatives	(8,417)	(11,153)
Secured Loans	(45,567)	(49,617)
	<u>(59,218)</u>	<u>(65,926)</u>
Net Debt	<u>(36,664)</u>	<u>(56,141)</u>

25. Consolidated reconciliation of net debt (continued)

The University's treasury policy is to hold relatively low levels of cash but instead hold certificates of deposit and corporate bonds which, if required, can be easily converted to cash – See Note 17. The impact of this on overall funding is as follows :

	£'000	
Net Funds at 1 August 2020	61,231	
Movement in cash and current investments	11,813	
Repayment of amounts borrowed	4,050	
Finance Lease movement	(78)	
Other non cash changes	2,651	
Net Funds at 31 July 2021	79,667	
Change in Net Funds	18,436	
Analysis of Net Funds	At 31 July 2021	At 31 July 2020
	£'000	£'000
Cash and Cash Equivalents	34,332	21,478
Current investments	116,331	117,372
	150,663	138,850
Borrowings : amounts falling due within one year		
Secured Loans	(4,050)	(4,050)
Obligations under finance leases	-	-
Service Concession arrangements	(7,728)	(7,643)
	(11,778)	(11,693)
Borrowings : amounts falling due after one year		
Obligations under finance leases	(5,234)	(5,156)
Derivatives	(8,417)	(11,153)
Secured Loans	(45,567)	(49,617)
	(59,218)	(65,926)
Net Funds	79,667	61,231

26a Capital and other commitments

Provision has not been made for the following capital commitments at 31 July :

	31 JULY 2021		31 JULY 2020	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Commitments contracted for	30,550	30,550	55,020	55,020

26b Contingent Liabilities

As part of the catering contract the University's external partner Chartwells undertook investment in catering facilities which would be recovered over the lifetime of the contract within the prices charged to students and staff. Covid-19 has significantly reduced the level of catering activity and under the contract terms if activity does not return to a pre-Covid level of activity from 2022-23 then the University would be liable for up to £0.46m which is the residual value of the original investment in catering facilities.

27. Lease obligations

Consolidated

Total rentals payable under operating leases:

	Land and Buildings	Plant and Machinery	31 July 2021	31 July 2020
	£'000	£'000	£'000	£'000
Payable during the year	3,404	468	3,872	3,967
Future minimum lease payments due:				
Not later than 1 year	3,410	286	3,696	3,756
Later than 1 year and not later than 5 years	13,488	275	13,763	13,729
Later than 5 years	32,514	-	32,514	36,300
Total lease payments due	49,412	561	49,973	53,785

University

Total rentals payable under operating leases:

	Land and Buildings	Plant and Machinery	31 July 2021	31 July 2020
	£'000	£'000	£'000	£'000
Payable during the year	3,404	466	3,870	3,967
Future minimum lease payments due:				
Not later than 1 year	3,410	284	3,694	3,756
Later than 1 year and not later than 5 years	13,488	273	13,761	13,729
Later than 5 years	32,514	-	32,514	36,300
Total lease payments due	49,412	557	49,969	53,785

28. Events after the Reporting periods

Since the year end, following the completion of the 2020 USS actuarial valuation, a new dual rate schedule of contributions has been agreed with an effective date of 1 October 2021. Employer and employee contributions have risen to 21.4% and 9.8% of salary respectively with a new deficit recovery period of 18 years and deficit contributions of 6.3%. Recalculating the USS provision would result in an increased obligation to fund the deficit of £73.9m, an increase of £48.4m on the provision reported in Note 20.

This agreement is subject to ongoing consultation with members which needs to be completed and agreed by the 28 February 2022. A further change to deficit recovery contributions will become applicable under the 2020 valuation if the Joint Negotiating Committee recommended deed on benefit changes has not been executed by 28 February 2022. In this scenario, employers and employees contributions would increase to 23.7% and 11% respectively from 1 April 2022 and then increase every six months to 38.2% and 18.8% of salary by 1 October 2025. Higher deficit contributions will commence from 1 October 2022 at 3% and then increase every 6 months until they reach 20% at 1 October 2025. They remain at this level until 31 July 2032. This would result in an increased obligation to fund the deficit of £117.4m, an increase of £91.9m on the provision reported in Note 20. The impact of these adjustments will be reflected in the University's financial statements for the year ended 31 July 2022, subject to any changes in financial and operational assumptions.

29. Subsidiary undertakings

The subsidiary companies (all of which are registered in England & Wales), wholly-owned or effectively controlled by the University, are as follows:

Company	Principal Activity	Status
University of Salford Enterprises Limited	Business Development, Consultancy and Investment management	100% owned
Salford Professional Development Limited	Delivery of training and provision of agency services which match students and graduates to jobs in the University and wider community.	100% owned
Skyscope Limited	Dormant at 31 July 2021	100% owned
Salford University Services Limited (formerly called Salford University Purchasing Services Limited)	Dormant at 31 July 2021	100% owned
University of Salford (Health Services Training)	Dormant at 31 July 2021	100% owned
Salford Digital Futures Limited	Dormant at 31 July 2021	100% owned

30. Pension schemes

Four schemes are currently in operation:

- ✓ Universities' Superannuation Scheme (USS)
- ✓ Greater Manchester Pension Fund (GMPF)
- ✓ University of Salford Pension Plan (USPP)
- ✓ Teachers Pension Scheme (TPS)

The three main schemes are USS, GMPF and TPS which are defined-benefit schemes contracted out of the State Second Pension (S2P) the assets of which are held in separate trustee administered funds and USPP which is a defined contribution scheme contracted out of S2P.

The table below analyses expenditure on "Other pension costs" detailed in Note 8 by pension fund:

	YEAR ENDED 31 JULY 2021	YEAR ENDED 31 JULY 2021	YEAR ENDED 31 JULY 2020	YEAR ENDED 31 JULY 2020
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
USS	17,905	17,905	17,860	17,860
GMPF	10,030	10,030	9,359	9,359
TPS	239	239	296	296
USPP	722	722	494	494
Other	43	-	45	-
	28,939	28,896	28,054	28,009

30. Pension schemes (continued)

(i) Universities' Superannuation Scheme (USS)

The institution participates in the USS which is the main scheme covering most academic and academic related staff and senior professional service staff. The Scheme is a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the Income and Expenditure account.

The total cost charged to the Income and Expenditure account is £17,905,000 for both Consolidated and University (2020 : £17,860,000) including PensionChoice.

Deficit recovery contributions due within one year for both Consolidated and University are £3,215,000 (2020 : £1,175,000)

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2018 ("the valuation date") which was carried out using the projected unit method. As at the year end the valuation as at 31 March 2020 was underway but not yet complete.

Since the institution cannot identify its share of Retirement Income Builder (defined benefit) assets and liabilities, the following disclosure reflect those for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.

Discount rate (forward rates)

Years 1-10: CPI + 0.14% reducing linearly to CPI - 0.73%

Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21

Years 21+: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table

2018 valuation

Pre-retirement:

71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females

Post retirement:

97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females

Future improvements to mortality

CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2018 Valuation	2017 Valuation
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9



30. Pension schemes (continued)

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6% until 31 March 2028. Both the 2020 and 2021 deficit recovery liability reflects this plan – See Note 20.

(ii) Greater Manchester Pension Fund (GMPF)

The University participates in the GMPF, which is an externally funded defined benefit pension scheme, which is contracted out of the State Second Pension, where contributions payable are held in a trust separately from the University. This was available to all professional service staff who were on grade 6 and below.

The 31 July 2021 and 31 July 2020 information is based upon a full actuarial valuation of the fund as at 31 March 2019 updated to 31 July 2020 and 31 July 2021 respectively. Under the definitions set out in FRS 17, the GMPF is a multi-employer defined benefit pension scheme. In the case of the GMPF, the actuary of the scheme has identified the University's share of its assets and liabilities as at 31 July 2021 and 31 July 2020.

The pension scheme assets are held in a separate Trustee-administered fund to meet long-term pension liabilities to past and present employees. The trustees of the fund are required to act in the best interest of the fund's beneficiaries. The appointment of trustees to the fund is determined by the scheme's trust documentation.

The trustees are responsible for setting the investment strategy for the Scheme after consultation with professional advisers.

During the accounting period, the University paid contributions to the pension scheme at the rate of 21.1% from 1 August 2019 to 31 March 2020 and then 20.6% to date.

The financial assumptions used to calculate scheme liabilities under FRS102 are:

	AT 31 JULY 2021	AT 31 JULY 2020
	%pa	%pa
Rate of increase in salaries	3.6%	3.0%
Rate of increase of pensions in payment for members	2.85%	2.2%
Discount rate	1.6%	1.4%

The assumptions have been determined on the basis that the duration of the University's funded obligations is 21 years.

The most significant non-financial assumption is the assumed level of longevity. The table below shows the life expectancy assumptions used in the accounting assessments based on the life expectancy of male and female members at age 65.

	Pensioner (male)	Non-pensioner (male) currently aged 45	Pensioner (female)	Non-pensioner (female) currently aged 45
At 31 July 2020	20.5	22.0	23.1	25.0
At 31 July 2021	20.5	21.9	23.3	25.3

Scheme assets and expected rate of return for GMPF

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The assets in the scheme were:

	AT 31 JULY 2021	AT 31 JULY 2020	FAIR VALUE AS AT 31 JULY 2017
	£'000	£'000	£'000
Equities	147,495	117,780	115,638
Government bonds	31,606	29,885	25,697
Property	14,750	12,305	9,636
Cash	16,857	15,821	9,636
Total	210,708	175,791	160,607

The tables below include, where applicable, disclosures for GMPF and ex-gratia pension combined to enable clear presentation. The ex-gratia pensions account for £3,323,000 (2020 : £3,497,000) of the total liabilities of £314,862,000 (2020 : £279,083,000)

30. Pension schemes (continued)

	YEAR ENDED 31/07/2021	YEAR ENDED 31/07/2020
	£'000	£'000
Analysis of the amount shown in the balance sheet for GMPF		
Scheme assets	210,708	175,791
Scheme liabilities	(314,862)	(279,083)
Deficit in the scheme – net pension liability recorded within pension provisions (Note 20)	(104,154)	(103,292)
Current service cost	10,030	9,359
Past service costs	56	-
Total operating charge	10,086	9,359
Analysis of the amount charged to interest (payable)/credited to other finance income for GMPF and ex-gratia pensions		
Interest cost	(3,943)	(5,255)
Expected return on assets	2,459	3,923
Net charge to other finance income	(1,484)	(1,332)
Analysis of other comprehensive (expenditure)/ income for GMPF and ex-gratia pensions:		
Return on assets excluding assets including in net interest	32,539	(14,710)
Experience	3,794	11,057
Changes in financial assumptions	(28,668)	(27,619)
Changes in demographic assumptions	(1,427)	(5,046)
Total other comprehensive income /(expenditure) before deduction for tax	6,238	(36,318)

History of experience gains and losses – GMPF

	31 JULY 2021	31 JULY 2020	31 JULY 2019	31 JULY 2018	31 JULY 2017
Difference between actual and expected return on scheme assets:					
Amount (£m)	32,539	(14,710)	5,209	9,559	15,474
% of assets at end of year	15.4	(8.4)	2.8	5.5	9.6
Experience gains/(losses) on scheme liabilities:					
Amount (£m)	3,794	11,057	(101)	11	17,474
% of liabilities at end of year	1.20	4.5	0.0	0.0	8.3

30. Pension schemes (continued)

	AT 31 JULY 2021 £'000	AT 31 JULY 2020 £'000
Cumulative actuarial loss recognised as other comprehensive income for GMPF		
Cumulative actuarial losses recognised at the start of the year	(43,442)	(7,124)
Cumulative actuarial losses recognised at the end of the year	(37,204)	(43,442)
Analysis of movement in (deficit)/surplus for GMPF		
Deficit at beginning of year	(103,292)	(60,969)
Contributions or benefits paid by the University	4,470	4,686
Current service cost	(10,030)	(9,359)
Past service cost	(56)	-
Other finance charge	(1,484)	(1,332)
Gain/(loss) recognised in other comprehensive income	6,238	(36,318)
Deficit at end of year	(104,154)	(103,292)

	YEAR TO 31 JULY 2021 £'000	YEAR TO 31 JULY 2020 £'000
Analysis of movement in the present value of GMPF		
Present value of GMPF at the start of the year	(279,083)	(247,267)
Current service cost	(10,030)	(9,359)
Past service cost	(56)	-
Interest cost on defined benefit obligation	(3,943)	(5,255)
Actual member contributions (including notional contributions)	(1,242)	(1,313)
Actuarial loss	(26,301)	(21,608)
Actual benefit payments	5,793	5,719
Present value of GMPF liabilities at the end of the year	(314,862)	(279,083)

During 2020-21 the difference between current service costs and employer contributions in respect of funded contributions was £5,811,000 (2019-20; £4,918,000).

30. Pension schemes (continued)

	YEAR TO 31 JULY 2021 £'000	YEAR TO 31 JULY 2020 £'000
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	175,791	186,298
Expected return on assets	2,459	3,923
Actuarial gain/(loss) on assets	32,539	(14,710)
Actual contributions paid by University in respect of funded benefits	4,219	4,441
Actual contributions paid by University in respect of unfunded benefits	251	245
Actual member contributions (including notional contributions)	1,242	1,313
Actual benefit payments	(5,793)	(5,719)
Fair value of scheme assets at the end of the year	210,708	175,791

GMPF's assets do not include any of the University's own financial instruments, or any property occupied by the University.

	YEAR TO 31 JULY 2021 £'000	YEAR TO 31 JULY 2020 £'000
Actual return on scheme assets		
Expected return on scheme assets	2,459	3,923
Asset gain/(loss)	32,539	(14,710)
	34,998	(10,787)

The following table highlights the sensitivities regarding the assumptions used to measure the scheme liabilities.

Change in assumptions at 31 July 2021	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	2%	6,940
1 year increase in member life expectancy	4%	12,594
0.1% increase in the salary increase Rate	0%	642
0.1% increase in Pension increase Rate (CPI)	2%	6,193

Estimated employer's contributions for GMPF in the Financial Year 2020-21 are £4,240,000 (2019-20 £4,511,000).

Since the 1 August 2019 new staff joining the University will no longer be eligible to join GMPF scheme but will be able to join the University of Salford Pension Plan instead.

(iii) University of Salford Pension Plan (USPP)

The University of Salford Pension Plan is a defined contribution scheme that is administered by Aviva and was launched on the 1 April 2019. From 1 August 2019 all staff who were on grade 6 and below are automatically enrolled into USPP. The University of Salford pays fixed amounts to a separate legal entity Aviva and has no legal or constructive obligation to pay further amounts. The amounts charged to the Statement of Comprehensive Income & Expenditure represent the contributions payable to Aviva.

The University contribution rate is 9% with the University also matching an individual's contributions up to 4%.

30. Pension schemes (continued)

(iv) Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and

are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers paid 16.48% and then an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%).

A copy of the latest valuation report can be found by following this link to the [Teachers' Pension Scheme website](#).

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

31. Hedge Reserve movements

Consolidated and University

	£'000
At 1 August 2020	11,153
Change in fair value of hedging financial instruments	(2,736)
At 31 July 2021	<u>8,417</u>



32. Related party transactions

The University council members are the trustees for charitable law purposes. Due to the nature of the University's operations and the compositions of the Council, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Council may have an interest. All transactions involving organisations, in which a member of Council may have an interest, are conducted at arm's length and in accordance with the University's Financial Regulations and usual Procurement procedures.

The University undertook transactions with the following private organisations, public sector bodies, charities and not for profit organisations to which Council members, members of the Vice Chancellor's Executive Team and Deans of School had connections.

2020-21

ORGANISATION	INDIVIDUAL BOARD MEMBER	INCOME	EXPENDITURE	DEBTOR	CREDITOR
AECOM Limited	Stephen Gleave	28,816	99,222	3,412	-
Bolton NHS Foundation Trust	Jackie Njoroge	-	23,157	-	-
British University of Bahrain	Helen Marshall	343,147	-	-	-
Cheshire East Police & Crime Commissioner	Natalie Walker	-	4,943	-	-
Greater Manchester Combined Authority (GMCA)	Cllr John Merry David McGovern	119,725	27,240	-	-
Greater Manchester Growth Board	Cllr John Merry	-	30,060	-	-
Health and Education Co-operative Ltd	Margaret Rowe	17,600	5,000	-	5,000
Health Education England (HEE)	Professor Dame Susan Bailey	73,094	-	520,501	-
ISG Group	Natalie Walker	75	-	-	-
London School of Economics	Cllr John Merry	-	27,270	-	-
Manchester Metropolitan University (MMU)	Nigel Linge	285,539	9,954	-	-
Manchester University Foundation Trust	Professor Dame Susan Bailey	73,094	170,581	-	1,084
Manchester Chamber on Commerce	Phil Cusack	-	4,502	-	-
Northern Consortium	Jo Purves	-	79,671	-	-
Quality Assurance Agency (QAA)	Helen Marshall	-	29,399	-	-
Salford City Council	Cllr John Merry Phil Cusack	168,569	80,129	-	-
Salford Red Devils Holding Board	Janice Allan	-	(229)	-	-
Salford Royal NHS Foundation Trust	Ian Moston	75,646	78,225	10,861	-
Savills	Philip David Green	2,570	8,801	-	-
The Christie	Ian Moston	20,270	-	-	-
The Landing	Huw Williams Cllr John Merry	-	24,000	-	-
University of Central Lancashire	Professor Dame Susan Bailey	37,351	48,106	-	-
University of Manchester	Rt Hon. Lord Bradley	52,304	27,815	9,655	-

2019-20

ORGANISATION	INDIVIDUAL BOARD MEMBER	INCOME	EXPENDITURE	DEBTOR	CREDITOR
AECOM Ltd	Stephen Gleave	9,847	-	15,729	-
BBC Sport	Ben Gallop	13,067	-	600	-
Blackpool Foundation NHS	Alan Roff	28,765	-	-	-
Royal Bolton Hospital NHS Foundation Trust	Jackie Njoroge	-	24,636	-	-
British University of Bahrain	Helen Marshall	212,763	-	79,834	-
Chinese Arts Centre	Allan Walker	-	1,800	-	-
Environment Agency	Michael Wood	20,650	2,521	-	-
European Commission	Michael Wood	33,940	-	-	-
Greater Manchester Combined Authority (GMCA)	Cllr John Merry David McGovern	122,945	72	1,800	-

2019-20 (continued)

ORGANISATION	INDIVIDUAL BOARD MEMBER	INCOME	EXPENDITURE	DEBTOR	CREDITOR
Greater Manchester Health and Social Care Partnership	Margaret Rowe	13,390	-	-	-
Greater Manchester Mental Health NHS Foundation Trust	Margaret Rowe	3,000	83,037	-	1,871
Greater Manchester Chamber of Commerce	Phil Cusack	-	26,844	-	-
Health Education England (HEE)	Professor Dame Susan Bailey	4,342,193	-	26,032	-
House of Lords	Rt Hon. Lord Bradley	-	-	-	-
Institute of Physics Publishing Ltd	Michael Wood	-	19,251	-	2,307
Manchester University Foundation Trust	Professor Dame Sue Bailey	-	126,049	-	-
Mid Yorkshire NHS trust	Julie Charge	-	3,177	-	-
National Council for Entrepreneurship Education	Joanne Purves	-	24,000	-	-
Northern Consortium	Jo Purves	-	60,004	-	-
Northern Universities Consortium for Credit Accumulation and Transfer	Janet Lloyd	-	450	-	-
Pearson Education Limited	Jackie Njoroge	-	1,351	-	-
Pro-Manchester Limited	Michael Wood	-	6,400	-	-
Quality Assurance (QAA)	Helen Marshall Alison Blackburn	-	18,435	-	-
Salford City Council	Cllr John Merry Phil Cusack Stephen Gleave	120,542	64,151	31,927	-
Salford Red Devils	Janice Allan	72	229	-	-
Salford Royal NHS Foundation Trust	Ian Moston Stephen Gleave	100,543	52,264	8,647	-
The Christie	Ian Moston	5,136	8,107	-	-
The Landing	Huw Williams Cllr John Merry	-	25,839	-	-
The Lowry Centre Trust	Cllr John Merry	6,609	26,968	-	-
University of Central Lancashire	Professor Dame Susan Bailey	23,638	98,478	-	15,314
University College London	Alison Blackburn	-	50,656	-	-
University of Manchester	Rt Hon. Lord Bradley Cllr John Merry Stephen Gleave	161,842	45,892	121,798	750
University of Oxford	Anthony Coombs	100	-	-	-

Other related parties have been identified however there have been no transactions with these parties in the year. In addition to the above The Salford University Students' Union is an independent organisation largely funded by the University.

The financial transactions between the two organisations can be summarised as: -

	2020-21	2019-20
	£'000	£'000
Annual Grant Paid to Students' Union from University	1,397	1,166
Grant to student union for student experience enhancement projects and Covid support	193	-
Payments made to the Students' Union from the University for services provided	100	135
Payments made to the University from Students' Union for services provided	(29)	(45)

At 31 July 2021 Students' Union had £99,000 (2020: £199,000) invested with the University of Salford as detailed in Note 18. At 31 July 2021, the University had a creditor with the Students' Union of £Nil (2020: £275) and a debtor with the Students' Union of £30 (2020: £17,481).



University of
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