INDEX

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Visitor and Officers of the University</td>
</tr>
<tr>
<td>4</td>
<td>History of the University</td>
</tr>
<tr>
<td>6</td>
<td>Land and property</td>
</tr>
<tr>
<td>7</td>
<td>The governance of the University</td>
</tr>
<tr>
<td>10</td>
<td>The powers and duties of the Officers of the University</td>
</tr>
<tr>
<td>12</td>
<td>Finance</td>
</tr>
<tr>
<td>16</td>
<td>Academic organisation</td>
</tr>
<tr>
<td>18</td>
<td>Teaching, research and learning services</td>
</tr>
<tr>
<td>22</td>
<td>Student residence, welfare and services</td>
</tr>
<tr>
<td>28</td>
<td>The Friends of the University of Reading</td>
</tr>
<tr>
<td>29</td>
<td>Publications</td>
</tr>
</tbody>
</table>

Appendix 1  The Council – Charter and Statutes
Charter
www.reading.ac.uk/web/FILES/Calendar2015-16/Section_E.pdf
Ordinances
www.reading.ac.uk/web/FILES/Calendar2015-16/Section_F.pdf
This includes the Powers of Council and the Powers of Senate

Appendix 2  Terms of Reference for the Sub-Committees of the Council and of the University Executive Board are available via the following link:
www.reading.ac.uk/web/FILES/Calendar2015-16/Committee_List_15-16.pdf

Appendix 3  Members of the Council: Biographical details

Appendix 4  Committee reporting structure

Appendix 5  Financial Regulations

Appendix 6  Public Interest Disclosure (‘Whistleblowing’) Policy and Procedures

Appendix 7  Fraud Policy and Fraud Response Plan

Appendix 8  Memorandum of assurance and accountability between HEFCE and institutions (June 2014/12) including Audit Code of Practice (Annex A)

Appendix 9  Previous Officers of the University

Appendix 10  Some statistics

A guide for Members of Higher Education Governing Bodies in the UK has been prepared by the Committee of University Chairmen in association with the Higher Education Funding Council.

The guide is available from:
VISITOR AND OFFICERS OF THE UNIVERSITY

VISITOR
Her Majesty the Queen

CHANCELLOR
Sir John Madejski, OBE, DL, Hon DLitt (Reading)

VICE-CHANCELLOR
Sir David Bell, KCB; MA, MEd, DipEd (Glasgow); PGCE (Jordanhill College of Education); HonDUniv (Strathclyde); HonEdD (De Montfort)

PRESIDENT OF THE COUNCIL
Mr C.C. Fisher, BA (Reading); MPP (Harvard)

VICE-PRESIDENTS OF THE COUNCIL
Mr R. Dwyer, BSc (London); FCIPD
Ms S.M. Woodman, BA (Reading)

DEPUTY VICE-CHANCELLOR
Professor S.J. Mithen, BA (Sheffield); MSc (York); PhD (Cambridge); FSA, FSA (Scot), FBA

PRO-VICE-CHANCELLORS
Professor G. Brooks, BPharm, PhD (London); MRPharmS, FAHA
Mr V. Raimo, BA (Reading); MA (Leicester); FCIM

Professor R. Van de Noort, BA (Utrecht); Drs (Amsterdam); PhD (Exeter); FSA

CHIEF STRATEGY OFFICER AND UNIVERSITY SECRETARY
Dr R.J. Messer, BA (Oxford); PhD (Birmingham)

CHIEF OPERATING OFFICER
Mr D.C.L. Savage, BA (London), FCCA

DEANS OF THE FACULTIES
Arts, Humanities and Social Science
Professor M.J. Almond, BSc (Reading), DPhil (Oxford)

Henley Business School
Professor J.L.G. Board, BA, PhD (Newcastle-upon-Tyne)

Life Sciences
Professor R.H. Ellis, BSc (Wales); PhD (Reading); CBiol, FIBiol

Science
Professor B. Cosh, BSc (Sheffield); PhD (London); PGCE (Greenwich)

AUDITORS
KPMG
In 1892 Christ Church, Oxford, commissioned Mr (later the Rt Hon Sir) Halford Mackinder to develop a College in Reading. Mackinder, famous for making the first ascent of Mount Kenya, was responsible for establishing the study of Geography as a new discipline in universities, and had a distinguished career as Director of the London School of Economics, a Member of Parliament and a Commonwealth statesman. He became the first Principal of the Extension College of the University of Oxford which was established as a result of the Christ Church initiative. Two existing institutions in Reading, a School of Art founded in 1860 and a School of Science dating from 1870, were incorporated into the Extension College. In 1902 the College, then in Valpy Street, qualified for inclusion in the list of institutions receiving a Treasury grant and in 1904, through the generosity of Mr Alfred Palmer, it moved to a larger site in London Road. Large sums were raised to provide laboratories, classrooms, studios, the Great Hall and other buildings, and the Rt Hon George William Palmer presented an endowment fund of £50,000. In 1926 University College, Reading was incorporated as the University of Reading, able to award its own degrees. Dr W M Childs, who had succeeded Mr Mackinder as Principal of the College in 1903, thus became the first Vice-Chancellor of the University, which was the only University to be granted a Royal Charter between the two World Wars. The armorial shield of the University incorporates in its upper half three shells, representing the shield of Reading Abbey; the engraved cross below represents the arms of Christ Church, Oxford, with a Lancastrian rose (which forms part of the arms of the Royal County of Berkshire) superimposed. The shell was in former times the symbol of a pilgrim. Another name for a pilgrim was ‘palmer’; thus the generosity of the Palmer family is neatly commemorated in the University arms.

In 1947 Whiteknights, a 300-acre park which is the remnant of the medieval manorial estate of Earley or Erleigh Whiteknights, was bought for the University. Landscaped in the 18th century, it was ornamented considerably between 1798 and 1819 under the ownership of the Marquis of Blandford (who became Duke of Marlborough). Later, the original manor house having gone, the estate was divided into six leaseholds containing Victorian family houses which were lived in until some 40 years ago. Today the site accommodates most of the University’s academic departments including those at Earley Gate, the eastern extremity of Whiteknights. In April 1989 Bulmershe College of Higher Education merged with the University and the University acquired the 42 acres of land and buildings. The Bulmershe
College site, latterly known as Bulmershe Court, about one and a half miles from Whiteknights became the University’s third campus but was vacated by the University in 2012.

In 1989 a large portion of the nine-acre site at London Road was sold to what became Witan International College, an international Japanese foundation; the University always retained ownership of part of the site and of buildings there, including the University’s War Memorial, and the Great Hall which is used for degree congregations and other ceremonial occasions, as well as for concerts and opera performances. In 2004 it re-acquired the entire site and the Institute of Education relocated into fully refurbished facilities there in 2012.

In 2008 the University merged with Henley Management College (based at Greenlands, the former estate of the stationer W.H. Smith in Henley-on-Thames) to create a world-class Business School with the status of a Faculty of the University.

In 2011, the University announced the first phase of the development of a Reading presence in the Malaysian city of Johor Bahru. The Foundation in Business programme, which qualifies students to study in either Malaysia or the UK, started in September 2013 and the first undergraduate degree programme followed in 2014.

In September 2015, the brand new, purpose built University of Reading Malaysia campus at Iskandar EduCity will open, offering a range of foundation, undergraduate, postgraduate and doctoral programmes across the disciplines of Business, Law, Science and the Built Environment.
As well as the parkland at Whiteknights, the University has farms for agricultural and horticultural teaching and research at Sonning and Shinfield, and a site at London Road. We also operate the Henley Business School at Greenlands in Henley-on-Thames, the home of the former Henley Management College.

The University is also developing a campus in Johor Bahru, Malaysia.

From the late 1950s the University has been engaged in a continuous development of the estate. Early notable landmarks were the Faculty of Letters building, opened by Her Majesty The Queen in 1957, and the Library, opened by the Chancellor Lord Bridges in 1964; hence Queen’s Drive and Chancellor’s Way.

Many more buildings were added during the closing decades of the twentieth century and the pace has continued in recent years.

In 2014, The University Council approved an estate strategy covering the period to 2026. This Estate Strategy sets out a number of themes, with strategic responses and targets. These range from Scale, through Functional Suitability and Condition, to Carbon Management, Sport and Leisure and maintaining our Green Campus amongst others. An implementation plan is currently in development. It is expected that this will encompass some major refurbishment schemes around the Library and URS buildings, together with some new developments around Health and Life Sciences and the Henley Business School. Feasibility work is currently progressing against these and a number of smaller schemes.

The Energy Centre, with its Combined Heat and Power, high efficiency gas fired boilers and associated hot water distribution system is due for completion this year. This will replace the aging steam district heating system and steam boilers.

Clearly the management and development of the estate continues as we endeavour to enhance the experience of all who are fortunate enough to share this magnificent setting.

‘Clearly the management and development of the estate continues as we endeavour to enhance the experience of all.’

LAND AND PROPERTY
THE GOVERNANCE OF THE UNIVERSITY

Charter

The Charter of the University dated from 17 March 1926 when the University received its Royal Charter. It has been updated with the approval of the Privy Council with effect from 1 August 2015. It embodies the arrangements under which the University is governed.

Court

The Court meets annually in the Spring Term and includes in membership all members of the Council and the Senate. It is the body through which the University maintains influential contact with the wider community but has no formal governance role. The Court typically hears presentations on the work of the University.

Council

The Council (Chairman: the President) has provision for 30 members, comprising 14 internal members, 2 of which are students, and 16 external members.

The Council, which meets four times each academic year, is the Executive Governing Body of the University with responsibility for the government of the University, managing the University’s resources (including finance, land, property, investments, contracts, and other business affairs), approving changes to the Charter, appointing Officers of the University, reviewing and promoting teaching and research in the University, and acting as the ultimate body to deal with grievances by staff or students.

The Council has delegated powers to a number of sub-committees, including the Strategy and Finance Committee, an Appointments Committee, a Student Experience Committee, an Audit Committee and a Remuneration Committee. These are formally constituted as committees of the Council with written terms of reference and specified membership, including a majority of lay members.
The lay members of Council play a role similar to that of non-executive directors and bring to the University diverse professional skills, and broad experience of the community at large. They also form a useful sounding board for the Vice-Chancellor and other senior Officers of the University and give valuable advice and help in the development and management of the University. By becoming a member of the Council whether in an ex officio, lay or academic capacity, the individual concerned agrees to play as full a part as possible in its affairs, including membership of its sub-committees, and to accept the corporate responsibility for the Council’s decisions which membership involves.

Under the University’s Financial Regulations a member of Council having a material, personal, financial or other beneficial interest in any transaction between the University and a third party shall disclose his or her interest in writing in advance in any discussion or decision regarding that transaction. The disclosure shall be made to the University Secretary.

The University Secretary maintains a Register of the Interests of members of the Council, Senior Staff and lay members of all University committees.

The University is insured, via brokers Gallagher with CHUBB Insurance. Cover for Directors’ and Officers’ Indemnity is in place. The limit of indemnity is £5m any one event and in the aggregate.

The Strategy and Finance Committee (Chairman: the President) meets four times a year and in many respects functions as an executive of the Council. Its membership provides for a lay majority in recognition of its pivotal role in acting for and advising the Council.

The Senate (Chairman: the Vice-Chancellor) has about 100 members, including the Deans; Heads of School; elected representatives of Schools, of the professoriate, and of non-professorial staff; and students. It meets at least four times a year and is the principal academic administrative body of the University.

The Senate reports to the Council and its recommendations on purely academic matters are in practice normally accepted.
**University Executive Board**

The University Executive Board (Chairman: the Vice-Chancellor) consists of the Vice-Chancellor, the Deputy Vice-Chancellor, the Pro-Vice-Chancellors and the two Heads of Service. It meets weekly throughout most of the year and deals with all aspects of academic management, including finance. It also advises the Strategy and Finance Committee on the allocation of resources.

The University Executive Board reports to the Senate and to the Strategy and Finance Committee.

**University and Faculty Boards**

Within the University and in accordance with a published strategy, teaching and learning is developed, regulated and co-ordinated by the University Board for Teaching and Learning, chaired by the relevant Pro-Vice-Chancellor, and by Faculty Boards for Teaching and Learning chaired by the appropriate Teaching and Learning Dean. In parallel with this and similarly in accordance with a published strategy, research is developed and co-ordinated by a University Board for Research and Innovation, chaired by the relevant Pro-Vice-Chancellor. The University Boards for Teaching and Learning and for Research and Innovation report to the Senate.

Issues of overarching policy and resource are considered at Faculty level by the four Faculty Management Boards, which have formal communication with the relevant Faculty Boards for Teaching and Learning and for Research. Faculty Management Boards report to the Senate.

There are a number of other committees and boards, on certain of which members of the Council are invited to serve, normally for periods of three years at a time.

The academic structure of the University has recently been reviewed and from 1 August 2016 Faculties will be abolished, with Schools taking a more prominent role in direct relation to the University Executive Board.
THE POWERS AND DUTIES OF THE OFFICERS OF THE UNIVERSITY

Visitor

Her Majesty The Queen, normally acting through the Lord President of the Privy Council, has the power to direct an inspection of the University.

Chancellor

The Chancellor is the Chief Officer of the University. He presides at the yearly meeting of the University Court and formally confers degrees but has no other statutory duties. However, he plays an important part in representing the interests of the University in general.

Vice-Chancellor

The Vice-Chancellor has ‘a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University’ (Statute V). He acts both as its academic leader and in many respects as its Chief Executive; and is its principal disciplinary officer. He is Chairman of the Senate and the University Executive Board and is an ex officio member of all major committees in the University, many of which he chairs. He represents the University on Universities UK, the body representing all higher education institutions and is the principal channel of communication with the Higher Education Funding Council for England, other universities, outside bodies and the general public.

President and Vice-Presidents of the Council

The President of the Council is Chairman of the Council and of the Strategy and Finance Committee. He is concerned, both formally and informally, with all the major financial and policy-making decisions of the University and works closely with the Vice-Chancellor on broad issues of strategy and development.

The Vice-Presidents of the Council act as the President’s deputies and serve on many of the major University committees.

The President and Vice-Presidents (who are all ‘lay’ officers) are appointed by the Council from among its members and hold office for three years, being then eligible for reappointment for a second term and, exceptionally, for a third and final consecutive term.

Deputy Vice-Chancellor

The Deputy Vice-Chancellor is appointed by the Council from amongst the Pro-Vice-Chancellors. He or she deputises for the Vice-Chancellor when necessary and relieves him of a number of day-to-day responsibilities, and is consulted by him on a wide variety of issues.
**Pro-Vice-Chancellors**

The Pro-Vice-Chancellors are each appointed by the Council. They deputise for the Vice-Chancellor when necessary and relieve him of a number of day-to-day responsibilities, and are consulted by him on a wide variety of issues.

**Chief Strategy Officer and University Secretary**

The Chief Strategy Officer and University Secretary is responsible for conduct of Council business and as such has direct access to the President. He acts as Secretary to the Senate, Strategy and Finance Committee, Appointments Committee, Audit Committee, Remuneration Committee and all the Joint Standing Committees of the Council and the Senate, and has oversight of a number of statutory and compliance functions. He is also responsible for the University Library, Museums and Collections; Planning and Strategy; Governance; and Quality Support and Development.

**Chief Operating Officer**

The Chief Operating Officer is responsible for all business matters in the University, and has oversight of Finance and Corporate Services; Estates and Facilities; Marketing, Communication and Engagement; Human Resources; Campaigns and Supporter Engagement; and Student and Applicant Services.
FINANCE

Turnover

The financial year runs from 1 August to 31 July. The University’s operating consolidated income in 2013–14 was £240m, against operating expenditure of £252m, plus exceptional items largely relating to the disposals of land and buildings, and other items, totalling £33m, giving a £21m surplus.

English Universities receive some funds through the Higher Education Funding Council for England (HEFCE) and the National College for Teaching and Leadership (NCTL). There are similar bodies for Scotland, Wales and Northern Ireland. HEFCE is informed of the government funding available to it for the April to March financial year by the Department for Business, Innovation and Skills (BIS). HEFCE then allocates funding to each University for the academic year, starting 1 August.

Income

The University receives income from three main sources:

i  Fee income, including public funds, research grants and contracts and student fees.

ii  Bequests, endowments and donations, which may be for general purposes or restricted by legally binding conditions to specific purposes.

iii  The provision of a range of other services, including the admission of international students, contract research, self-financing courses, validation of outside courses, consultancy and other services on a commercial basis.

In 2013–14 the University’s revenue income (excluding exceptional items and transfers from Trusts) was made up as follows:

<table>
<thead>
<tr>
<th>Source</th>
<th>£K</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEFCE/NCTL recurrent block grant</td>
<td>30,578</td>
<td>12.8</td>
</tr>
<tr>
<td>Other specific HEFCE/NCTL grants</td>
<td>6,521</td>
<td>2.7</td>
</tr>
<tr>
<td>Fees and support grants</td>
<td>114,729</td>
<td>47.8</td>
</tr>
<tr>
<td>Endowments and donations</td>
<td>3,599</td>
<td>1.5</td>
</tr>
<tr>
<td>Residences and catering</td>
<td>8,767</td>
<td>3.7</td>
</tr>
<tr>
<td>Other general income</td>
<td>39,646</td>
<td>16.5</td>
</tr>
<tr>
<td>Research grants and contracts</td>
<td>34,063</td>
<td>14.2</td>
</tr>
<tr>
<td>Other services</td>
<td>1,926</td>
<td>0.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>239,829</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>
**Subsidiaries**

The University is the sole member of The University of Reading Science & Technology Centre Ltd. This company is limited by guarantee.

The University is the sole member of The Reading Real Estate Foundation. This is a company limited by guarantee and is a registered charity.

The University owns all the shares of the following:
- Henley Business School Ltd
- Thames Valley Science Park Ltd
- Henley Business School Ltd – Hong Kong
- Henley Business School – South Africa
- Henley Management College – South Africa
- Henley Business School – Germany
- RUMAL Reading Sdn Bhd – Malaysia

Taxable profits generated by UK non-charitable subsidiaries are donated to the University under deed of covenant to the extent that there are sufficient distributable reserves.

**Expenditure**

In 2013–14 expenditure (excluding taxation) was as follows:

<table>
<thead>
<tr>
<th></th>
<th>£'000</th>
<th>% of total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Academic schools</td>
<td>117,024</td>
<td>46.4</td>
</tr>
<tr>
<td>Academic services</td>
<td>16,144</td>
<td>6.4</td>
</tr>
<tr>
<td>Administrative and central services</td>
<td>28,589</td>
<td>11.3</td>
</tr>
<tr>
<td>Premises</td>
<td>40,419</td>
<td>16.0</td>
</tr>
<tr>
<td>Residences and catering operations</td>
<td>8,003</td>
<td>3.2</td>
</tr>
<tr>
<td>Research grants and contracts</td>
<td>23,837</td>
<td>9.5</td>
</tr>
<tr>
<td>Other expenses</td>
<td>18,230</td>
<td>7.2</td>
</tr>
</tbody>
</table>

**Total** 252,246 100.0

Decisions on the internal allocation of University funds are made by the Council on the recommendation of the Strategy and Finance Committee.

The process of allocating funds begins at School level, with Heads of School submitting proposed income and expenditure against each of the budget heads for the following financial year (from 1 August, although the ‘academic year’ begins on 1 October). They are considered in detail by the University Executive Board which then forwards its recommendations to the Strategy and Finance Committee which in turn, and after further examination, submits them to the Council.

Incentive additions to votes are made to departments (which are thereby encouraged to increase the earning capacity of the University) as follows:

For research projects, costed using the fEC methodology, the difference between the price and the direct costs of the project is split as follows:

25% to the school, 65% to central funds and 10% to the research incentive fund.

**Research Council grants**
The difference between the price and the direct costs of the project is split as follows:—
25% to the school, 65% to central funds and 10% to the research incentive fund.

The balance of fee income, after payment to central funds of direct costs plus 20% (25% if the course results in the award of a diploma or certificate).

A share of overheads negotiated on the contract.

The University has received gifts and bequests from various benefactors. These monies were given to fund either specific scholarships, prizes or are available for specified purposes. The funds are invested and the dividends and interest received are used by the University to sponsor scholarships, prizes and general University purposes in line with the terms of the original gift or bequest.

The University is sole Trustee of a number of Trusts:—
The Research Endowment Trust is the most significant in financial terms with reserves of £77m at 31 July 2014. The Trust holds land, buildings and investments.

The National Institute for Research in Dairying Trust held reserves of £15m at 31 July 2014, and its objectives are to promote and carry on research into agriculture and food.

The Hugh Sinclair Trust was formed in 1995 to support research into human nutrition. The Trust’s reserves stood at £5m as at 31 July 2014. The Trust makes annual donations to the University to fund staff working in the area of human nutrition.

The Beckett International Foundation had reserves of £31k and works to promote research and provide education in connection with the works of Samuel Beckett.

The Greenlands Trust was set up following the merger with Henley Management College in 2008 to hold the associated land and buildings for the benefit of the Henley Business School. It also holds cash reserves from which is makes donations to the Henley Business School from time to time to assist with funding for strategic initiatives. At 31 July 2014 the trust had reserves of £18m.

The normal timetable for financial statements is as follows:

For the Annual Accounts the Audit Committee receives and considers draft accounts of the previous year during the Autumn Term; the audited version of the accounts is submitted to the Council in November.

The University Executive Board receives the provisional budget of the revenue account for the following financial year and reports on these to the Strategy and Finance Committee in April. The Council receives the provisional budget in June/July.
**Budget monitoring reports**

The Strategy and Finance Committee (or the University Executive Board in any month when there is no meeting of the Strategy and Finance Committee) receives regular management accounts which give the latest projected figures for budget heads.

**Charitable Purposes**

The University is an exempt charity under the Charities Act 2011. Although not required to be registered with the Charity Commission, it is subject to Charity Commission regulatory powers which are monitored by the Higher Education Funding Council for England (HEFCE).

All charities must have charitable purposes and apply them for the public benefit. All organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

The University’s core charitable purposes are the delivery of higher education teaching and research and it seeks to achieve excellent standards in these areas which it believes are to the benefit of the local, national and international communities. A key part of the University’s strategy in ensuring it delivers its core purposes for the public benefit lies in its policy of equal opportunities for all. The University aims to encourage people of all backgrounds to participate in and benefit from its teaching, research and other activities.

The University’s Council are required to have due regard to the Charity Commission’s guidance on public benefit, which is available on the Charity Commission’s website.

[www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)
Academic Organisation

Historically the University has grouped its academic departments into Faculties of related disciplines. At present there are four Faculties (Arts, Humanities and Social Science; Life Sciences; Science and Henley Business School) each comprising between three and five academically related Schools. All academic departments have been aggregated into Schools. Some Schools are monolithic (e.g. Agriculture, Policy and Development); others have retained constituent departments (e.g. the School of Humanities with constituent departments of Classics, of History and of Philosophy).

The University offers undergraduate and postgraduate courses, and undertakes research, in all the main subject areas with the single exception that it has no undergraduate Medical School. It has particular strength in subjects which concern the land, its Faculty of Life Sciences (including Agriculture) has an exceptionally strong interest in Food Security. The department of Real Estate and Planning is a constituent of the Henley Business School. Departments in the Faculty of Arts, Humanities and Social Science include a department of Typography & Graphic Communication, unique in the country. The Faculty of Science includes a wide range of strong and active departments, including a department of Meteorology which is at the forefront of its discipline and benefits from fruitful collaboration with national and international weather centres (the Meteorological Office and the European Centre for Medium-Range Weather Forecasts). Following the establishment of a School of Pharmacy, the University began to offer undergraduate programmes in that subject in 2005.

In 2014–15 the total number of active students was 17,950 of whom 13,450 were full-time. Of all students there were proportionately more women (54%) than men (46%). Of our UK-based students, some 23% (3,550) were paying overseas fees.

Undergraduate students follow programmes lasting three (or in some cases four) years. There is a wide range of postgraduate programmes, including three-year research programmes leading to the degree of PhD, one-year Masters programmes, and courses leading to the award of a diploma or certificate. There is a range of short courses for professional or mid-career training and development and the University is actively seeking to widen access to all its courses by encouraging the entry of those in mid-career or without the traditional qualifications of the school-leaver. A range of part-time degree courses are offered within the Faculty of Arts, Humanities and Social Science and executive education is a particular specialism of the Henley Business School.
In addition to the recognition of the need to develop and encourage applications from a wider range of potential students, the University is also seeking to increase the collaboration that already exists with industrial and commercial organisations, by offering, for example, consultancy by its staff, use of its equipment, jointly sponsored research, and services such as analysis, testing or pilot processing.
University Library and University Museums and Special Collections Services

The Library supports University research, teaching and learning by providing access to, and the skills to exploit, the world of information.

Library staff add value to the work of the University by helping users find and use information effectively through personal training, guides and at information desks. The Study Advice and Mathematics Support Team based in the Library advise on academic practice and maths within any discipline. The IT Help Counter here offers technical help.

The Library website links members of the University – wherever they are – to many thousands of academic subscription e-journals, e-books and databases, 24/7.

At the heart of the Whiteknights campus, the University Library building is a popular hub for students. Its printed resources and stunningly refurbished group, quiet and silent study spaces with laptop power points are open 24 hours during term-time. The most frequently-used print material from our million-plus collection is kept on open shelves on the 2nd to 4th Floors. Lower-use research material is fetched on request from our Off-site Store. The S@iL (Student Access to Independent Learning) Facilities on the 1st Floor include several PC classrooms, open access PCs, assistive and presentation practice equipment. Planning for additional improvements to the Ground and 1st Floors is in progress.

Further information is on the Library’s website at:

www.reading.ac.uk/library

University rare book and archive collections are available through the Special Collections Services:

www.reading.ac.uk/special-collections

University Museums and Collections

The University of Reading is recognised for the exceptional diversity and quality of its museums and collections, including three Designated collections of national and international importance.

These include outstanding departmental research and teaching collections (such as those of the Department of Typography & Graphic Communication, and the Herbarium), as well as smaller teaching sets such as a fine representative collection of sixteenth to twentieth century drawings by European artists in the Department of Art.
Larger museums, accessible to the public, are detailed below: the Museum of English Rural Life (MERL) and departmental museums (Ure Museum, Cole Museum).

**The Museum of English Rural Life**

The Museum of English Rural Life was founded by the University in 1951 to record and interpret change in farming and the countryside over the centuries. Its collections are the most comprehensive of their kind and comprise extensive holdings relating to agricultural technology and rural life; an archive of technical, business and institutional records connected to the countryside; photographic, film and sound records; an outstanding specialist library of books and journals. The Museum is accessible to all and offers extensive programmes of activity for schools, volunteers, the general public and specialist audiences, as well as providing study facilities for academics and others wishing to use the collections for research purposes.

Financial revenue support is currently provided by the HEFCE Higher Education Museums, Galleries and Collections Fund and funding has been agreed for a further year. In 2005, the Museum moved to a new home, the former St Andrew’s Hall site in Redlands Road. The buildings have been converted to provide high quality accommodation for the library and archive and a gallery space with support from the Heritage Lottery Fund (HLF) and the proceeds of a major fund raising campaign. A further capital scheme to extend and re-interpret the current displays and for an activity programme for the Museum of English Rural Life has begun, due to open in 2016, with funding from HLF and other external funders including the Wellcome Trust.

UMASCS offers Museum Studies Undergraduate degree programmes in partnership with the Department of Classics and Archaeology, a Collections-Based Research PhD training programme and supports other undergraduate and postgraduate teaching across a number of disciplines.

Telephone: +44 (0)118 378 8660  [www.reading.ac.uk/merl](http://www.reading.ac.uk/merl)

**The Cole Museum of Zoology**

Assembled principally during the period 1907 to 1939 by the first Professor of Zoology at Reading, Francis Cole, the collection reflects the diversity of animal life. Around 95% of the specimens are in nine phyla called the ‘big nine’ which reflects the fact that 95% of all animals are members of one of these phyla (Annelida, Arthropoda, Chordata, Cnidaria, Echinodermata, Mollusca, Nematoda, Platyhelmintha and Porifera). Unlike similar collections at other UK Universities, the Cole Collection remains intact. Many specimens were donated by famous scientists or governments.

The collection also has a nearly complete and unique collection of expert teaching dissections which have attracted both international and national attention. Recent HEFCE funding through CETL-AURS has led to the further integration of the collection into undergraduate teaching, including the production of a CD-ROM based on the museum to support teaching of Animal Diversity. Financial support from the Arts and Humanities Research Council has supported the redisplay of the collection in taxonomic order (in 2003) and to much-needed conservation work (in 2007). The Museum has been awarded full Accreditation.

The Museum (in the School of Biological Sciences building) is open weekdays 9.00 am – 4.30 pm, excluding public holidays.
The Ure Museum of Greek Archaeology

The fourth most important collection of Greek ceramics in Britain, it was named for Professor P.N. Ure, the first Professor of Classics at Reading (1911 to 1946), and his wife and former pupil Annie D. Ure, curator of the Museum until her death in 1976. In 1922 the Ures formally established a departmental museum, as an aid to the teaching of Ancient History and Greek Archaeology. In this museum, Percy and Annie Ure consolidated the University’s holdings of Greek and Egyptian antiquities (Petrie bequest [1909]; British School of Archaeology in Egypt [1910]; Barry bequest [1913]; British Museum [1914]), added some small purchases and eventually gifts from the Friends of the University, members of the academic staff, and other interested persons.

The Ure Museum is housed in Room 38 HumSS (in the Department of Classics), and is open to the public from 9am to 4:30 pm weekdays.

Telephone: +44 (0)118 378 6990 Fax: +44 (0)118 378 8919

www.reading.ac.uk/ure

University rare books and archives – available at the Special Collections Services, Redlands Road adjacent to the Museum of English Rural Life – benefit all levels of the University, as well as scholars from around the world. Printed materials include the Overstone Library, largely collected by the nineteenth-century political economist J.R. McCulloch; the Cole Library of Early Medicine and Zoology; the library of the historians Sir Frank Stenton and Doris, Lady Stenton; the literature collection of the composer Gerald Finzi; the Children’s Collection; the Robert Gibbings Collection. Two archive collections – detailed below – hold MLA ‘Designated’ status, marking their national and international importance: the Samuel Beckett Collection and British publishing and printing records.

Samuel Beckett Archive

The collection comprises around 8,000 items and is the most extensive collection of materials relating to the author and dramatist Samuel Beckett (1906 – 1989) in the world. Dating back to the 1930s it is unique in the richness of its manuscript holdings including manuscript, typescript drafts, notebooks, annotated production texts, and books from Beckett’s personal library. The ‘Stage Files’ document over 700 international productions.

There are also over 1,000 texts and critical works in more than 20 languages, 550 offprints, around 170 periodical titles, dissertations, cuttings, audio and video recordings, posters, photographs and paintings, as well as 600 autograph letters and large publishing collections. The archive is supported by a library of editions of Beckett’s work, critical and biographical works and the recently purchased collection of James and Elizabeth Knowlson, compiled in researching and writing the biography of Beckett, Damned to
fame, published in 1996. In 2008/09 the collection was significantly enlarged with the addition of further material collected by James Knowlson.

‘Staging Beckett’, a major AHRC funded project that involves UMASCS creating a database of Beckett performance commenced this year.

**The Archive of British Publishing and Printing**

The archive comprises some 15,000 boxes of manuscripts and printed items, as well as many metres of ledgers, bound records and books, bringing together the world’s most extensive collection on British publishing activity in the 19th and 20th centuries up to the present time. The emphasis of the collecting policy is on literary, general and educational publishers, including material from sixteen major companies (such as Allen & Unwin, A & C Black, Heinemann Educational Books, Longman, Macmillan, Routledge, Random House) as well as substantial holdings for many smaller companies and subsidiaries. The Random House collection includes material on the significant publishers the Bodley Head; Jonathan Cape; Chatto & Windus; the Hogarth Press; and Secker & Warburg.

The Information Technology department is responsible for the support and development of all aspects of the University’s IT facilities, including data and telephone networks, data centres, desktop equipment, and academic and administrative computer systems, together with the student residential network (readingConnect). Additionally, IT is responsible for audio-visual equipment in classrooms and online teaching systems across the University.

As well as providing day-to-day support, the department also provides advice and leadership on IT strategy and policy within the University and maintains and manages the overall IT architecture and standards adopted throughout.

An extensive 100/1000 Mb/sec Ethernet runs throughout the University. This enables approximately 10,000 individual computers to exploit central services such as file-serving, archiving, mail, corporate information systems and Internet access and computational resources such as the Campus Grid.

Networked computers in the University have access to Active Directory and DNS services, NFS/SMB fileserving, electronic mail servers supporting MAPI, SMTP, POP and IMAP, UNIX hosts, WWW servers and a pair of 1 Gb/s connections via SuperJANET, the national education network, to the Internet. Wireless networking is available throughout all campuses. IT provides technical support for the University’s central World Wide Web servers and Virtual Learning Environment.

Around 100 people work for the IT department, which is organised into three main groups: Business Engagement & Transformation; Applications Development & Support; and IT Service Desk & Infrastructure Management.
From its beginning Reading has always been a residential University. Wantage Hall was opened in 1908 through the generosity of Lady Wantage and was considered the prototype for similar residential foundations across the country.

Today, The University of Reading still prides itself on being a residential University where the majority of undergraduates as well as many post graduates choose to live in Halls of residence.

The University has a diverse portfolio of Halls accommodation to suit most tastes and more importantly most budgets. From ultra-modern ensuite accommodation to traditional rooms with an abundance of historic character, Reading has something for everyone.

In January 2012 UPP (University Partnership Programme) and the University of Reading established a 125 year partnership which saw an unprecedented transfer of the entire university residential estate out of University ownership. The deal which involves an investment into the accommodation of almost a quarter of a billion pounds, is the largest private investment into a UK university residential estate to date, and represents the first large scale investment from AVIVA Commercial Finance into the HE sector.

The partnership provides £228 million investment for the University and will see UPP operating a total of 4,321 rooms for the University as well as managing the University accommodation office. The partnership involves the transfer and operation of a total of 2,610 rooms, in addition to its 816 rooms of existing accommodation at The University of Reading. A further 895 rooms were opened in 2012 which included new townhouse style residences which have proved hugely popular with returning students. UPP have also completed the development of Bridges Hall bringing a further 650 rooms to the Whiteknights Campus.

Even though the halls have been transferred to UPP care has been taken to ensure that each hall retains its uniquely established ‘University’ character and both UPP and the University are committed to ensuring that the student experience is second to none. Management of the Halls operation is now also in the hands of UPP with the majority of University staff transferring with their same job titles to UPP employees. The University has a role in ensuring that the standards delivered by UPP remain consistently high and work with UPP daily to ensure that both student’s and the University as a whole receive their full entitlement under the contract.
Each hall of residence also has a dedicated and experienced Warden who is retained by the University and has the responsibility for welfare and discipline of the students in residence.

The accommodation comprises of 3 main groups:

Northcourt Group – made up of Benyon Hall, Sherfield Hall, St Patrick’s Hall and Northcourt Houses. In this group there are a mixture of catered and self-catered halls with both en suite and wash basin style rooms. There are some premium rooms available in Benyon which offer more space and double beds.

Redlands Group – St George’s, Wessex and Wantage Halls and Bridges make up the Redlands group and again offer a selection of accommodation choices. Bridges Hall provides a brand new mid price point which has proved a popular option for many students.

Park Group – Windsor, Greenow and McCombie, Mackinder, Stenton and Childs. This group contains the majority of premium ensuite rooms which are situated in Mackinder. Childs Hall and Stenton which opened in September 2012 comprise the new style townhouses.

Other University accommodation

The University owns a number of private houses and two multi bedded units, Hillside and Martindale, which are ideal (but not exclusively) for students. Both Hillside and Martindale are within close proximity of the University and provide a good standard accommodation. However, these units and the private houses do not have the benefit of any pastoral support and are therefore often considered most suited to postgraduates, families or University staff.

The University Dental Centre is situated in Northcourt Avenue.

The University Counselling Service is available to all registered students. There is a charge for staff counselling, although referrals may be made via HR or Occupational Health. For further information contact reception on 0118 378 4216.

The Students’ Union provides representation, support and advice to the University’s student population. The organisation is governed by a Board of Trustees and led by the President and four Student Officers who collectively act as both trustees and political representatives. The President and Student Officers represent students within the University, the local community and nationally.

Reading University Students’ Union (RUSU) is central to student life at the University, with shops, bars, membership services, and Little Learners Nursery.

In terms of supporting students, the Union offers independent advice in its Advice, Representation and Campaigns centre. Here students are able to get free and confidential advice. This department of the Union is also responsible for RUSU’s elections, ranging from the election of Course Reps to full time Student Officers.
RUSU’s Student Activities Centre is where students go to find out more about societies, sports clubs, and volunteering opportunities. There is a multitude of societies and sports clubs which are all operated by students, with the support of the RUSU staff team. There are also many volunteering opportunities, which are organised and promoted by the Union.

In recent years, the Union has developed its student media streams, allowing students to develop their journalism skills. Three thousand copies of Spark* are published fortnightly, Junction11 radio is broadcasted online [www.junction11radio.co.uk](http://www.junction11radio.co.uk) and RU:ON TV can be found at [www.ruon.tv](http://www.ruon.tv).

The Students’ Union boasts a number of social spaces and services for its members: an award winning nightclub (3sixty), a continental style coffee shop serving breakfast and light lunches (Café Mondial) and a traditional student pub (Mojo’s Bar). RUSU has recently opened ‘The Study’, a state of the art study space with areas where students can study individually or engage in group work.

Reading University Students’ Union continues to be highly regarded and is considered one of the leading students’ unions in the UK by the National Student Survey. RUSU contributes significantly to the National Union of Students and engages extensively with local and national government. In addition, RUSU has gained the Gold Excellence Standard in the Green Impact Awards and Investors in People Gold Award. RUSU remains a not-for-profit organisation, led by students for students.

The University Director of Sport and Recreation works closely with the Students’ Union to deliver the Sports Strategy 2012–17. The vision of the Strategy is to be one of the healthiest university campuses with 50% of students and 25% of staff members of the Sportspark participating regularly in physical activity. Research undertaken by the Hugh Sinclair Nutrition Group and the Institute for Cardiovascular and Metabolic Research supports the benefits of regular physical activity and our vision to be a healthy campus shows how the University of Reading is leading on policy and practice. Such high levels of participation demonstrate the importance sport plays in student satisfaction and the influence it has on many students’ choice of university.

The University Strategy aims to increase student numbers and the vision for a healthy campus means new sports facilities need to be considered. In 2015 new changing pavilions were completed at the Sportspark and at Bulmershe, where the University will retain five football pitches. A sustainable business model has also been agreed enabling the Sportspark to generate a surplus to build-up reserves and to pay off University loans which will be used for future investment. Future priorities will be the refurbishment of the tennis courts, the provision an additional floodlit astro turf for rugby and football and enhanced fitness facilities.

The Sports Scholarship Scheme continues to attract talented athletes to the University, particularly in rowing. Many of our rowing scholarship alumni, and some current students, are training hard towards selection for Team GB in Rio De Janeiro 2016, including 2012 Olympian and Reading University Boat Club coach Sam Townsend.
Careers and Placement Consultancy
This team works in partnership with Schools and Departments to ensure that high quality career learning and placement provision is developed and delivered at key points in the curriculum. Our professionally qualified Careers Consultants provide careers coaching, group work sessions and careers information to enable students to make appropriate choices to fulfil their ambitions.

Every undergraduate programme offers an embedded placement option, with over 2,000 students having participated in a credit bearing placement in 2013/14. The Careers Consultancy Team, along with our Placement & Development Manager, is dedicated to ensuring that Placement Officers in Schools and Departments are fully supported to help their students secure the experience they need to develop their skills, confidence and career readiness. The team also ensures that University placement policy and practice is in line with national guidance.

The Careers Consultancy Team runs a series of student development schemes, including the popular RED Award, the ‘Thrive’ careers mentoring scheme, and the Undergraduate Research Opportunities Programme (UROP).

Student Engagement
Student engagement is at the heart of what we do throughout the University. Our Student Engagement Team provides high quality customer service and support to all our stakeholders. As well as providing our frontline services, the team ensures that customer feedback and data is used to continuously improve our services.

The work of the Student Engagement Team is multi-faceted and includes: running and marketing our high profile careers fairs and events, managing Welcome Week for new students, overseeing the Destinations of Leavers from Higher Education (DLHE) survey, and managing our online portal, My Jobs Online, which advertises live vacancies for graduate jobs and student placements. The team includes our ten Student Careers Assistants, who are pivotal to our engagement with students.

Employer Engagement and Business Development
The graduate labour market is a rapidly changing landscape. Reading alumni are doing well in this market, with 94% of graduates securing employment or in further education six months after graduation. The Employer Engagement and Business Development Team is responsible for continually engaging with graduate recruiters, placement providers, and those offering further training opportunities. We raise their profile with students and ensure that we are the ‘University of Choice’ when they seek the best talent for their vacancies.

The Employer Engagement and Business Development team is also responsible for managing the Job Shop, which is newly located in the ground floor foyer of the Carrington Building. The Job Shop offers a ‘one stop shop’ for students visiting Student & Applicant Services. It also provides the extra support that students need to secure part time and vacation work, which is often the starting point for many.
The Reading Internship Scheme (RIS) is run through the Job Shop, providing students with the opportunity to participate in paid project work with small to medium sized enterprises, charities and voluntary organisations over the summer.

RIS is financially supported by Santander, The Campaign and Supporter Engagement Office and the Access Fund, which ensures all RIS interns are paid the living wage.

**Developing students’ employability**

The Centre manages the Job Shop in RUSU to give students extra support in securing the part-time and vacation work which is the starting point on employability for many students. By working closely with local employers and campus- based providers of part-time and vacation work, we help students develop their employability skills and self-confidence and hence improve their graduate employment prospects. Over 1,900 students visited the job shop in the academic year 2013/14.

Every undergraduate programme has an embedded placement option, to give our students a further competitive edge. Other, more vocational subjects have a mandatory placement, which is key to students’ professional training. The Centre supports academic departments and individuals by sourcing opportunities and helping students with their applications while providing guidance and governance to ensure the quality of the placement experience.

The Centre also provides students with the opportunity to participate in a range of extra-curricular placement and employability schemes, including the Reading Internship Scheme (placement with local small to medium companies), the University of Reading Internship Scheme (Placements within the University) and the Undergraduate Research Opportunities Programme (UROP).

We work in partnership with Santander Universities and the Earley Charity to incentivise employers to offer skilled internships to University of Reading students. In 2014, 42 students were placed via the programme within a wide range of organisations, including those in the cultural and creative industries and the charity sector. As part of the scheme, students receive pre-placement training and attend the showcase event in November. The scheme is set to grow significantly, with the number of internships being offered rising to 150 in 2016.

**Celebrating student achievement**

The RED Award is also run by the Centre and allows students to gain recognition for their involvement in extra-curricular activities.

To date, a total of 1,007 students have completed the RED Award of the 2,615 who enrolled in the scheme, representing a 39% completion rate, which is one of the highest rates in relation to skills awards run by comparator Universities.

**Building employer contacts**

The Centre works with a diverse range of employers to ensure that students have access to relevant and interesting vacancies. Over 3,911 vacancy advertisements, many with multiple opportunities, were handled between September 2013 and August 2014 (an increase of 17% on the previous year).
In addition to online advertising, employers deliver skills sessions and presentations to students as part of the central Careers Centre events calendar. A number of Careers Fairs are also delivered, including the main Careers and Placement Fair in the Autumn term (84 exhibitors), the Law Fair (25 exhibitors), the Construction Fair (24 exhibitors), the Teaching Fair (28 exhibitors) and the Part-time Jobs Fair (35 exhibitors).

**Career learning and guidance**

Career learning and guidance are essential to the translation of student experience into high quality applications for graduate level employment. Our students benefit from a blended approach of career learning in their curriculum and the central ‘Headstart’ programme of events. Careers Centre staff adopt a focussed coaching process that helps students improve their employability, identify relevant career choices and then ensure they prepare high quality applications and CVs to access placements and graduate level recruitment. We have also strengthened our outreach to 2014 leavers to facilitate their transition into the graduate workplace.
The Friends of the University came into existence at a public meeting held at the University on 15 March 1927, one year after the University was granted its Royal Charter, with the object of bringing friends and supporters into contact with the University and of enabling them to promote its interests and welfare.

The Association is managed by its own Executive Committee and controls its own funds. Its income, which is derived from members’ subscriptions and donations, is applied primarily to assisting amenities and activities across the University. There is close co-operation with the Campaigns and Supporter Engagement Office.

At their Yearly Meeting members consider recommendations from the Executive Committee for expenditure on grants in response to applications from all over the University. High-profile projects aided by The Friends include their Bridge across the upper lake in Whiteknights; the ceremonial furniture in the Great Hall and the refurbishment of its organ and the Cloisters at London Road. The Friends have also regularly assisted the Museum of English Rural Life (MERL); music@reading and the University Boat Club and SportsPark. A wide variety of further grants have been applied to indoor and outdoor furniture and other facilities and amenities for numerous Departments.

Twice a year the University provides the venue for The Friends to meet, to listen to a talk given by an eminent member of staff and to have tea. The Yearly Meeting, preceded by tea, is held in the Summer Term. The Friends’ active annual programme includes a range of other events, e.g. concerts and visits to gardens and museums. A community emphasis is sought regularly, notably in The Friends’ biennial heritage events, which in 2014 featured Reading and the Great War, in tandem with the University and other local organisations.

Members are also invited to join in other occasions organised by the Campaigns and Supporter Engagement Office; to receive other mailings from the University and to attend public lectures.

Membership at the end of the Academic Year 2013–14 was over 500 and is open to all individuals. Details can be obtained from The Secretary, Campaigns and Supporter Engagement Office, Blandford Lodge, 1st Floor, University of Reading, Whiteknights, Reading RG6 6AH, Tel: 0118 378 8006, or email: thefriends@reading.ac.uk or www.reading.ac.uk/thefriends
PUBLICATIONS

Calendar

The University Calendar is updated annually and is the official handbook of the University. It includes the Charter of the University.

Books

The following books, all available in the University Library, are suggested for further reading about the foundation and development of the University:

  (see especially Chapter 4, Founding Reading University)

- Brown, C.C., *Four Score and more*, Reading 2006


- Holt, J.C., *The University of Reading: the first fifty years*, Reading, 1977


- Smith, S. and Bott, M., *One Hundred Years of University Education in Reading: A Pictorial History*, Reading, 1992
Biographical details of members of the Council and those in attendance at its meetings

**Professor Matthew ALMOND** graduated with a BSc degree in chemistry from University of Reading in 1981 and DPhil from University of Oxford in 1984. He was appointed Lecturer in Inorganic Chemistry at Reading in 1986, promoted to Senior Lecturer in 1998 and became Professor of Chemistry Education in 2012. He was Head of the Chemistry department from 2006-9, School Director of Teaching and Learning from 2010-2013 and Associate Dean for Teaching and Learning from 2013-15. He is now Dean of the Faculty of Arts, Humanities and Social Sciences. He was awarded a National Teaching Fellowship in 2014 and has twice been awarded the student-selected prize as ‘Best Lecturer in the Faculty of Life Sciences’ in 2010 and 2013. In 2015 he was awarded a Doctor of Science degree for his research in the applications of infrared spectroscopy.

**Mr Tom BARTLAM** graduated with an honours degree in law from Cambridge University and qualified as a Chartered Accountant. He has spent his working career in the financial services sector, initially in investment banking. In 1989 he co-founded and subsequently ran Intermediate Capital Group plc, which grew to become the leading Mezzanine Finance business in Europe. He now sits on the boards of a number of publicly quoted companies in the financial services sector as non-executive chairman or director. His interests include farming and gardening.

**Mr Tom BEARDMORE-GRAY** graduated from Oxford University in 1983 with a degree in Modern History. After three years with the Metropolitan Police he joined Price Waterhouse and qualified as a Chartered Accountant. In 1991 Tom joined Pepsi Cola International and then moved to De Beers in 1994. Tom held a number of senior management positions at De Beers, including Senior Vice President of De Beers Canada and Head of Business Development for De Beers UK. He worked extensively in the Far East, southern Africa and Russia and became Chief Executive of Archangel Diamond Corporation in 2008. He was a director of Hindustan Diamond Corporation (India) and of diamond trading subsidiaries in Antwerp, Hong Kong and Shanghai. In 2010 Tom joined the Girls’ Day School Trust (GDST) as Finance Director. The GDST, which is one of the UK’s largest charities, owns and operates 26 independent girls’ schools and two academies across the UK. Tom is also a Trustee of the Institute of Business Ethics and Chairman of Governors at Lambrook School in Berkshire.
Sir David BELL became Vice-Chancellor of the University of Reading on 1 January 2012. Sir David’s extensive 33-year career has included many of the UK’s top education jobs. As well as being Her Majesty’s Chief Inspector of Schools, he spent six years as Permanent Secretary at the Department for Education Sir David was born in Glasgow in March 1959. Educated at a comprehensive school in his native Glasgow, he studied history and philosophy at the University of Glasgow and obtained his PGCE from Jordanhill College of Education. He then went onto receive a Master of Education degree in Management and Administration, also from the University of Glasgow. Sir David holds honorary degrees from the University of Strathclyde and De Montfort University. He is also an Honorary Member of the Chartered Institute of Public Finance and Administration and has been awarded a Fellowship of the City and Guilds of London Institute.

Sir David began his career as a primary school teacher and later became a head teacher. He then moved to Newcastle-upon-Tyne, ending up as Director of Education and Libraries between 1995 and 2000. Sir David’s last post in local government was as Chief Executive of Bedfordshire County Council between 2000 and 2002.

As Her Majesty’s Chief Inspector of Schools in England (2002-2005) Sir David oversaw the inspection system in England, encompassing schools, colleges, local authorities, teacher education and childcare. Sir David encouraged much more rigorous self-evaluation as part of the inspection system and led the introduction of new shorter, sharper inspection frameworks.

As Permanent Secretary to the Department for Education (2006-2011), Sir David held the most senior civil service role in education in the UK. During this time, he served four Secretaries of State and three Prime Ministers. Under the first Coalition education minister for 60 years, Rt Hon Michael Gove MP, Sir David helped to implement one of the most substantial education reform programmes in recent times.

Sir David spent a year as a Harkness Fellow at Georgia State University, Atlanta, in the 1990s studying education and local government reform across the United States of America. For two years in the 1980s, Sir David was a tutor on an Open University postgraduate MA in education management.

Sir David became a Knight Commander of the Order of the Bath (KCB) in the 2011 Birthday Honours.

He is married with two adult daughters. His hobbies include reading, American politics, keeping fit, football, in particular AFC Rushden and Diamonds, and, very occasionally, Scottish country dancing.
Professor John BOARD is Dean of the Henley Business School and Professor of Finance. His research and consulting activities have focussed on the operation of financial markets and their regulation and he has acted as advisor or consultant to many markets, agencies and regulatory authorities in the UK and abroad. Before taking the position of Dean, John was Director of the ICMA Centre. He has taught finance and related topics in some 20 countries. Before joining the University, John spent a number of years on the faculty of the LSE.

Professor Gavin BROOKS has been Pro-Vice-Chancellor with particular oversight of Teaching and Learning since January 2012. He graduated with a first class honours degree in Pharmacy (1984) and obtained a PhD in the areas of organic chemistry and pharmacology (1988) from The School of Pharmacy, University of London. He registered as a Pharmacist with the Royal Pharmaceutical Society of Great Britain in 1985 and has remained an active member since that date. In 1988, he joined the Imperial Cancer Research Fund Laboratories in London as a post-doctoral research fellow before being recruited (1992) as a Group Leader to the 5*-rated Department of Cardiovascular Research, The Rayne Institute, St. Thomas’ Hospital, London where he began focusing on the mechanisms that control physiological and pathophysiological cardiovascular cell growth. In 1997, he joined Prolifix Ltd. as head of their cardiovascular programme and in 1999 returned to academia as a Lecturer at the University of Reading, becoming Professor of Cardiovascular Research in 2002. In 2001, he was elected a Fellow of the American Heart Association and in January 2004, he became founding Head of the new Reading School of Pharmacy. In 2008, he was a founding member of the highly successful Institute for Cardiovascular and Metabolic Research (ICMR) that is based at the University and from August 2008 – July 2010 he served as Head of the School of Biological Sciences. He was elected Dean of Science in August 2010 and was awarded Principal Fellowship of the Higher Education Academy (PFHEA) in 2015. Amongst a number of external appointments, he is a Director of the Reading Real Estate Foundation (RREF), Chair of the RREF Board of Trustees, co-chair of the Higher Education Academy’s Deputy Vice Chancellors/Pro-Vice-Chancellors Network and is a member of the Government’s BIS Expert Group on the Teaching Excellence Framework.

Professor Ben COSH is Dean of the Faculty of Science. Before coming to Reading, Ben conducted research in mathematics, specifically connectivity problems in graphs and hypergraphs, and gained wide experience of teaching mathematics in Further and Higher Education at every level from pre-GCSE to undergraduate courses for students on maths and science degrees. In 2004 Ben joined the University of Reading to run the Science Foundation programme. He served as Faculty Director for Teaching and Learning for the Faculty of Science (2008-2010), Head of the School of Systems Engineering (2010-2014) and has wide experience of University Committees. He still enjoys teaching and spends an hour a week working with students in the University Mathematics Support Centre.
Lord Nigel CRISP is an independent crossbench member of the House of Lords where he co-chairs the All Party Parliamentary Group on Global Health.

He was Chief Executive of the NHS in England and Permanent Secretary of the UK Department of Health between 2000 and 2006. Previously he was Chief Executive of the Oxford Radcliffe Hospital NHS Trust, one of the country’s leading academic medical centres.

Lord Crisp chairs Sightsavers, the King’s Partners Global Health Advisory Board, the Zambia UK Health Workforce Alliance and the Uganda UK Health Alliance. He is a Senior Fellow at the Institute for Healthcare Improvement; a Distinguished Visiting Fellow at the Harvard School of Public Health; an Honorary Professor at the London School of Hygiene and Tropical Medicine; an Ambassador for the eHealth Foundation; and a Foreign Associate of the Institute of Medicine.

He has written extensively on health. His book Turning the world upside down – the search for global health in the 21st Century describes what high income countries can learn from middle and low income countries and takes further the ideas about partnership and mutual learning that he developed in his report for the Prime Minister, Global Health Partnerships. He described his time as Chief Executive of the NHS in 24 Hours to Save the NHS – the Chief Executive’s account of reform 2000 – 2006. He is co-editor of African Health Leaders – making change and claiming the future OUP 2014.

More information available at [www.nigelcrisp.com](http://www.nigelcrisp.com).

Mr Bob DWYER, Vice-President of the Council from August 2011, was Group HR Director for a number of UK public companies prior to his retirement from a full-time career in 2005. He holds an economics degree from the University of London and is a Chartered Fellow of the Chartered Institute of Personnel and Development and a qualified business coach. He has travelled extensively during his career and has worked in most European countries as well as the USA, the Far East and Australasia. He has worked with a number of internationally based business schools and has handled board level appointments and sat on plc Remuneration and Nominations Committees. He was also Chairman and Trustee of various Company Pensions Trustee Boards.

He is a former member of the General Medical Council Fitness To Practise Panel and a Trustee of a number of charities. He is a keen rugby follower, golfer, record collector and amateur historian.
Ms Penny EGAN CBE, joins the Council from 1 January 2016. She is currently the Executive Director of the US–UK Fulbright Commission joining the organisation in February 2007.

She joined the Commission after stepping down as the Executive Director of the RSA (Royal Society for the encouragement of Arts, Manufactures and Commerce) where she was the first woman to have led the RSA in its 250-year history.

Prior to taking on the top job at the RSA in 1998, she was Programme Development Director and RSA Lecture Secretary. Her early career included the posts of Press and Publicity Officer at the Crafts Council, Press Officer to the Prime Minister at No 10 Downing Street and Press Officer at the Victoria and Albert Museum.

Penny is a trustee of the RSA Academies Board. She stepped down as Chair of the Geffrye: Museum of the Home in 2014 and finishes her term as a lay member of Warwick University Council in summer 2015. She served as a member of the Design Council for 9 years; a trustee of the DEMOS think-tank and was a non-executive director on the board of Wardour Publishing. She was made a CBE for ‘services to international education’ in the 2013 New Year’s Honours. She is an Honorary Fellow of the Royal College of Art and the RSA.

Professor Richard ELLIS is Dean of the Faculty of Life Sciences, having previously been Head of the Department of Agriculture and Head of the School of Agriculture, Policy and Development. He read Agriculture at UCNW Wales and completed his PhD on plant genetic resources conservation (now known as biodiversity conservation) by long-term seed storage at Reading. After an initial period as a Research Fellow in Biology at Stirling, he joined the staff at Reading in 1977 as Research Fellow and progressed to Senior Research Fellow to Lecturer (under the national ‘New Blood’ scheme) to Reader to Professor of Crop Production. He has 338 research outputs, two thirds of which are international refereed journal papers. His research covers reproductive plant biology and the effect of environment on seeds, plants and crops. Research on flowering has been concerned with global crop adaptation across tropical to temperate regions. The related climate change impacts research began in the 1980s. It highlighted the vulnerability of crop production to extreme climate events during seed set and seed and grain development. His seed research has been widely applied in over a thousand gene banks worldwide, both for crops and wild species, and he is Principal Investigator for the scientific curation of the National Fruits Collection and Chair of the UK Vegetable Gene Bank Advisory Committee.

He is married with two children and is a Fellow of the Royal Society of Biology and a Trustee of the National Fruits Collection Trust.
Dr Peter ERSKINE’s serves as a Non-Executive Director of Telefonica SA and Chairman of Telefonica UK Ltd. Having been a Marketeer with organisations such as Colgate, Palmolive and Mars, he became CEO of O2 plc, the European Mobile Operator, when it demerged from BT in 2001; retiring as Executive Chairman and Chief Executive in January 2008, having led its integration into Telefonica post-acquisition in 2006. He latterly served as Chairman of Ladbrokes PLC, standing down after 9 years in Autumn 2015, having taken a lead role in the merger of Ladbrokes with Gala Coral.

Peter lives in Henley, has four children, and enjoys his role on the Strategy Advisory Board of Henley Business School, where he became Chairman of that Board in Autumn 2010.

Mr Robin EVANS graduated from the University of Reading in 1975 with a degree in Estate Management. He spent the early part of his career as a Land Agent for the National Trust and then became Chief Executive of the Landmark Trust for 8 years. In 1995 he was appointed Palaces Director at Historic Royal Palaces who manage the 5 unoccupied Royal Palaces in London including The Tower of London and Hampton Court. In 1999 he joined British Waterways (now the Canal & River Trust) as Commercial Director and from 2002 to 2013 was Chief Executive. Robin Evans is a Fellow of the Royal Institution of Chartered Surveyors and a Companion of the Chartered Institute of Management. He is a Board Member of the Valuation Tribunal Service.

Mr Christopher FISHER became President of the Council in 2009 having previously served as a member of Council for a number of years. Since 2006 he has been a partner in Penfida Partners, a firm providing independent financial advice to pension fund trustees, stepping down to a senior advisory role in 2014. He also serves as chairman of Bank of Ireland UK, the financial services partner of the Post Office, and as a non-executive director of Segro, the FTSE 200 property company. He has spent most of his career in corporate finance, principally at Lazard, where he was a managing director until 2003, and subsequently at KPMG, where he was vice chairman, corporate finance until 2006. He was a trustee of the Imperial War Museum between and 2002 and 2010 and now serves as chairman of the IWM Development Trust.

He is a graduate of the Kennedy School of Government, Harvard University, which he attended as a Kennedy Scholar, and of Reading University, where he served as President of the Students’ Union.
Dame Moira Gibb was Chief Executive of the London Borough of Camden, one of England’s most successful local authorities, for eight years until 2012. Prior to that she was Executive Director, Housing and Social Services in the Royal Borough of Kensington and Chelsea and worked in a number of local authority social services departments. She has also been a lecturer in social work and a teacher. She was a Civil Service Commissioner from 2012-15.

She now sits on the Board of NHS England and of the UK Statistics Authority. She is Chair of City Lit, the UK’s largest adult education college and Skills for Care the workforce development agency for social care.

She has served on many public bodies including the NHS Future Forum; the Lord Chancellor’s Advisory Board and was for seven years a Director of the London Marathon. She chaired a Government Taskforce on Social Work in 2009.

She was President of the Association of Directors of Social Services in 2000–01 and was appointed CBE for Services to Social Services in 2002 and DBE in 2012 for services to social work and local government.

She is a graduate of Glasgow University and was made a Fellow of the City and Guilds Institute in 2011. She was awarded an Honorary Doctorate of Civil Law by the University of East Anglia in 2012 and an Honorary Doctorate of Science by the University of Kingston in 2013.

Ms Nina Hager is the current elected Welfare Officer of RUSU. She has completed two years of the BSc Psychology course at the University of Reading. Having worked behind the RUSU bars for two years, been a JCR committee member for Childs Hall and a part of the woman’s Lacrosse team, she has experienced life at Reading from many different angles. She has never lost an election for anything, becoming Students’ Union President at Cirencester College during her time there. Originally from Vienna, Austria, she now lives in Reading and will do so until she finishes her studies. She is a keen skier and loves anything psychology related.
Mr Stephen HAWKER CB, MA, FIET, FICPEM was educated at Worksop College and Pembroke College, Oxford, where he studied Engineering Science and Economics. After postgraduate training as a teacher he taught mathematics and economics at Henley Grammar School during its transition to a Sixth Form College. In 1978 he entered government service and worked in a number of government departments including the Cabinet Office, Northern Ireland Office and Ministry of Defence. He retired from the Civil Service in 2006. He now runs a small consultancy business providing strategic advice and insight to government and industry in the UK and overseas on defence and security policy, counter-terrorism and resilience issues. He is Chairman of Critical-Link Ltd and was a member of the Advisory Board of BAE Systems Applied Intelligence until 2014. He is currently a non-executive Director of FCO Services and an independent member of the FCO Audit and Risk Committee and Consular Management Board. He is also an independent member of the Audit and Risk Assurance Committee of the Engineering and Physical Sciences Research Council (EPSRC). He has been a Visiting Professor at Cranfield University working with the Defence Academy at Shrivenham and a visiting lecturer at the Fire Service College. He is a member of the Lord Chancellor’s Advisory Council on National Records and Archives and of the Security Vetting Appeals Panel (SVAP), a Fellow of the Institute of Engineering and Technology and of the Institute of Civil Protection and Emergency Management, and was appointed CB in 2005. Stephen’s wife is a teacher and he has two children.

Dr Orla KENNEDY, is a graduate of the University of Ulster and Queens University Belfast. She joined Reading in 2005 as programme director for Nutrition & Food Science courses, was appointed Faculty Director (Teaching and Learning), Faculty of Science in 2010, Associate Professor in Public Health Nutrition in 2011 and Associate Dean (Science) in 2012. In 2014 she took up the post of Associate Dean (Teaching and Learning) Faculty of Life Sciences, and in 2015 was appointed Teaching and Learning Dean (Student Achievement), a role she will begin formally in June 2016 following maternity leave. Orla was awarded a RUSU Teaching Award in 2012 and a University Teaching Fellowship in 2013.

She has an active research group in Food and Nutritional Sciences investigating food choice and appetite regulation. Orla has served as a Council Member of the UK Nutrition Society and various committees of the Institute Food Science and Technology alongside editorial board membership of the British Journal of Nutrition. Currently, she serves on the editorial board of the British Nutrition Foundation's Nutrition Bulletin and Biosciences Horizons alongside a grant reviewer for various funding bodies including the MRC, Irish Government, BBSRC and the EU and an assessor for the Association for Nutrition.

She is a registered nutritionist, registered dietitian, holds fellowship of the IFST and fellowship of the Higher Education Academy (HEA).
Mrs Maureen MARTIN began her career in the civil service and later in commerce before graduating from the University of Reading in 1997 with a degree in English and History of Art. She then developed a career in teacher education, leading curriculum design and quality enhancement, and graduated from Oxford Brookes University with a Masters in Education. Maureen joined the University in 2012 and has held roles in the Centre for Development of Teaching and Learning and in the Quality Support Office before joining the Marketing Communication and Engagement team. She is a doctoral researcher in Learning Leadership and Policy at the University of Bristol and the focus of her research is how people in higher education manage transitions in their professional roles.

Dr Richard MESSER is Chief Strategy Officer and University Secretary. He read Philosophy and Theology at Oriel College, Oxford, before completing a PhD in Philosophy of Religion at Birmingham University. He joined the University of Reading in 1991 in the Urban and Regional Studies Faculty Office, followed by a five year period as the University’s Examinations Officer. He became Director of Planning Support in 1998, Director of Academic Services in 2008, and Director of Student and Academic Services in 2011. Dr Messer now leads the Academic and Governance Services Directorate. He is a member of the Association of Heads of University Administration. He is married with two children.

Professor Steven MITHEN is Deputy Vice-Chancellor. Within this role he also leads on Research and Innovation for the University. Having originally studied Fine Art at the Slade School, he took a BA in Prehistory & Archaeology at Sheffield University, an MSc in Biological Computation from York University and a PhD in Archaeology at Cambridge University, where he taught prior to moving to a Lectureship at the University of Reading in 1992. Prior to his appointment as Deputy Vice-Chancellor, Steven served as Head of the School of Human & Environmental Sciences (2003–2008), Dean of the Faculty of Science (2008–2010) and Pro-Vice Chancellor (International, 2010-2014). Steven’s research interests concern early prehistoric communities and the evolution of human intelligence, language and music, with field projects in Western Scotland (Late Glacial and Mesolithic), Southern Jordan (early Neolithic), and North-East China (Neolithic). His recent books include After the Ice (2003), The Singing Neanderthals (2005), The Early Prehistory of Wadi Faynan (2007), To The Islands ... (2010), Water, Life & Civilisation (2011) and Thirst: Water and Power in the Ancient World (2012). He was elected as a Fellow of the British Academy in 2003.
Ms Kate OWEN was Vice President, Executive and Organisation Development for BP until 2006 during a time of major mergers and change. She spent 24 years in the oil industry and 10 years in the retail industry, local government and Industrial Training Boards after graduating from the University of Nottingham.

She has just retired after 8 years as a Governor of Imperial College, London and is now a Trustee for Imperial College Union. She is a Non-Executive Director of the Royal Brompton and Harefield NHS Foundation Trust.

She spent 9 years on the Board of first, the Inland Revenue and then, after the merger, Her Majesty’s Revenue and Customs. She was on the Ministry of Defence Training Review of the Armed Forces and a member of the Whitehall Risk Review Steering Group.

She was a Non-Executive director of BIOSS, an organisation consulting company and has been a Fellow of the Windsor Leadership Trust since 1991.

In 2006 she set up her own organisation consulting business and has worked with a wide variety of organisations such as Accenture, the BBC, De Beers and Clinical Commissioning Groups.

Mr Howard PALMER Q.C. graduated from Oxford University in 1976 with a BA in Law and was called to the Bar in 1977. He taught law at King’s College, London from 1977 to 1978 and then joined Barristers’ Chambers at 2 Temple Gardens, where he has remained ever since. He was appointed a Q.C. in 1999 and a Recorder of the Crown Court in 2005.

His practice is in civil litigation, including cases on personal injury, medical negligence, professional negligence, construction disputes and insurance policy interpretation. He has served on the Bar Council’s Professional Conduct and Complaints Committee, as well as running the 2 Temple Gardens pupillage committee for many years.

Through historical family links he has a strong affinity with the University. His interests include cricket, golf and preservation of the countryside.
Dr Paul PRESTON graduated with a PhD in Physiology from University College Cardiff prior to undertaking a post-doctoral fellowship with Hoffman-La Roche in Basle, Switzerland. He has extensive experience in the healthcare sector that includes pharmaceutical research, drug development in an international environment, sales and marketing of drugs and medical consumable products and hospital management. He completed a successful career lasting almost twenty years at BMI Healthcare, the country’s largest independent hospital group, where he became Managing Director. During this time he helped to source two university based research programmes, working with leading academics to form successful independent commercial companies. He went on to work with 3i, a leading venture capital firm, where he contributed sector knowledge in support of the investment teams. He has subsequently worked with a number of private equity companies in the buy-out and management of healthcare businesses. He is currently Chairman of a company providing specialist neurorehabilitation for individuals with acquired brain injury. He is a Fellow of The Royal Society of Medicine and a Fellow of the Institute of Directors.

Mr Simon PRYCE is the Group Chief Executive of BBA Aviation plc, a FTSE 250 aviation support and aftermarket services group that employs some 13,000 people in over 200 locations around the world. He was appointed to this role in June 2007. He is on the Board of the General Aviation Manufacturers Association, the US General Aviation Trade Body and is Chairman of their International Affairs Committee (IAC). Simon is a Fellow of the Royal Aeronautical Society and a member of the Chartered Institute for Securities and Investment. Simon is a graduate of Reading University and qualified as a Chartered Accountant before working at the global investment banking firms of Lazard and JP Morgan, in London and New York, and at the international automotive and engineering group GKN plc in a range of international corporate finance, finance and general management roles. Simon lives in north Oxfordshire and is married with two sons. He is a member of the MCC and a keen sportsman.

Mr Vincenzo RAIMO is a graduate of the University of Reading (1990) and also studied at the University of Rome ‘La Sapienza’ and the University of Leicester. He has spent much of his career working in senior administration roles in Higher Education at the universities Lancaster, Sussex and Nottingham. His most recent appointment before re-joining Reading was as Director of the International Office at The University of Nottingham where he helped shape the University’s highly successful internationalisation strategy. Vincenzo is regularly invited to speak at events in the UK and overseas on the internationalisation of higher education and has been particularly prominent in the debate about transparency and the use of agents in international student recruitment. He is a Fellow of the Chartered Institute of Marketing.
Mr Oli RATCLIFFE is the President of Reading University Students’ Union (RUSU). He started the University of Reading in 2012, and graduated with a First in English Literature and Politics in the summer of 2015. In his time at University he was a student ambassador and sat on the executive of two of the student media streams.

Oli’s role is to ensure the student voice is heard in the various University committees that he sits on. His interests include food, Jim Carey movies, and any music including a guitar.

Dr Bina RAWAL joins the Council from 1 January 2016. In September 2015, she takes up the position of Head of Scientific Evaluation and Alliance Management at Mundipharma Research Ltd., having been the Director of Research, Medical & Innovation at the Association of the British Pharmaceutical Industry (ABPI) where she had responsibility for driving the agenda for Research & Development and Innovation on behalf of ABPI member companies in the UK. She joined the ABPI in October 2012 from the Wellcome Trust where she was Head of Clinical Development within the research charity’s Technology Transfer (Innovations) Division. Prior to her time at the Wellcome Trust, she spent nine years at Roche, including serving as Therapeutic Area Expert in the UK. She also gained further experience in the pharmaceutical industry at GlaxoWellcome R&D.

She completed her undergraduate and postgraduate medical training in London and holds Fellowships of the Royal College of Pathologists and Faculty of Pharmaceutical Medicine.

Mr David SAVAGE is the University’s Chief Operating Officer. He was educated at Bristol Grammar School and University College London. He is a qualified accountant and for 20 years worked for the United Kingdom Atomic Energy Authority (UKAEA) holding various financial and commercial posts, initially at UKAEA’s London Headquarters, and from 1992 at their site at Harwell in Oxfordshire. He came to the University on his appointment as Director of Finance in October 1999. He is an enthusiastic follower of most sports and a keen boater with a narrowboat moored in the West Midlands near Worcester.
Mr Stephen P SHERMAN is a Fellow of the Institute of Chartered Accountants in England & Wales and an alumnus of the London Business School. He joined Peat Marwick Mitchell (now KPMG) in 1978 and over the course of his professional career with the firm gained a wide range of business consulting experience across a number of industries. He was seconded to National Westminster Bank for two years to work alongside banking teams appraising companies seeking financial assistance and, with KPMG, worked on a number of significant projects, most notably the development of London City Airport and a series of cost reduction and business efficiency reviews within major financial institutions and utilities companies.

Stephen was made an equity partner in 1990 and, in addition to his client work, he held a number of senior positions within the firm, including Head of Consulting for KPMG’s Media, Entertainment and Technology Business Unit and Head of Consulting for KPMG’s Financial Services Practice. Stephen also sat on the Management Consulting Executive where he was Head of Sales for the UK and was the Global Lead Partner responsible for co-ordinating all KPMG activities with the Royal Bank of Scotland Group.

Stephen retired from the KPMG Partnership in 2009 and now splits his time between London and Wiltshire. He is married with three grown-up children and has recently completed a Humanities degree with the Open University. He is interested in all aspects of the Arts, as well as being a keen sportsman.

Mr Keith SWANSON is Director of Quality Support and Development; he provides secretarial support to Council. After studying at the University of York and the University of Cambridge, he worked at the University of Bristol and the University of Manchester before joining the University of Reading in 1994. At Reading, he served in the Education and Community Studies Faculty Office and then as University Examinations Officer, and, in his current role, has responsibilities for policy and quality management and enhancement in respect of teaching and learning.
Professor Robert VAN de NOORT studied History at the University of Utrecht and Archaeology at the University of Amsterdam. Before joining the University of Reading in 2014, he worked at the British School in Rome (1988-89), the Rotterdam Archaeology Unit (1989-1991), the University of Hull (1992-2000) and the University of Exeter (2000-14), where latterly he was Dean of the College of Social Sciences and International Studies.

Robert is best known for his research into the archaeology of marine, intertidal and terrestrial wetlands, especially around the North Sea Basin. He directed multi-organisational fieldwork projects in the Humber Wetlands and at Sutton Common in South Yorkshire (both funded by English Heritage), and he was the PI of the AHRC-funded experimental reconstruction of a Bronze Age sewn-plank boat at the National Maritime Museum Cornwall. During the last two decades, he has won major research grants totalling £2.65 million from external organisations.

His most recent monographs are North Sea Archaeologies: A maritime biography 10,000 BC-AD 1500 (OUP, 2011) and Climate Change Archaeology: Building Resilience from Research in the World’s Coastal Wetlands (OUP, 2014). Robert is a Fellow of the Society of Antiquaries of London and a Principal Fellow of the Higher Education Academy.

Outside the University of Reading, Robert chairs the South West Regional Flood and Coastal Committee (RFCC), the executive committee through which the Environment Agency performs its flood and coastal erosion function in the South West of England, thereto appointed by the Secretary of State for the Environment (Defra).

Professor Sue WALKER is Professor of Typography in the Department of Typography & Graphic Communication – the only one of its kind in the UK. She is a graduate of the University of Reading, completing her PhD in the early 1980s. She served as Dean of the Faculty of Arts and Humanities from 2007–11, having previously been Head of the Department of Typography from 1997–2007, and Head of the School of Arts and Communication Design from 2004–7. She is currently Director of the AHRC-funded Design Star consortium, working with four other universities and partners in industry, government and business to provide relevant research and skills training to inspire future leaders in design. She served as a member of the sub-panel History, Theory and Practice of Art and Design for REF 2014.

Sue Walker is an active participant in the Associate All-Party Parliamentary Group on Design and Innovation, co-chair of the Information Design Association and a Fellow of the Design Research Society. She has served as a primary school and comprehensive school governor, and is a member of the Board of Trustees for Berkshire Womens’ Aid.
**Mrs Sally WEBBER** graduated from Reading University in 2000 with a degree in Environmental Earth Science, before serving as President of the Students’ Union for two years where she oversaw the development of the 3sixty venue. After (finally) leaving the University, she worked for the RSPB for 7 years as a Senior Parliamentary Officer, and then as Head of Government Affairs where she led the political strategy for the Society. In 2008 she took up the post of Specialist Adviser to the Secretary of State in Defra, and specialised in food and agriculture for Hilary Benn. She now works in Parliament advising a member of the Environment, Food, and Rural Affairs Select Committee, and the Shadow Defra frontbench team. She lives in Suffolk with her husband, Simon, and their two sons, Ben and Sam. Aside from being an avid supporter of under 9’s rugby, she enjoys watching cricket (the England variety, although under 9’s has a lot going for it), gardening and cooking for friends.

**Ms Sue WOODMAN**, Vice-President of the Council since August 2013 and a graduate in French of the University of Reading, is a solicitor and General Counsel at Equistone Partners Europe Limited (formerly Barclays Private Equity). Prior to joining Equistone, Sue was Partnership Counsel at Alchemy Partners, a mid market private equity firm having been a partner in private practice before joining Alchemy. She is on the Professional Standards Committee of the European Venture Capital Association and vice chair of its Responsible Investment Board. She is also on the Impact Investment Committee of the British Private Equity and Venture Capital Association and is a regular speaker at legal conferences. She is a governor of La Retraite School in south west London.

**Ms Carol WRIGHT** joined the University in 2000 as Financial Controller. She became Director of Finance in 2012, and Director of Finance and Corporate Services in 2014. She has a degree in modern languages from the University of Wales and is qualified as a chartered accountant with the Institute of Chartered Accountants of Scotland (ICAS). She has worked with a diverse range of clients, from small owner-managed enterprises to blue chip companies through the accountancy firms of Armitage & Norton (now KPMG) and Saffery Champness in Edinburgh, and later Ernst & Young in Cambridge. After gaining an MBA from Imperial College in 1993, she went on to become the Financial Controller of the Transport Research Laboratory in Crowthorne helping to prepare it for its eventual privatisation in 1996. She has two teenage daughters and lives in central Reading.
The University of Reading – Committee Structure (simplified)

COUNCIL

COURT

SENATE

AUDIT COMMITTEE

REMUNERATION COMMITTEE

APPOINTMENTS COMMITTEE

UNIVERSITY EXECUTIVE BOARD

STUDENT EXPERIENCE COMMITTEE

UNIVERSITY OF READING – Committee Structure (simplified)

- University Board for Research and Innovation
- University Board for Teaching and Learning
- Global Engagement
- Faculty Management
- Boards
- Standing Disciplinary Board
- Academic Misconduct
- Academic Engagement, Fitness to Study, Practice
- Standing Committee on Examination Results
- Research Ethics

- Finance and Planning
- Staffing
- Teaching and Learning
- Strategy Board
- Marketing Board
- Procurement Board
- Health and Safety
- Diversity and Inclusion
- Risk Management
- University of Reading, Malaysia

- Strategy and Finance Committee

- Investments
- Catering and Hospitality
- University of Reading Employees’ Pension Fund (UREPF) Board of Trustees
- University of Reading Pension Scheme (URPS) Board of Trustees
- University of Reading Science and Technology Centre Ltd
- University Farms

- Student Experience Committee

- Arts
- Catering and Hospitality
- Complaints
- Sports Management

- Appointments Committee

- Appeals
- Honorary Degrees
- Personal Titles
- Committees of Selection
- Joint University/Trades Union Committees
APPENDIX 5
FINANCIAL REGULATIONS
FINANCIAL REGULATIONS

CONTENTS

A  General Provisions

1.  Background
2.  Status of Financial Regulations

B  Corporate Governance

3.  The Court
4.  Council
5.  Senate

6.  Committee Structure
   6.1  Strategy and Finance Committee
   6.2  University Executive Board
   6.3  Audit Committee
   6.4  Remuneration Committee
   6.5  Other Committees

7.  University Members and Officers with Financial Responsibility
   7.1  Vice-Chancellor
   7.2  Chief Operating Officer
   7.3  Director of Finance
   7.4  Head of Internal Audit Services
   7.5  Director of Estates and Facilities
   7.6  Budget Holders
   7.7  All Members of Staff

8.  Risk Management

9.  Code of Conduct
   9.1  Commitment and Conduct
   9.2  Disclosure of Interests
   9.3  Signatory to a University Contract and Disclosure of Interests
   9.4  Receiving Gifts or Hospitality
   9.5  Accepting or offering inducements

C  Financial Management and Control

10. Financial Planning and Budgetary Control

11. Accounting Arrangements
   11.1  Financial Year
   11.2  Basis of Accounting
   11.3  Format of financial statements
   11.4  Provision of Financial Statements and financial management information
   11.5  Accounting Systems and Records
11.6. Retention of Accounting Records
11.7. Public Access
11.8. Taxation

12. Audit Requirements
12.1 General
12.2 External Audit
12.3 Internal Audit
12.4 Value for Money
12.5 Other Auditors

13. Treasury Management
13.1. Treasury Management Policy
13.2. Banking Arrangements
13.3. Borrowing
13.4. Investments

14. Income
14.1. General
14.2. Receipts of Cash, Cheques and Other Negotiable Instruments
14.3. Receipts by Credit or Debit Card
14.4. Sales invoicing and the collection of debts
14.5. Student Fees
14.6. Write offs
14.7. Credit Notes

15. Research Grants and Contracts
15.1. Acceptance of Research Grants and Contracts
15.2. Grant and Contract Conditions

16. Other Income Generating Activity
16.1. Short Courses and Services Rendered
16.2. New Income generating or trading activity
16.3. Private Consultancies and Other Private Work

17. Intellectual Property Rights and Patents
17.1. General
17.2. Patents
17.3. Intellectual Property Rights
17.4. Commercial exploitation of intellectual property
17.5. Disposals of intellectual property

18. Expenditure and Purchasing
18.1. General
18.2. Scheme of Delegation/Financial Authorities
18.3. Procurement
18.4. Capital Expenditure
18.5. Purchasing Cards
18.6. Payment of Invoices
18.7. Reimbursement of expenses
18.8. Advances
18.9. Giving Hospitality
18.10. Making donations

July 2014
19. Pay Expenditure
19.1. Remuneration Policy
19.2. Appointment of Staff
19.3. Superannuation Schemes

20. Assets
20.1. Land and Buildings
20.2. Fixed Asset Register
20.3. Inventories
20.4. Stocks and Stores
20.5. Safeguarding Assets
20.6. Personal Use
20.7. University owned vehicles
20.8. Asset Disposal
20.9. All Other Assets
20.10. Loss of assets or damage to property
20.11. Leasing property

21. Funds Held on Trust
21.1. Gifts, Benefactions and Donations
21.2. Student Welfare and Access Funds
21.3. Trust Funds

22. Other
22.1. Insurance
22.2. Travel Insurance
22.3. Establishing new companies, branches and associates.
22.4. Appointment to the Boards of subsidiary and associated companies
22.5. Memoranda of Understanding with subsidiary companies
22.6. Subsidiary and Associated company reporting requirements
22.7. Security over Data and Information
22.8. Safeguarding Funds Against Misuse
22.9. Fraud Policy and Response Plan
22.10. Safekeeping of Legal Documents
22.11. Students’ Union
22.12. Signing of Official Documents
22.13. Use of the University Seal
22.14. Provision of Indemnities and guarantees
22.15. Disclosure of Interests
22.16. Disclosure of outside directorships and partnerships
FINANCIAL REGULATIONS

A GENERAL PROVISIONS

1 Background

1.1 The University is a chartered corporation. Its structure of governance is laid down in the Charter and Statutes. The Charter and Statutes can only be amended by the Privy Council. The University is accountable through its Council which has ultimate responsibility for the University’s management and administration.

1.2 The University is an exempt charity by virtue of the Charities Act 1993.

1.3 The Financial Memorandum between the Higher Education Funding Council for England (HEFCE) and the University sets out the terms and conditions on which grant is made. The Council is responsible for ensuring that the conditions of grant are met. As part of this process, the University must adhere to HEFCE’s Code of Practice for Audit and Accountability, which requires it to have sound systems of financial and management control. The financial regulations of the University form part of this overall system of accountability.

2 Status of Financial Regulations

2.1 This document sets out the University’s financial regulations. It translates into practical guidance the University’s broad policies relating to financial control. This document is to be submitted for approval by the Council on 14th July 2014. It applies to the University, its subsidiary undertakings, branches and other entities where the University has management control.

2.2 These financial regulations are subordinate to the University’s Charter and Statutes and to any restrictions contained within the University’s Financial Memorandum with HEFCE and HEFCE’s Code of Practice for Audit and Accountability.

2.3 The purpose of these financial regulations is to provide control over the totality of the University’s resources and provide management with assurances that the resources are being properly applied for the achievement of the University’s strategic plan and business objectives:

• financial viability
• achieving value for money
• fulfilling its responsibility for the provision of effective financial controls over the use of public funds
• ensuring that the University complies with all relevant legislation
• safeguarding the assets of the University.

2.4 The Director of Finance shall ensure that updated copies of the financial regulations are available to all members of Council, Budget Holders and all persons connected with the finances of the University.

2.5 Compliance with the financial regulations is compulsory for all officers, staff and students connected with the University. Refusal to comply with the financial regulations will be grounds for disciplinary action under the University’s disciplinary procedures. The Council will be notified of any such breach through the Audit Committee. It is the responsibility of Deans, Heads of School and Heads of Service to ensure that their staff are made aware of the existence and content of the University’s Financial Regulations and supporting financial procedures.
2.6 The Strategy and Finance Committee is responsible for maintaining a continuous review of the financial regulations for internal management and for advising the Council of any additions or changes necessary.

2.7 In exceptional circumstances the Strategy and Finance Committee may authorise a departure from the detailed provisions herein; such departure to be reported to the Council at the earliest opportunity.

2.8 The University’s detailed financial procedures set out precisely how these regulations will be implemented. They are contained in the Financial Manual (incorporating Financial Policies and Procedures) and Finance Practical Guides, which are maintained by the Director of Finance and made available to all staff via the Finance website.
B CORPORATE GOVERNANCE

3 The Court

3.1 The Court has no direct responsibility for the University's financial administration, but the Court’s members at its meetings are entitled to ask questions on the Annual Accounts or any other financial matter.

4 Council

4.1 The Council of the University is the governing body of the University. It has its powers and duties conferred upon it by the Statutes and is responsible for the management and administration of the revenue and property of the University and has general control over the conduct of all the affairs of the University. Its financial duties are to:

- ensure the solvency of the University
- safeguard the University's assets
- ensure the effective and efficient use of resources
- ensure that the funds provided by the Funding Council are used in accordance with the terms and conditions specified in the University's financial memorandum with the Funding Council
- ensure that financial control systems are in place and are working effectively
- ensure that the University complies with the Funding Council's Code of Practice for Audit and Accountability
- approve the University’s strategic plan
- approve annual budgets and the annual financial statements
- appoint the external auditors to the University

4.2 The Council is empowered to:

- appoint bankers, and to cause proper books of account to be kept in respect of money received and expended by the University, and for the assets and liabilities of the University, provided that before determining any question of finance which affects the academic policy of the University, the Council shall take into consideration any recommendation by the Senate
- invest any monies belonging to or held by the University
- acquire and dispose of real and personal property on behalf of the University, whether freehold or leasehold
- enter into, vary, carry out and cancel contracts on behalf of the University
- determine all University fees
- appoint members to the Audit Committee

The full powers of the Council are given at Statute XV.

4.3 The Council discharges its financial responsibilities by delegating duties to Committees, particularly the Strategy and Finance Committee and the University Executive Board and senior officers and by maintaining an overview of general financial policy with adequate reporting structures to ensure that the agreed policies are being implemented.

4.4 All members of Council must be aware that they have a responsibility for the University's finances and must ensure that they have sufficient information made available to them to fulfill their responsibilities.

July 2014
5 Senate

5.1 The Senate has no direct responsibility for finance, but receives in advance of Council meetings reports from the Strategy and Finance Committee and the University Executive Board and is able to comment on these to Council.

6 Committee Structure

6.1 Strategy and Finance Committee
The Strategy and Finance Committee is responsible to Council for the financial management of the University. The Committee will examine and recommend approval to the Council of budgets in line with agreed plans and ensure that those budgets are followed. It will also consider other matters relevant to the financial duties of the Council and make recommendations thereon. In addition to being responsible for all other aspects of financial management, the Committee must ensure that sufficient information is given to the Council for it to be satisfied that it is discharging its financial responsibilities.

6.2 University Executive Board
Chaired by the Vice-Chancellor, the University Executive Board considers strategic, operational and policy issues and reports to the Strategy and Finance Committee.

6.3 Audit Committee
The Audit Committee is independent of Strategy and Finance Committee and the University Executive Board and reports directly to the Council. It is responsible for maintaining an overview of the internal and external audit functions, the internal control system, the risk management strategy and the arrangements for ensuring economy, efficiency and effectiveness. It has the right of access to obtain all the information it considers necessary and to consult directly with the internal and external auditors, and may require information, either written or oral from any University member or officer. The audit requirements of the University are set out in the HEFCE’s Code of Practice on Audit and Accountability.

6.4 Remuneration Committee
The Remuneration Committee is responsible for the determination of pay and conditions for the University’s senior executive management, the Professoriate and equivalent non-academic staff. It has the power to make recommendations to Council on their remuneration, including pay and other benefits, as well as contractual arrangements.

6.5 Other Committees
All other Committees which have been allocated a budget for any purpose are responsible ultimately to the Strategy and Finance Committee for all income and expenditure within those budgets.
7 University Members and Officers with Financial Responsibility

7.1 Vice-Chancellor
The Vice-Chancellor is the chief academic and administrative officer of the University and is answerable to the University Council for the financial administration of the University’s affairs. He is also accountable, as the “accountable officer” under the Financial Memorandum with the Higher Education Funding Council for England (HEFCE) and the National College for Teaching and Leadership (NCTL) for the use of public funds received by the University.

In his capacity as the accountable officer, the Vice-Chancellor must advise the Council if, at any time, any action or policy under consideration by them appears to the Vice-Chancellor to be incompatible with the Financial Memorandum. If the Council decides nevertheless to proceed, the Vice-Chancellor must immediately inform the Chief Executive of the Funding Council in writing. As the accountable officer the Vice-Chancellor may be required to justify any of the University’s financial matters to the Public Accounts Committee at the House of Commons.

In the absence of the Vice-Chancellor from the University for more than three consecutive working days, the Vice-Chancellor’s delegated powers are assumed in full by the Deputy Vice-Chancellor until the Vice-Chancellor’s return.

7.2 Chief Operating Officer
The Chief Operating Officer has responsibility for the development of University strategy, medium term financial and business planning, and responsibility for the University’s financial and investment strategies.

7.3 Director of Finance
Day-to-day financial matters are the responsibility of the Director of Finance, who is responsible to the Chief Operating Officer for:

- preparing annual capital and revenue budgets and financial plans
- preparing accounts and management information for the monitoring and control of expenditure against budgets and all financial operations
- preparing the University’s annual accounts and other financial statements and accounts which the University is required to submit to other authorities
- ensuring the University has satisfactory systems of financial control and administration
- providing professional advice on all matters relating to financial policies and procedures
- day-to-day liaison with internal and external auditors, bankers and other financial advisers

7.4 Head of Internal Audit Services
The Head of Internal Audit Services is responsible for providing the Council, the Vice-Chancellor and other senior managers with reasonable assurance on the adequacy and effectiveness of risk management, control and governance arrangements. The Head of Internal Audit Services has direct access to the Chair of the Audit Committee, the Vice-Chancellor and senior officers where required.

The Head of Internal Audit Services reports to the Secretary to the Council on a day-to-day basis.

7.5 Director of Estates and Facilities
The Director of Estates and Facilities is responsible for the buildings and estates functions within the University, which will include accountability and control of staff, the security, custody and control of all University buildings and other resources, such as materials, cash and stores relating to this function. The Director of Estates and Facilities has the right of access to any part of the University.

7.6 Budget Holders
Heads of School, Heads of Service, and other Budget Holders are responsible to the Vice-Chancellor,
through the University Executive Board, for financial control and management in their areas of responsibility. They are advised by the Director of Finance in executing their financial duties, and must ensure the proper use of funds in accordance with these financial regulations and any procedural notes issued to Budget Holders.

Heads of School and Service are responsible for establishing and maintaining clear lines of responsibility for all financial matters within their School or Service and for ensuring that these regulations are publicised and observed within their School or Service. Where resources are devolved to Budget Holders, they are accountable to their Head of School or Service for their own budget.

7.7 All members of Staff
All members of staff should be aware of and have a general responsibility for the security of the University's property, for avoiding loss and for due economy in the use of resources.

They should ensure that they are aware of the University's financial authority limits and the values of purchases for which quotations and tenders are required.

They shall make available any relevant records or information to the Director of Finance or his or her authorised representative in connection with the implementation of the University's financial policies, these financial regulations and the system of financial control.

They shall provide the Director of Finance with such financial and other information as he or she may deem necessary, from time to time, to carry out the requirements of the Council.

8 Risk Management

8.1 The University acknowledges the risks inherent in its business, and is committed to managing those risks that pose a significant threat to the achievement of its business objectives and financial health.

8.2 The Council, through the Strategy and Finance Committee, has overall responsibility for ensuring there is a risk management strategy and a common approach to the management of risk throughout the University through the development, implementation and embedment within the organisation of a formal, structured risk management policy. The Council requires an annual review of the implementation of risk management arrangements.

8.3 The University, through the Risk Management Group, a sub-committee of the University Executive Board, has developed a corporate risk register to identify key corporate risks. Responsibility for monitoring each risk has been assigned to senior officers of the University. The Chief Operating Officer has day-to-day responsibility for risk management within the University.

8.4 Schools and Central Services are also required to maintain risk management registers for their own activities and are required to report on their risk management arrangements to the Risk Management Group.

9 Code of Conduct

9.1 The institution is committed to the highest standards of openness, integrity and accountability. It seeks to conduct its affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life, which members of staff at all levels are expected to observe. These principles cover:
• integrity and accountability
• selflessness, objectivity and honesty
• openness and leadership

9.2 Additionally, members of the Council, senior members of staff or those involved in procurement are required to disclose interests in the University's register of interests maintained by the Secretary to the Council. They will also be responsible for ensuring that entries in the register relating to them are kept up to date regularly and promptly.

9.3 In particular, no person shall be a signatory to a University contract where he or she also has an interest in the activities of any other party to the contract.

9.4 Receiving gifts or hospitality
It is an offence under the Prevention of Corruption Act 1906 for members of staff to accept corruptly any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity. The guiding principles to be followed by all members of staff must be:

• the conduct of individuals should not create the suspicion of any conflict between their official duty and their private interest
• the action of individuals acting in an official capacity should not give the impression (to any member of the public, to any organisation with whom they deal or to their colleagues) that they have been (or may have been) influenced by a benefit to show favour or disfavour to any person or organisation.

Thus, members of staff should not accept any gifts, rewards or hospitality (or have them given to members of their families) from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality accepted should not be significantly greater than the University would be likely to provide in return.

Guidance on acceptable hospitality is contained in the University's Expenses and Hospitality Policy which is available on the University's website.

9.5 Accepting or offering inducements
In its commitment to upholding ethical standards of business conduct, the University adopts a zero tolerance approach to bribery and corruption in all jurisdictions. Staff should be mindful of the provision of the Bribery Act 2010 and the University’s Corporate and Social Responsibility Business Conduct policy.
C  FINANCIAL MANAGEMENT AND CONTROL

10  Financial Planning and Budgetary Control

10.1 The Director of Finance is responsible for preparing a five year rolling Financial and Financing Strategy.

10.2 The Financial and Financing Strategy is published on the Finance website and addresses:

• how the financial strategy is developed and integrated within the University's corporate plan
• how the corporate plan is translated into an operating plan and annual budget
• how the University's resources are managed, controlled and protected
• how the University’s assets are identified, safeguarded and utilised
• how the University ensures that all liabilities are identified and properly managed

10.3 The Strategy and Finance Committee is responsible for preparing plans for resource allocation and for long-term financial forecasts for submission to the Council.

10.4 The Director of Finance is responsible for ensuring proper procedures exist for the control of income and expenditure against approved budgets. Regular information will be provided to Budget Holders, the University Executive Board, the Strategy and Finance Committee and the Council.

10.5 The Director of Finance is responsible for preparing each year an annual budget, incorporating income and expenditure account, balance sheet and cash flows, and capital programme for consideration by the Strategy and Finance Committee, before submission to the Council.

10.6 Deans, Heads of School and Head of Service are responsible for the economic, efficient and effective use of resources allocated to them.

10.7 No capital expenditure on land and buildings, information technology infrastructure, or major corporate systems can be incurred unless a scheme has been approved by the Strategy and Finance Committee (or by committees, boards or other officers authorised by the Strategy and Finance Committee) and the source of funds has been agreed. The Director of Finance shall maintain detailed records of those with the authority to incur expenditure on behalf of the University.

Where the acquisition is of investment property using investment funds, the Investments Committee is empowered to authorise projects up to £3M and the Chief Operating Officer can authorise projects up to £1M.

For all other capital scheme expenditure the Vice-Chancellor has delegated authority for projects up to £1M and the Chief Operating Officer can authorise projects up to £250K, subject to a cap at the budgetary approval for “small schemes” and with retrospective reporting to the Vice-Chancellor when the delegation has been exercised.

The Strategy and Finance Committee is responsible for seeing that a Project Committee is appointed for each major capital project (those with an estimated cost in excess of £1 million) and that a budget is duly prepared for their approval.
11 Accounting arrangements

11.1 Financial year
The University's financial year will run from 1 August until 31 July the following year.

11.2 Basis of accounting
The consolidated financial statements are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

11.3 Format of the financial statements
The financial statements are prepared in accordance with the Statement of Recommended Practice Accounting for Further and Higher Education, subject to any specific requirements of the Funding Council, and in accordance with the provisions of the Companies Act 2006, if that is appropriate.

11.4 Provision of Financial Statements and financial management information
The Director of Finance is responsible for providing to the Strategy and Finance Committee as soon as is practicable at the end of the year Financial Statements for that year and in-year reports at intervals and in a format to be determined by the Strategy and Finance Committee.

11.5 Accounting Systems and Records
All accounting systems and records within the University shall be in accordance with the requirements of the Director of Finance. Schools and Central Services should avoid setting up duplicate financial systems and records where the main accounting system meets their requirements.

11.6 Retention of accounting records
The Director of Finance is responsible for the retention of financial and related documents. These should be kept in a form that is acceptable to the relevant authorities.

The University is required by law to retain prime documents for six years. These include:

- purchase orders
- paid invoices
- paid cheques
- payroll records, including part-time lecturers’ and sessional contracts
- sales invoices
- receipts
- banking records

Members of staff should also ensure that retention arrangements comply with any specific requirements of funding organisations.

11.7 Public access
Under the terms of the Charities Act 2006, the Council is required to supply any person with a copy of the University’s most recent financial statements within two months of a request and the Freedom of Information Act requires any request to be dealt with within 20 working days. These Acts enable the Council to levy a reasonable fee and this will be charged at the discretion of the Chief Operating. The University will make a copy of the accounts available to the public on the University’s website once they have been approved by Council.

11.8 Taxation
The Director of Finance is responsible for providing advice, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the University and its subsidiary companies and Trusts. The Director of Finance will issue instructions and guidance on
compliance with statutory requirements including those concerning VAT, corporation tax and import duty.
The Director of Human Resources is responsible for ensuring that the statutory requirements concerning PAYE and National insurance are adhered to.

The Director of Finance is responsible for maintaining the University’s tax records, making all tax payments, receiving tax credits and submitting VAT and Corporation tax returns by their due date as appropriate.

12 Audit Requirements

12.1 General
External auditors and internal auditors shall have authority to:

- access University premises at reasonable times
- access all assets, records, documents and correspondence relating to any financial and other transactions of the University
- require and receive such explanations as are necessary concerning any matter under examination
- require any employee of the University to account for cash, stores or any other University property under his or her control
- access records belonging to third parties, such as contractors, when required.

12.2 External audit
The appointment of external auditors will take place annually and is the responsibility of the Council. The Council will be advised by the Audit Committee.

The primary role of external audit is to report on the University’s financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds. Their duties will be in accordance with advice set out in the HEFCE’s Code of Practice on Audit and Accountability and the Auditing Practices Board’s statements of auditing standards.

12.3 Internal audit
The internal auditor is appointed by the Council on the recommendation of the Audit Committee.

The University’s Financial Memorandum with the Funding Council requires that it has an effective internal audit function whose duties and responsibilities are in accordance with advice set out in HEFCE’s Code of Practice for Audit and Accountability. The main responsibility of internal audit is to provide the Council, the Vice-Chancellor and senior management with assurances on the adequacy and effectiveness of risk management, control and governance arrangements.

The internal audit service remains independent in its planning and operation but has direct access to the President of the Council, Vice-Chancellor and Chair of the Audit Committee. The Head of the Internal Audit Service reports directly to the Secretary to the Council on a day-to-day basis.

12.4 Value for money
It is a requirement of the Financial Memorandum that the University’s Council is responsible for delivering value for money from public funds. It should keep under review its arrangements for managing all the resources under its control, taking into account guidance on good practice issued from time to time by HEFCE, the National Audit Office, the Public Accounts Committee and other relevant bodies.
To fulfil this responsibility, the Chief Operating Officer will develop and revise each year a plan for value for money work that will provide evidence of compliance with the Funding Council’s requirements. It will be used to enable the Audit Committee to report on value for money arrangements in their annual report to the Council.

12.5 Other Auditors
The University may, from time to time, be subject to audit or investigation by external bodies such as HEFCE, the National Audit Office, the European Court of Auditors, and HM Revenue and Customs. They have the same rights of access as external and internal auditors.

13 Treasury Management

13.1 Treasury management policy
The Strategy and Finance Committee is responsible for approving a Treasury Management Policy setting out a strategy and policies for cash management, long-term investments and borrowings. This will require compliance with Funding Council’s rules regarding approval for any secured or unsecured loans that go beyond the general consent levels set out in the Financial Memorandum. The Strategy and Finance Committee has a responsibility to ensure implementation, monitoring and review of such policies.

13.2 Banking arrangements
The University’s banking arrangements shall be decided by the Council on the advice of the Strategy and Finance Committee from time to time. All arrangements with the University’s bankers concerning the University’s bank accounts, and those of its subsidiaries, and the issue of cheques shall be made by the Chief Operating Officer and Director of Finance on behalf of the Strategy and Finance Committee.

The Chief Operating Officer and Director of Finance are empowered to open and close bank accounts in the name of the University or its subsidiaries and branches. No other part of the University shall be empowered to open or operate a bank account in the name of the University or its subsidiaries and branches and all cheques or financial instruments made payable to the University shall be credited to the University’s account.

Arrangements for the signature and countersignature on University cheques, the authorisation of electronic banking transactions and the arrangements for bank account reconciliations are set out in the University’s Financial Manual.

13.3 Borrowing
All arrangements for exercising the borrowing powers of the Council, as defined in the Charter and Statutes, shall be made by the Strategy and Finance Committee.

13.4 Investments
The Strategy and Finance Committee is responsible for the investment of the University’s long-term endowment funds, as advised by the Investments Committee. It may seek such external advice as it considers necessary and may employ managers for the University investment funds.

No investments may be made in securities, limited or public companies, or other investments (including land and buildings) without the approval of the Strategy and Finance Committee.

14 Income

14.1 General
The Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable the University to receive all income to which it is entitled.

All receipt forms, invoices, tickets or other official documents must have the prior approval of the Director of Finance.

Arrangements for the prompt collection, security and banking of all funds received shall be made under the direction of the Director of Finance.

14.2 Receipt of cash, cheques and other negotiable instruments
All monies received must be banked promptly, and in accordance with a timetable prescribed by the Director of Finance and set out in financial procedures. The custody and transit of all monies received must comply with the requirements of the University’s insurers.

All sums received must be paid in and accounted for in full, and must not be used to meet miscellaneous expenses or be paid into the petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the University.

The University does not accept cash payments for goods when the value of the payment is the equivalent of 15,000 Euros or more for any single transaction.

14.3 Receipts by credit or debit card
The University may only receive payments by debit or credit card using procedures approved by the Director of Finance. All procedures must be compliant with PCI DSS regulations.

14.4 Sales invoicing and the collection of debts
The Director of Finance shall ensure that:

- debtors invoices are raised promptly on official invoices, in respect of all income due to the University. The only exception to this regulation is where research council and EU grants are managed centrally, as described under 15.1
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account
- processes are in place to perform credit checks on customers where appropriate
- any credits granted are valid, properly authorised and completely recorded
- VAT is correctly charged where appropriate, and accounted for
- monies received are posted to the correct debtors account
- swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the financial procedures
- outstanding debts are monitored and reports prepared for management
- where appropriate and proper, debt collection costs are recovered from the debtor

All credit arrangements must be approved by the Director of Finance.

14.5 Student fees
The procedures for collecting tuition and residence fees must be approved by the Director of Finance.

14.6 Write offs
Amounts properly due to the University shall only be written off when all reasonable steps have been taken to recover the debt and all debt write offs must go through an approval process.
Tuition fee and academic related debts must first be approved by the Director of Student Learning and Teaching Services before being referred to the Chief Operating Officer. All other requests to write off debts must be referred in writing to the Chief Operating Officer for consideration. Write-offs in Trusts and Subsidiary companies must be approved by the relevant Board.

All write off proposals over £50,000 will be forwarded to the Strategy and Finance Committee for approval, and all write offs between £10,000 and £50,000 will be notified to Strategy and Finance Committee as memorandum items.

14.7 Credit notes

All credit notes over £250 require the prior approval of the Director of Finance, or nominated representative and all credit notes must first be approved by the Head of School or Service.

Under delegated authority from the Director of Finance, the Director of Student Learning and Teaching Services approves all tuition fee credits processed via the student record system.

15 Research Grants and Contracts

15.1 Acceptance of research grants and contracts

Research grants and contracts shall be accepted on behalf of the University by the Chief Operating Officer or other duly authorised officers. Under no circumstances should applications be submitted without prior approval of the Chief Operating Officer, through Research and Enterprise Services.

The Director of Finance is responsible for examining every formal application for grant and shall ensure that there is adequate provision of resources to meet all commitments. The Director of Finance should ensure that the full cost of research contracts is established. The research agreement must be in line with the University’s policy with regard to full economic costing (fEC) taking account of different procedures for the pricing of research projects depending on the nature of the funding body.

The Director of Finance shall maintain all financial records relating to research grants and contracts and shall initiate all claims for reimbursement from sponsoring bodies by the due date. These claims may be in the form of cost statements and may not necessarily be recorded as a debtors invoice.

15.2 Grant and contract conditions

Many grant-awarding bodies and contracting organisations stipulate conditions under which their funding is given. In addition, there are often procedures to be followed regarding the submission of interim or final reports or the provision of other relevant information. Failure to respond to these conditions often means that the University will suffer a significant financial penalty. It is the responsibility of the named supervisor or grant holder to ensure that conditions of funding are met.

Any loss to the University resulting from a failure to meet conditions of funding is the responsibility of the budget holder, and will be charged against School funds.

16 Other Income-Generating Activity

16.1 Short Courses and other services rendered

In this context a short course is any course which does not form part of the award-bearing teaching load of the School.
The term 'services rendered' includes testing and analysis of materials, components, processes and other laboratory services or the use of existing facilities in order to gain additional information. It also includes any University consultancy work performed for external customers.

All short courses and other services (including consultancies) rendered must be costed in accordance with the University's costing and pricing policy and the financial provisions approved by the Director of Finance before any commitments are made.

Before any University consultancy is undertaken written permission must be sought from the Head of School. Guidelines are given in the University’s Consultancy Policy available on the University’s website.

16.2 New income generating or trading activity
The Director of Finance must be informed, in advance, of any new discrete income-generating activity which would generate income in excess of £20,000.

The Director of Finance may direct that transactions be undertaken through a subsidiary company.

16.3 Private consultancies and other private work
The regulations governing private work undertaken by University staff are set out, where necessary, in the appropriate conditions of service and within the University’s Consultancy Policy.

The main provision in the regulations is that staff undertaking private work must ensure that it does not impair the performance of their University duties. Staff must not hold themselves out as acting on behalf of the University, or use University headed stationery.

The permission of the Head of School or Service and of the Vice-Chancellor is required for any private work whether or not it involves the use of University resources. If it does involve the use of University resources an economic charge will be made for these.

The University accepts no responsibility for any work done, advice given or activity undertaken by staff in their private capacity.

17 Intellectual Property Rights and Patents

17.1 General
Certain activities undertaken within the University including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

17.2 Patents
The Strategy and Finance Committee is responsible for establishing procedures to deal with any patents accruing to the institution from inventions and discoveries made by staff in the course of their research.

17.3 Intellectual property rights
In the event of the University deciding to become involved in the commercial exploitation of inventions and research, the matter should then proceed in accordance with the intellectual property procedures contained within the University's Code of Practice on Intellectual Property.

17.4 Commercial exploitation of Intellectual property

July 2014
The Strategy and Finance Committee shall approve procedures to encourage and assist staff to maximise the commercial exploitation of inventions and procedures resulting from research within the University.

17.5 Disposals of Intellectual Property
All disposals of intangible assets will require the prior approval of the Strategy and Finance Committee, on the advice of the Chief Operating Officer.

18 Expenditure and Purchasing

18.1 General
The Director of Finance is responsible for making payments to suppliers of goods and services to the institution.

18.2 Scheme of delegation/financial authorities
The Head of School or Service is responsible for purchases within his or her area of responsibility. The Head of School or Service may delegate up to 50% of his or her purchasing authority to named individuals within the School or Service. In exercising this delegated authority, Budget Holders are required to observe the University’s procurement policies and financial procedures.

The Director of Finance shall maintain a register of all staff authorised to approve purchase orders, receipt goods and services, and certify invoices to payment.

Staff are not permitted to authorise any payment to themselves, their spouses, partners or relatives, or any organisation with which they, their family or relatives have a connection or permit any member of their staff to do so.

18.3 Procurement
The University requires all Budget Holders, irrespective of the source of funds, to obtain supplies, equipment and services at the lowest possible cost consistent with quality, delivery requirements and sustainability, and in accordance with the University’s Procurement Policy and Procedures.

Heads of Schools and Services should ensure that Budget Holders are aware of the University’s Procurement Policy, which is available on the Procurement Department’s website.

The Head of Procurement shall be responsible for arrangements and procedures for all official orders issued for supplies of services required by the University.

All orders may be placed only if they are in compliance with the requirements of the Head of Procurement and the tendering procedures have been carried out.

18.4 Capital Expenditure
All capital expenditure on land, buildings, furniture, equipment and associated costs must only be incurred if it is part of an approved budget and detailed financial procedures for such financial transactions are followed.

The Director of Finance shall be responsible for providing regular statements relating to all capital expenditure to the Strategy and Finance Committee.

18.5 Purchasing Cards
The operation and control of the University’s purchasing cards is the responsibility of the Director of Finance.

Holders of purchasing cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Cards must not be loaned to another person, nor should they be used for personal or private purchases. Cardholders should obtain approval to purchase from the relevant budget holder and should ensure that there is sufficient budget available to meet the costs. The Director of Finance shall determine what information is required on purchases made with purchasing cards from cardholders and deadlines for receipt in Finance to enable financial control to be maintained and cardholders must provide that information.

Details of the operation of the scheme are set out in the University’s Financial Manual.

18.6 Payment of invoices
The procedures for making all payments shall be in a form specified by the Director of Finance.

Heads of Schools and Service are responsible for ensuring that expenditure within their Schools and Service does not exceed agreed budgets without prior approval from the Director of Finance.

Invoices must go direct to Finance and care must be taken to ensure that all available discounts are obtained.

Payments will only be made by the Director of Finance against invoices that have been approved for payment by those with the appropriate delegated authority.

The Director of Finance will automatically pay invoices that quote a valid purchase order number and have been duly receipted in the purchase to pay system.

18.7 Reimbursement of expenses
The University’s procurement and payments procedures are in place to enable the majority of non-pay supplies to be purchased through the creditors system without anyone having to incur any personal expense. However on occasion, staff, students or visitors may incur expenses, most often in relation to travel, and are entitled to reimbursement.

Such expenditure must be claimed using the University’s expense claim form, and the claim must be in accordance with the University’s Expenses and Hospitality and Procurement policies.

Anyone using their own vehicles on behalf of the University shall maintain appropriate insurance cover for business use and a full valid licence.

18.8 Advances
Advances may be given to staff and students for projects carried out away from the University. Other forms of payment will be expected to be used wherever possible, such as an official purchase order and subsequent payment, or purchasing card.

The amount advanced to one person should not normally exceed £5K. Advances must always be approved in advance by the Head of School or Service. Any advances in excess of £2,000 must also be approved in advance by the Director of Finance.

Receipts or paid invoices must be retained for all amounts spent. Within one month of completion of the project to which the advance relates an expense claim form giving a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no
circumstances will a second advance be approved when the final accounting for an earlier advance is outstanding.

18.9 Giving hospitality
Staff entertaining guests from outside bodies should normally use the University’s catering facilities. Where this is not the case, reasons must be stated when submitting a claim for reimbursement.

The limits concerning acceptable expenditure for entertaining guests are set out in the Expenses and Hospitality Policy.

18.10 Making donations
Donations (in cash or in kind) must not be made without the prior approval of the University Executive Board. Donations will not be made in lieu of payments for services and will not normally be made to organisations that do not share the University’s charitable objects.

19 Pay Expenditure

19.1 Remuneration policy
All institution staff will be appointed to the salary scales or spot salary approved by the Council and in accordance with appropriate conditions of service.

All letters of appointment or variations in conditions of service must be issued by the Director of Human Resources through the HR Operations Team.

All payments of salaries must be made through the HR Operations Team, except where staff are employed by one of the University’s overseas subsidiaries or established branches, when payment will be made through an approved payroll bureau.

Salaries and other benefits for senior management will be determined by the Remuneration Committee. In addition, the Remuneration Committee is responsible for approving all severance payments for senior staff and those in excess of £50,000. Lay members of Council will have their reasonable travelling expenses reimbursed by the University.

19.2 Appointment of staff
All contracts of service shall be concluded in accordance with the University’s approved personnel practices and procedures.

All centrally funded academic posts and professorial posts, however funded, are subject to approval by the Deputy Vice-Chancellor.

Budget Holders shall ensure that the Director of Finance and the Director of Human Resources are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

19.3 Superannuation schemes
The eligibility of staff for membership of the Universities Superannuation Scheme (USS), the University of Reading Employees Pension Fund (UEPF) or the University of Reading Pension Scheme (URPS) will be detailed in individual contracts of employment.

The Strategy and Finance Committee shall be responsible for undertaking the Council’s role as employer in relation to all superannuation matters.
The Director of Finance is responsible for day-to-day superannuation matters, including:

- paying contributions to various authorised superannuation schemes
- preparing the annual return to various superannuation schemes
- administering the University of Reading Employees Pension Fund and the University of Reading Pension Scheme.

20  Assets

20.1  Land and buildings
The purchase, lease, rental or disposal of land or buildings can only be undertaken with authority from the Strategy and Finance Committee or the Investments Committee or their nominated representative on behalf of the Council. All such decisions will be recorded in full in the minutes of the relevant committee.

20.2  Fixed asset register
The Director of Finance is responsible for maintaining the University’s register of land, buildings, fixed plant and machinery and other assets costing over £10,000. Heads of School and Service will provide the Director of Finance with any information required to maintain the register. Subsidiary companies will also be required to maintain fixed asset registers using capitalisation thresholds separately approved by the Director of Finance.

20.3  Inventories
The Procurement Department, in conjunction with the Information Technology Services Department, will maintain an inventory of personal electronic devices, particularly mobile phones and related items, purchased for the use of staff.

20.4  Stocks and stores
Heads of School and Service are responsible for establishing adequate arrangements for the custody and control of stocks and stores within their Schools and Service. The systems used for stores accounting must have the approval of the Director of Finance.

Heads of School and School are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks.

Those Heads of School and Service whose stocks require valuation in the University’s balance sheet at the financial year end must ensure that the stock-taking procedures in place have the approval of the Director of Finance and that instructions to appropriate staff within their Schools are issued in accordance with advice contained in the University’s detailed financial procedures.

20.5  Safeguarding assets
Heads of School or Service are responsible for the care, custody and security of the buildings, stock, stores, furniture, cash, etc under their control. They will consult the Director of Estates and Facilities in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

No property should be removed from University premises without prior permission of the Head of School or Service.
20.6 **Personal use**  
Assets owned or leased by the University shall not be subject to personal use.  

The personal use of mobile phones provided by the University must be refunded to the University in accordance with the procedures set out in the Expenses and Hospitality Policy.

20.7 **University owned vehicles**  
University owned vehicles may only be used by authorised personnel on University business. They should not normally be used for travel to and from work and they should be left on University premises overnight.

20.8 **Asset disposal**  
Disposal of inventory items must be in accordance with the procedures issued by the Head of Procurement.  

Disposal of fixed assets and their removal from the fixed asset register must be in accordance with the University’s Fixed Asset Accounting Policy.  

The Investments Committee has delegated authority to dispose of land and buildings from within the investment portfolio of the University and its Trusts. The Chief Operating Officer is empowered to authorise investment property disposals up to a value of £1M, subject to notifying the Investments Committee at its next scheduled meeting. All disposals approved outside of the Strategy and Finance Committee must be notified to that Committee at its next scheduled meeting.

All other disposals of land and buildings must only take place with the authorisation of the Strategy and Finance Committee on behalf of the Council.

20.9 **All other assets**  
Heads of School and Service are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the University, whether tangible (such as stocks or inventoried items) or intangible (such as intellectual property), including electronic data.

20.10 **Loss of assets or damage to property**  
Heads of Schools or Service must advise the Insurance Officer immediately of any event that may give rise to an insurance claim. The Insurance Officer will notify the University’s insurers and, if appropriate, prepare a claim in conjunction with the Head of School or Service for transmission to the insurers.

20.11 **Leasing property**  
All lease agreements or licenses for third parties to occupy University property shall be signed by the Chief Operating Officer or the Director of Estates and Facilities.

21 **Funds Held on Trust**

21.1 **Gifts, benefactions and donations**  
The Director of Finance is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the University and initiating claims for recovery of tax where appropriate.

21.2 **Student Welfare and Access Funds**  
The Director of Finance will prescribe the format for recording the use of student welfare funds.

Records of Access Funds will be maintained according to funding body requirements.
21.3 **Trust funds**

The Strategy and Finance Committee is responsible for ensuring that all the University's trust funds are operated within any relevant legislation and the specific requirements for each Trust.

The Director of Finance is responsible for maintaining a record of the requirements for each trust fund and for advising Strategy and Finance Committee on the control and investment of fund balances.

---

22 **Other**

22.1 **Insurance**

The Insurance Officer, through the Director of Finance, is responsible for the University's insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential liabilities and provide sufficient cover to meet any potential risk to all assets.

The Insurance Officer is responsible for effecting such insurances as are determined from time to time by the Strategy and Finance Committee. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Insurance Officer will keep a register of all insurances effected by the University and the property and risks covered. He or she will also deal with the University's insurers and advisers about specific insurance problems.

The Director of Estates and Facilities is responsible for keeping suitable records of plant which is subject to an inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

Heads of Schools and Service must ensure that any agreements negotiated within their School or Service with external bodies cover any legal liabilities to which the University may be exposed. The Insurance Officer's advice should be sought to ensure that this is the case.

Heads of Schools or Service are responsible for ensuring that the Insurance Officer is immediately notified of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks.

22.2 **Travel Insurance**

Staff and students travelling on University business are covered under the University’s travel insurance policy, and will not normally be reimbursed for any expenditure on a personal travel insurance policy. Travellers should however check the policy details on the Insurance website to ensure the University’s policy offers an appropriate level of cover for any personal possessions taken on each trip.

22.3 **Establishing new companies, branches or associates.**

No University company, associate or branch shall be formed for any purpose without the specific approval of the Strategy and Finance Committee.

22.4 **Appointments to the Boards of subsidiary and associated companies**

Where a University subsidiary company is established or the University takes a shareholding in a third party company, the appointment of University representative directors to these companies is a matter for the Strategy and Finance Committee.
22.5 Memoranda of understanding with subsidiary companies
University subsidiary companies shall enter into and keep under review a memorandum of understanding with the University. Each company shall operate in accordance with such memorandum and within the framework provided by these Financial Regulations, and any additional procedural requirement imposed by their Boards of Directors.

Any permitted departures from these Financial Regulations will be encompassed in the memorandum of understanding.

22.6 Associated company reporting requirements
The directors of companies where the University is the majority shareholder must submit, via the Strategy and Finance Committee, an annual report to the Council. They will also submit business plans or budgets as requested to enable the Committee to assess the risk to the University. The University's internal and external auditors shall also be appointed to such companies.

22.7 Security over data and information
The Chief Operating Officer shall be responsible for maintaining proper security and privacy of information held on the University's computer network. Appropriate levels of security will be provided, such as passwords for networked PCs, together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the Data Protection Act 1998. A data protection officer shall be nominated to ensure compliance with the Act and the safety of documents.

The University Secretary shall have responsibility for implementing and monitoring policies for the protection and management of data.

22.8 Safeguarding funds against misuse
Heads of School and Service are responsible for the proper application of funds at the disposal of their School or Service. In exercising their responsibility Heads of School and Service must have regard to security measures to safeguard University funds and assets against misuse or misappropriation. They must consult with the Insurance Officer to see that appropriate insurance is arranged.

22.9 Fraud Policy and Response Plan
The University's Fraud Policy and Fraud Response Plan are contained within the Financial Manual, available on the University's website.

All members of the University staff or students must notify immediately the University Secretary or the Head of Internal Audit Services of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the University. Due respect will be given for the confidentiality of those raising such concerns.

It is a disciplinary matter if anyone knowingly makes a false or malicious allegation against another member of the University.

Further information about "whistleblowing" and the duty of employees and students under the Public Interest Disclosure Act 1998 can be found on the University's website.

22.10 Safekeeping of legal documents
The University Secretary has responsibility for the safekeeping of legal documents relating to the University. Details of the University's property ownership are maintained by the Director of Estates and Facilities.
22.11 Students’ Union
The financial responsibilities of the Students’ Union are set out in the Students’ Union Code of Practice in the Calendar.

The Students’ Union is a separate legal entity from the University. It shall maintain its own bank account and financial records and prepare its own annual accounts.

Subject to any constraints imposed by the funding body, the Strategy and Finance Committee shall determine the level of grant to be paid annually to the Students’ Union. The Committee requires the Union to provide for information details of its proposed budget to assist in determining the appropriate level of grant.

The Director of Finance and the Head of Internal Audit Services have the right of access to the financial records of the Students’ Union in so far as they relate to the payment by the University of the annual Block Grant.

22.12 Signing of official documents
The Council shall approve arrangements for the delegation to senior officers of the University to sign official documents on its behalf.

22.13 Use of the University Seal
All Deeds and documents requiring to be sealed by the University shall be sealed in the presence of two persons one of whom shall be a member of the Council and the other an authorised officer.

A report shall be submitted to each meeting of the Council recording the Deeds and documents to which the University Seal has been affixed since the last meeting of the Council.

The University Secretary shall be responsible for the security and use of the University Seal. The Chief Operating Officer shall keep records of the Seal’s use.

22.14 Provision of indemnities and guarantees
Any member of staff asked to give an indemnity or guarantee, for whatever purpose, should consult the Chief Operating Officer before any such indemnity is given. Any document or contract committing the University to any indemnities or guarantees can only be signed with the express prior approval of the University Executive Board.

22.15 Disclosure of Interests
A member of Council, or a member of staff, having a material, personal, financial or other beneficial interest in any transaction between the University and third parties shall disclose his or her interest in writing in advance of any discussion or decision regarding that transaction. In the case of a member of the Council the disclosure should be made to the University Secretary and, in the case of a member of staff, to their Head of School or Service.

Any member of any Committee, having a personal interest in any matters (whether or not recorded in the Register of Interests) shall declare that interest, and such declaration shall be recorded. The member shall withdraw from the meeting in question unless this requirement is waived by the Chairperson.

22.16 Disclosure of outside directorships and partnerships
Any member of Council or member of staff who is about to accept a new directorship or partnership which may result in a conflict of interest, should discuss this in advance with the Secretary to the Council.
APPENDIX 6
PUBLIC INTEREST DISCLOSURE ('WHISTLEBLOWING')
POLICY AND PROCEDURES
Public Interest Disclosure (‘Whistleblowing’) Policy and Procedures

About this policy

1.1 The University of Reading is committed to conducting its business with honesty and integrity and in a responsible manner, taking into account the requirements of the funding bodies and the standards in public life set out in the report of the Committee on Standards in Public Life. We expect all staff to maintain high standards, including in accordance with the University's Instruments of Governance and its policies and procedures. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.

1.2 The aims of this policy are:
   (a) To encourage staff and students to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected.
   (b) To provide staff and students with guidance as to how to raise those concerns.
   (c) To reassure staff and students that they are able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

1.3 This policy is not designed to provide a route through which the financial or business decisions taken by the University may be questioned; nor may it be used to reopen matters that have been dealt with under harassment, grievance, disciplinary or complaint procedures; nor should it be used as an alternative to those procedures in respect of matters which would more appropriately be considered under them. Action taken under this policy may of course lead to the invocation of those policies.

1.4 This policy covers all employees, officers, consultants, contractors, volunteers, interns, casual workers and agency workers. The University has decided that it shall also apply to students and members of the University Council.

1.5 This policy takes account of the Whistleblowing Arrangements Code of Practice issued by the British Standards Institute and Public Concern at Work. This policy does not form part of any employee’s contract of employment or the contract between any student and the University, and the University may amend it at any time.

Personnel responsible for the policy

2.1 The University’s Council, acting through the Audit Committee, has overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.

2.2 The Head of Internal Audit acts as the University’s Whistleblowing Officer.

2.3 The Legal Services Department, in conjunction with the Audit Committee, should review this policy from a legal and operational perspective once a year and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.

2.4 All staff are responsible for the success of this policy and should ensure that they use it to disclose any suspected danger or wrongdoing. Staff are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Audit Committee.
What is whistleblowing?

3.1. Whistleblowing is the disclosure of information which relates to suspected wrongdoing or dangers at work. This may include:
   (a) criminal activity;
   (b) failure to comply with any legal or professional obligation or regulatory requirements;
   (c) miscarriages of justice;
   (d) danger to health and safety;
   (e) damage to the environment;
   (f) bribery under our Anti-corruption and Bribery Policy;
   (g) financial fraud, malpractice or impropriety;
   (h) negligence;
   (i) Failure to comply with the Charter, Ordinances or Regulations of the University;
   (j) breach of our internal policies and procedures;
   (k) academic malpractice;
   (l) conduct likely to damage our reputation; or
   (m) the deliberate concealment of any of the above matters.

3.2. A whistleblower is a person who raises a genuine concern relating to any of the above. If you have any genuine concerns related to suspected wrongdoing or danger affecting any of the University’s activities (a whistleblowing concern) you should report it under this policy.

3.3. This policy should not be used for complaints relating to your own personal circumstances, such as the way you have been treated at work. In those cases you should use the Grievance Procedure.

3.4. If you are uncertain whether something is within the scope of this policy you should seek advice from the Whistleblowing Officer, whose contact details are at the end of this policy.

Confidentiality

4.1. The University hopes that staff will feel able to voice whistleblowing concerns openly under this policy. However, if you want to raise your concern confidentially, we will make every reasonable effort to keep your identity secret. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to make a statement as part of the evidence required. If it is necessary for anyone investigating your concern to know your identity, we will discuss this with you.

4.2. The University does not encourage staff to make disclosures anonymously. Proper investigation may be more difficult or impossible if we cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible. Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to the Whistleblowing Officer or one of the other contact points listed in paragraph 4 and appropriate measures can then be taken to preserve confidentiality. If you are in any doubt you can seek advice from the Employee Assistance Programme or Public Concern at Work, the independent whistleblowing charity, which offers a confidential helpline. Its contact details are at the end of this policy.
Raising a whistleblowing concern

5.1. The University hopes that in many cases you will be able to raise any concerns with your line manager or the University Secretary. You may tell them in person or put the matter in writing if you prefer. They may be able to agree a way of resolving your concern quickly and effectively. In some cases they may refer the matter to the Whistleblowing Officer.

5.2. However, where the matter is more serious, or you feel that your line manager or the University Secretary has not addressed your concern, or you prefer not to raise it with them for any reason, you should contact one of the following:

(a) The Whistleblowing Officer, David O’Connor (Head of Internal Audit) at d.a.oconnor@reading.ac.uk or 0118 378 8303.

(b) Our confidential telephone hotline on 0118 378 6353.

(c) The Chair of the Audit Committee, care of Louise Sharman, the secretary to the Audit Committee, l.v.sharman@reading.ac.uk or 0118 378 6180.

Further contact details are set out at the end of this policy

5.3. A meeting will be arranged with you as soon as possible to discuss your concern. You may bring a colleague or union representative to any meetings under this policy. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.

5.4. A written summary of your concern will be made and you will be provided with a copy of it after the meeting. The Whistleblowing Officer or the person appointed to investigate your concerns will also aim to give you an indication of how it is proposed to deal with the matter.

Investigation and outcome

6.1. Once you have raised a concern, an initial assessment will be carried out to determine the scope of any investigation. You will be informed of the outcome of the assessment. You may be required to attend additional meetings in order to provide further information.

6.2. In some cases the University may appoint an investigator or team of investigators including staff with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable the University to minimise the risk of future wrongdoing.

6.3. The Whistleblowing Officer and/or the person investigating will aim to keep you informed of the progress of the investigation, its likely timescale and its outcome. However, sometimes the need for confidentiality may prevent them giving you specific details of the investigation, its outcome or any disciplinary action taken as a result. You should treat any information about the investigation as confidential.

6.4. If it is concluded that a whistleblower has made false allegations maliciously or with a view to personal gain, the whistleblower will be subject to disciplinary action.

If you are not satisfied

7.1. While the University cannot always guarantee the outcome you are seeking, it will try to deal with your concern fairly and in an appropriate way. By using this policy you can help the University to achieve this.

7.2. If you are not happy with the way in which your concern has been handled, you can raise it with the chairman of the Audit Committee or the President of the Council (both via l.v.sharman@reading.ac.uk).
External Disclosures

8.1. The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the University. In most cases you should not find it necessary to alert anyone externally.

8.2. The law recognises that in some circumstances it may be appropriate for employees and workers to report their concerns to an external body such as a regulator. It will very rarely if ever be appropriate to alert the media. We strongly encourage you to seek advice before reporting a concern to anyone external. The independent whistleblowing charity, Public Concern at Work, operates a confidential helpline. It also has a list of prescribed regulators for reporting certain types of concern. Its contact details are at the end of this policy.

8.3. Whistleblowing concerns usually relate to the conduct of our staff, but they may sometimes relate to the actions of a third party. In some circumstances the law will protect you if you raise the matter with the third party directly. However, we encourage you to report such concerns internally first. You should contact your line manager, the University Secretary or one of the other individuals set out in paragraph 5 for guidance.

Protection and support for whistleblowers

9.1. It is understandable that whistleblowers are sometimes worried about possible repercussions. The University aims to encourage openness and will support staff who raise genuine concerns under this policy, even if they turn out to be mistaken.

9.2. Whistleblowers must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Whistleblowing Officer or your Human Resources Partner immediately. If the matter is not remedied you should raise it formally using the Grievance Procedure.

9.3. You must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action. In some cases the whistleblower could have a right to sue you personally for compensation in an employment tribunal.
**Key University Contacts under the Policy**

<table>
<thead>
<tr>
<th>Designation</th>
<th>Contact Details</th>
<th>Telephone Number and Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. University Secretary</td>
<td>Room 322B Whiteknights House</td>
<td>0118 378 8531 <a href="mailto:rj.messer@reading.ac.uk">rj.messer@reading.ac.uk</a></td>
</tr>
<tr>
<td>2. Vice-Chancellor</td>
<td>Room 317 Whiteknights House</td>
<td>0118 378 6226 <a href="mailto:vc@reading.ac.uk">vc@reading.ac.uk</a></td>
</tr>
<tr>
<td>3. Chairman of the Audit Committee</td>
<td>c/o Room 322B Whiteknights House</td>
<td>0118 378 8531 <a href="mailto:rj.messer@reading.ac.uk">rj.messer@reading.ac.uk</a></td>
</tr>
<tr>
<td>4. President of the Council</td>
<td>c/o Room 322B Whiteknights House</td>
<td>0118 378 6180 <a href="mailto:lv.sharman@reading.ac.uk">lv.sharman@reading.ac.uk</a></td>
</tr>
</tbody>
</table>

**Contacts for concerns not necessarily arising under the Policy**

<table>
<thead>
<tr>
<th>Type of Concern</th>
<th>Contact</th>
<th>Telephone Number and Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fraud, other financial irregularity, breaches of financial regulations or conflicts of interest</td>
<td>Director of Internal Audit Services Room 115 Blandford Lodge</td>
<td>0118 378 8303 <a href="mailto:d.a.oconnor@reading.ac.uk">d.a.oconnor@reading.ac.uk</a></td>
</tr>
<tr>
<td>Misuse of IT equipment or systems</td>
<td>Director of Information Technology Room IT 24 Maths and IT Building</td>
<td>0118 378 8431 <a href="mailto:j.leary@reading.ac.uk">j.leary@reading.ac.uk</a></td>
</tr>
<tr>
<td>Unsafe working practices or work environment</td>
<td>Health and Safety Services, Director Room 110 J J Thompson Building</td>
<td>0118 378 8889 <a href="mailto:m.e.simpson@reading.ac.uk">m.e.simpson@reading.ac.uk</a></td>
</tr>
<tr>
<td>Occupational Health matters</td>
<td>Occupational Health Advisor Room 117A J J Thompson Building</td>
<td>0118 378 8635 <a href="mailto:d.grout@reading.ac.uk">d.grout@reading.ac.uk</a></td>
</tr>
<tr>
<td>Breaches of data protection and freedom of information standards, corporate governance or the University’s Charter, Ordinances and Regulations</td>
<td>Head of Information Management and Policy Services (IMPS) Room 225, Whiteknights House</td>
<td>0118 378 8981 <a href="mailto:imps@reading.ac.uk">imps@reading.ac.uk</a></td>
</tr>
<tr>
<td>Physical security issues</td>
<td>Director of Estates and Facilities, Head of Function Estates and Facilities Building Whiteknights</td>
<td>0118 378 8277 <a href="mailto:c.robbins@reading.ac.uk">c.robbins@reading.ac.uk</a></td>
</tr>
<tr>
<td>Grievance or disciplinary issues</td>
<td>Director of Human Resources Room 125 Whiteknights House</td>
<td>0118 378 8750 <a href="mailto:jj.brady@reading.ac.uk">jj.brady@reading.ac.uk</a></td>
</tr>
</tbody>
</table>
APPENDIX 7
FRAUD POLICY AND FRAUD RESPONSE PLAN
Fraud Policy and Fraud Response Plan

Contents

Part A: INTRODUCTION

Part B: FRAUD POLICY

Part C: FRAUD RESPONSE PLAN
1. Initiating Action
2. Prevention of Further Loss
3. Establishing and Securing Evidence
4. Associated Responsibilities
5. Recovery of Losses
6. Internal Control Assessment
7. Reporting
8. Fraud Policy and Fraud Response Plan Review

Appendix 1

1.1 Personal Conduct
1.2 Systems of Internal Control

February 2012

Updated August 2013 for changes of titles
Updated January 2014 for revision to membership of the Fraud Response Group
Updated August 2014 for revision to membership of the Fraud Response Group and following the publication of the Memorandum of assurance and accountability between HEFCE and institutions 2014/12
Updated August 2015 for changes of titles
Part A: Introduction

The University is, and wishes to be seen by all as being, honest and opposed to fraud and corruption in the way it conducts University business. The objective of the Fraud Policy and Response Plan is to safeguard the proper use of the University’s finances and resources, including the finance and resources of its subsidiary companies, against fraudulent or corrupt acts; and to comply with the law and relevant regulations. This document sets out the University’s policy and procedures for dealing with the risk of fraud or corruption.

In order to minimise the risk and impact of fraud, the University’s objectives are:

- firstly, to create a culture which deters fraudulent and corrupt activity, encourages its prevention and promotes its detection and reporting, and
- secondly, to ascertain and document its response to cases of fraud and corrupt practices.

In order to achieve these objectives, the University has taken the following steps:

1. the development and publication of a formal statement of its expectations in this area on standards of personal conduct, propriety and accountability (Appendix 1 section 1.1);
2. the establishment of adequate and effective systems of internal financial and management control (and a clear requirement to comply with them), an Audit Committee and an independent Internal Audit Service with an ongoing responsibility to review and report on these systems (Appendix 1 section 1.2);
3. the development and publication of a fraud policy and a fraud response plan which sets out the University’s procedures to be invoked following the reporting of possible fraud, corruption or the discovery of an actual fraud;
4. the establishment of a Corporate Social Responsibility Business Conduct Policy that sets out the University’s commitment to the highest standards of openness, integrity and accountability.

Definitions

Fraud

The Fraud Act 2006 came into force on the 15 January 2007 and has introduced the general offence of fraud. This is broken down into three key sections:

- Fraud by false misrepresentation
- Fraud by failing to disclose information
- Fraud by abuse of position

The Fraud Act also creates new offences:

- Possession and making or supplying articles for use in fraud
- Fraudulent trading (sole traders)
- Obtaining services dishonestly

Full details of the Act are available at www.legislation.gov.uk/ukpga/2006/35/contents

Bribery and corruption

The Bribery Act 2010 came into force on 1 July 2011 and sets out the following specific bribery offences:

- two general offences – A general offence covering the offering, promising or giving of a bribe (in the UK or overseas); and a general offence covering the requesting, agreeing to receive, or acceptance of a bribe;
- and for organisations only, failing to prevent bribery (whether actual or attempted) by their associ-


ates (in the UK or overseas) such as employees, agents, joint venture partners, subsidiaries which results in benefit (this is termed the corporate offence): :

- a discrete offence of bribery of a foreign public official;

The above legislation shows that fraudulent or corrupt behaviour could involve internal disciplinary action, and prosecution in the courts.

Full details of the Act are available at: www.legislation.gov.uk/ukpga/2010/23/contents

Part B: Policy

1. The University will not tolerate fraud or corruption, and expects the following standards of conduct and behaviour (further detailed at Appendix 1 section 1.1).
   
   - All staff, students, members of the Council or Committees established by the Council, should behave in a fair and honest way in any dealings related to the University. This applies equally to both internal conduct, and also externally in relation to our suppliers, partners and other business associates.
   
   - All staff should apply themselves diligently to their work and the execution of their duties. Specifically they should have due regard to the need to rigorously apply those internal controls, rules and regulations which are designed to prevent, deter and detect fraud.
   
   - As well as operating within the law and any specific agreements or contracts, all external organisations dealing with the University must conduct themselves in accordance with normal ethical business standards consistent with the University’s charitable status and public-sector funding.
   
   - Staff, students, members of the Council or Committees established by the Council, should be aware of the University’s Public Interest Disclosure (Whistleblowing) Policy and the right this gives them to raise legitimate concerns about possible fraud, as well as other problems/irregularities.
   
   - Any member of staff, students, members of the Council or Committees established by the Council, supplier, partner or associate should promptly report to the designated contact within the University, ie the University Secretary or the Head of Internal Audit Services, all legitimate concerns about suspected fraud or irregularity.

2. Where any fraud is committed against the University, consideration will always be given to prosecuting the person/organisation responsible through all criminal and/or civil means available.

3. A major objective in any fraud investigation will be the punishment of the perpetrators, to act as a deterrent to others. The University will follow disciplinary procedures against any member of staff or student who has committed fraud. The University will normally involve the police and pursue the prosecution of any such individual.

Part C: Fraud response plan

The Fraud Response Plan sets out the University’s procedures for ensuring that all allegations and reports of fraud or dishonesty are properly followed up, are considered in a consistent and fair manner and that prompt and effective action is taken to:

- assign responsibility for investigating the fraud;
- minimise the risk of any subsequent losses;
- reduce any adverse operational effects;
- specify the degree of confidentiality required;
• implement damage limitation (to assets and reputation);
• establish and secure evidence necessary for criminal and disciplinary action;
• improve the likelihood and scale of recoveries;
• inform the police and liaise with insurers;
• review the reasons for the incident and improve defences against future fraud.

The main elements of the University’s plan are as follows:

1. Initiating action

**Reporting of any suspicions of fraud or irregularity**

Staff are encouraged to come forward and give information where they honestly believe someone may have committed or be about to commit an act of fraud or corruption. A formal Public Interest Disclosure (Whistle-blowing) Policy has been established to provide a framework for this and to afford protection to employees who supply information, provided this is undertaken in good faith and without malice.

All actual or suspected incidents should be reported to the University Secretary or the Head of Internal Audit Services as soon as possible. Any reports will be treated in absolute confidence. Notes of any relevant details such as dates, times and names should be written and evidence collected together in preparation to hand over to the appropriate investigator.

The person reporting the fraud should not:

- contact the suspect to determine facts or demand restitution;
- discuss case facts outside of the University;
- discuss the case with anyone within the University other than those staff mentioned above;
- attempt to carry out investigations or interviews unless specifically asked to do so by the Head of Internal Audit Services.

**Fraud Response Group**

As soon as is practicably possible and usually within one working day the University Secretary will hold a meeting with some or all of the following staff to consider the initial response, dependent upon the nature of the report. These staff will comprise the ‘Fraud Response Group’ (FRG) and the University Secretary will act as Chair of the Group:

- University Secretary (or nominee)
- Director of Internal Audit Services (or nominee)
- Chief Operating Officer (or nominee)
- Director of Finance and Corporate Services (or nominee)

The Vice-Chancellor should be informed of any action taken by the FRG (unless the suspected fraud directly involves the Vice-Chancellor).

If any suspected fraud directly involves any of the persons referred to above, then the relevant reference should be replaced by the Vice-Chancellor.

The Chair of the Audit Committee will be informed where losses potentially exceed £10,000.

The FRG will determine what further investigative action (if any) is necessary. In particular the following issues will be considered:
• who to involve in the investigation;
• whether to appoint an officer to lead the investigation (this would normally be the Head of Internal Audit Services);
• whether there should be any restrictions on who needs to know about the suspected fraud and level of confidentiality;
• whether police involvement is necessary, or whether civil action is appropriate;
• whether more specialist expertise may be required to assist with the investigation;
• action under the terms of the University’s insurance policy to ensure prompt reporting;
• action to ensure that, in the short-term, damage to the University is limited, by:
  (a) isolating the employee from the immediate work environment;
  (b) preventing access to University computers, and the workplace;
  (c) restricting the movement of assets;
  (d) ensuring compliance with HR policies;
  (e) ensuring any interview is timely and has clear objectives.

It is essential that any action or gathering of evidence does not prejudice the University’s ability to prevent fraudulent activity or recover losses incurred through fraud. Staff reporting fraud should follow advice from the Head of Internal Audit Services or the Chair of the FRG.

2. Prevention of further loss
   i. Where initial investigation provides reasonable grounds for suspecting a member or members of staff of fraud, the Fraud Response Group will decide how to prevent further loss. This may require the suspension, with or without pay, of those under suspicion.
   ii. It may be necessary to plan the timing of suspension to prevent the destruction or removal of evidence that may be needed to support disciplinary or criminal action.
   iii. In these circumstances, the suspect(s) should be approached unannounced by at least two people (one of whom should be part of the FRG) and personal safety of staff should be considered. The suspect(s) should be supervised at all times before leaving the University’s premises.
   iv. They should be allowed to collect personal property under supervision, but should not be able to remove any property belonging to the University. Any security passes and keys to premises, offices, and furniture should be returned.
   v. The Head of Campus Services should advise on the best means of denying access to the University while suspects remain suspended.
   vi. The Director of IT Services should be instructed to withdraw the suspect’s access permissions to all the University’s computer systems immediately.
   vii. The Head of Internal Audit Services shall, after approval by the FRG, consider whether it is necessary to investigate systems other than that which has given rise to suspicion, through which the suspect may have had opportunities to misappropriate the University’s assets.
3. Establishing and securing evidence
When Internal Audit Services are involved they will:

- carry out initial fact finding to confirm or dismiss the complaint;
- ensure any evidence, including IT facilities, is secure;
- maintain familiarity with the University’s disciplinary procedures and statutory rights, to ensure the evidence requirements will be met during any fraud investigation;
- establish and maintain contact with the police where appropriate;
- ensure staff involved are compliant with the Police and Criminal Evidence Act when interviewing and are familiar with the rule on the admissibility of documentary and other evidence in criminal proceedings.

4. Associated responsibilities

**Responsibility for investigation**
All special investigations shall normally be led by the Head of Internal Audit Services under the direction of the FRG. Some special investigations may require the use of technical expertise which the University’s Internal Audit Services does not possess. In these circumstances, the FRG may approve the appointment of external specialists to lead or contribute to the investigation.

**References for employees disciplined or prosecuted for fraud**
Any requests for a reference for a member of staff who has been disciplined or prosecuted for fraud shall be referred to the Director of Human Resources (or Deputy). The HR Department should prepare any answer to such a request.

5. Recovery of losses
Recovering losses is a major objective of any fraud investigation. Internal Audit Services shall ensure that in all fraud investigations, the amount of any loss will be quantified. Repayment of losses should be sought in all cases. Where the loss is substantial, legal advice should be obtained without delay about the need to freeze the suspect’s assets through the court, pending conclusion of the investigation. Legal advice should also be obtained about prospects for recovering losses through the civil court where the perpetrator refuses payment. The University would normally expect to recover costs in addition to losses.

The University insurers should be made aware of the pursuit of any such claims.

6. Internal control assessment
The Head of Internal Audit Services will, at an appropriate time, consider the results of the investigations and assess whether there is a weakness in the University’s systems of internal control which needs to be addressed urgently, and will report accordingly.

7. Reporting
On completion of a special investigation, a written report should be submitted to the Vice-Chancellor and to the Audit Committee and will include the following:

- a description of the incident, including the value of any loss, the people involved and the means of perpetrating the fraud;
• the measures taken to prevent a recurrence;
• action needed to strengthen future responses to fraud, with a follow-up report on whether actions have been taken.

This report will be prepared by the Head of Internal Audit Services.

**Notifying the Funding Body**

The University Secretary or the Head of Internal Audit Services on behalf of the Vice-Chancellor should notify the HEFCE Chief Executive of the following serious incidents*:

• loss of assets through fraud, theft or other cause where the value of the loss is in excess of £25,000;
• donations of more than £25,000 from unknown donors, or where the source cannot be verified;
• abuse or mistreatment of a charitable beneficiary involved in activities of the University;
• disqualification of a trustee;
• known or alleged links (other than for bona fide academic reason) with proscribed organisations or terrorism; this applies to trustees, staff, students or anyone else associated with the University;
• loss, fraud or theft where the value of the loss is less than £25,000 but:
  • reveals systematic weaknesses of concern beyond the University;
  • is novel, unusual or complex;
  • there might be public interest because of the nature of the loss or the people concerned.

*The Memorandum of assurance and accountability between HEFCE and institutions (June 2014/12) refers.

8. Fraud policy and fraud response plan review

The Director of Internal Audit Services will review the response plan annually, or after each use in an investigation to ensure it is relevant and appropriate. Any need for change will be reported to the Audit Committee for approval.
Appendix 1

1.1 Personal conduct

The University aims to promote an organisational culture which encourages the prevention of fraud and corruption by raising awareness of the need for high standards of personal conduct. To help ensure that all employees are aware of the University’s expectations regarding standards of personal conduct, appropriate guidance is provided in the following key statements within the University Financial Regulations, Guide to Policy and Procedures and Procurement Policy.

i. Terms and Conditions of Service state that an appointment is subject to the Charter, Statutes, Ordinances and Regulations of the University and the Rules for Staff as may from time to time be in force.

ii. Compliance with the financial regulations is compulsory for all officers, staff and students. Refusal to comply with the financial regulations will be grounds for disciplinary procedures. (Financial Regulation 2.5)

iii. Professors, Readers, Senior Lecturers, Lecturers and certain other defined staff are subject to Statute XXXIII which provides for dismissal for ‘good cause’. As to other staff, the Disciplinary Code clearly states that an employee may be summarily dismissed for gross misconduct e.g. theft, fraud, deliberate falsification of records, deliberate contravention of the University’s financial regulations, etc. (Disciplinary Procedure on the HR website at www.reading.ac.uk/web/FILES/humanresources/humres-Disciplinary_procedure.pdf)

iv. A member of Council, or a member of staff, having a material, personal, financial or other beneficial interest in any transaction between the University and third parties shall disclose his or her interest in writing in advance of any discussion or decision regarding that transaction. In the case of a member of Council the disclosure should be made to the University Secretary, and in the case of a member of staff, to the Head of School or Service. (Financial Regulation 22.15)

v. University employees must never use their authority or office for personal gain and must seek to uphold and enhance the standing of the University of Reading

vi. Staff are not permitted to authorise any payment to themselves, their spouses, partners, relatives or any organisation with which they, their family or relatives have a connection, or permit a member of their staff to do so. (Financial Regulation 18.2)

vii. All members of the University staff or students must notify immediately the University Secretary or the Head of Internal Audit Services of any financial irregularity, or any circumstance suggesting the possibility of irregularity, affecting the financial procedures, cash, stores or other property of the University. Due respect will be given to the confidentiality of those raising such concerns. (Financial Regulation 22.9)

viii. It is a disciplinary matter if anyone knowingly makes a false or malicious allegation against another member of the University. (Financial Regulation 22.9)

ix. The University has also issued guidelines in respect of matters in connection with the Public Interest Disclosure Act 1998 (Whistleblowing), to ensure the highest standards of openness, probity and accountability are achieved and that employees are given legal protection against being dismissed or penalised by their employers as a result of disclosing a serious concern. The Public Interest Disclosure Policies and Proceedings, is available on the website at www.reading.ac.uk/web/FILES/office-of-the-university-secretary/Public_Interest_Disclosure_Policy.pdf

In addition, the Travel, and Other Expenses, Benefits, Hospitality and Gifts Policy (August 2014) provides guidance concerning gifts and hospitality, confidentiality, competition, declaration of interests and expenses.

Taken together, these regulations represent a statement of the framework within which officers and employees are expected to conduct themselves.

### 1.2 Systems of internal control

The next line of defence against fraud is the establishment of operating systems which incorporate adequate and effective internal controls designed to minimise the incidence of fraud, limit its impact and ensure its prompt detection. These controls include high level management controls such as budgetary control (designed to identify fraud which results in shortfalls in income or overspendings against expenditure) and organisational controls such as separation of duties, internal check and staff supervision. HR policies are also a key part of setting the culture and deterring fraud. This includes taking appropriate steps during the course of the recruitment process to reduce the risk of employing dishonest staff.

The general framework of responsibilities for financial management and the policies relating to the broad control and management of the University are documented in the Financial Regulations. The Financial Regulations are issued and updated periodically by the Director of Finance and Corporate Services following approval by the Strategy and Finance Committee on behalf of the University Council. They are binding on all officers, members of staff, students and constituent parts of the University and are distributed to Deans, Heads of Service/School/Department/Unit Managers and Financial Administrators. The Director of Finance and Corporate Services also maintains a Financial Manual which sets out in greater detail controls which should operate within the key operational systems.

The University has also established an Audit Committee and an independent Internal Audit Service which provides advice to management in respect of control matters and which conducts a cyclical programme of reviews of the adequacy and effectiveness of the systems which have been put in place (including those intended to minimise the potential exposure to fraud and corruption). Internal Audit Services also highlight any areas which they consider should be documented in greater detail within the Financial Regulations or Procedures and are able to advise on systems of internal financial control.

The University has also issued guidelines in respect of matters in connection with the Public Interest Disclosure Act 1998, to ensure the highest standards of openness, probity and accountability are achieved and that employees are given legal protection against being dismissed or penalised by their employers as a result of disclosing a serious concern.
APPENDIX 8
MEMORANDUM OF ASSURANCE AND ACCOUNTABILITY BETWEEN HEFCE AND INSTITUTIONS (JUNE 2014/12)
INCLUDING AUDIT CODE OF PRACTICE (ANNEX A)
Memorandum of assurance and accountability between HEFCE and institutions

Terms and conditions for payment of HEFCE grants to higher education institutions

The memorandum of assurance and accountability between HEFCE and the institutions we fund sets out the terms and conditions for payment of HEFCE grants. This memorandum should be read in conjunction with the ‘funding agreement’ for each institution, which gives specific conditions, funds available and educational provision agreed in return for those funds. This document supersedes HEFCE 2010/19.
Alternative formats

This publication can be downloaded from the HEFCE web-site (www.hefce.ac.uk) under Publications. For readers without access to the internet, we can also supply it on CD or in large print. For alternative format versions please call 0117 931 7431 or e-mail publications@hefce.ac.uk

© HEFCE 2014

The copyright for this publication is held by the Higher Education Funding Council for England (HEFCE). The material may be copied or reproduced provided that the source is acknowledged and the material, wholly or in part, is not used for commercial gain. Use of the material for commercial gain requires the prior written permission of HEFCE.
# Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreword</td>
<td>1</td>
</tr>
<tr>
<td>Purpose of this document</td>
<td>3</td>
</tr>
<tr>
<td>Linkage to Operating Framework and the Register of HE Providers</td>
<td>3</td>
</tr>
<tr>
<td>Requirements of other bodies</td>
<td>3</td>
</tr>
<tr>
<td>Our responsibilities</td>
<td>4</td>
</tr>
<tr>
<td>Responsibilities of universities and colleges to us and to students</td>
<td>5</td>
</tr>
<tr>
<td>Regularity and propriety</td>
<td>5</td>
</tr>
<tr>
<td>Governing bodies</td>
<td>5</td>
</tr>
<tr>
<td>Governing body members are also trustees</td>
<td>6</td>
</tr>
<tr>
<td>Accountable officer</td>
<td>6</td>
</tr>
<tr>
<td>Provision of information to HEFCE</td>
<td>7</td>
</tr>
<tr>
<td>Provision of information for students</td>
<td>7</td>
</tr>
<tr>
<td>Quality of provision</td>
<td>7</td>
</tr>
<tr>
<td>Research integrity</td>
<td>8</td>
</tr>
<tr>
<td>Sustainability of universities and colleges</td>
<td>8</td>
</tr>
<tr>
<td>Material adverse events</td>
<td>9</td>
</tr>
<tr>
<td>Other significant events</td>
<td>9</td>
</tr>
<tr>
<td>Equality and diversity</td>
<td>9</td>
</tr>
<tr>
<td>Contributing to meeting policy objectives</td>
<td>10</td>
</tr>
<tr>
<td>Other requirements</td>
<td>10</td>
</tr>
<tr>
<td>Payment of grant</td>
<td>10</td>
</tr>
<tr>
<td>Institutional engagement, support and safeguarding actions</td>
<td>10</td>
</tr>
<tr>
<td>Annual accountability returns</td>
<td>10</td>
</tr>
<tr>
<td>HEFCE Assurance Review</td>
<td>11</td>
</tr>
<tr>
<td>Data assurance</td>
<td>11</td>
</tr>
<tr>
<td>Institutional engagement and support</td>
<td>11</td>
</tr>
<tr>
<td>Safeguarding actions</td>
<td>11</td>
</tr>
<tr>
<td>Revision to memorandum of assurance and accountability</td>
<td>12</td>
</tr>
<tr>
<td>Annex A: Audit Code of Practice</td>
<td>13</td>
</tr>
<tr>
<td>Annex B: Institutional engagement, support and safeguarding actions</td>
<td>16</td>
</tr>
<tr>
<td>Annex C: Financial commitments</td>
<td>23</td>
</tr>
<tr>
<td>Annex D: Exchequer interest</td>
<td>26</td>
</tr>
<tr>
<td>Annex E: Exempt charities</td>
<td>28</td>
</tr>
<tr>
<td>Annex F: Definitions and abbreviations</td>
<td>31</td>
</tr>
</tbody>
</table>
Memorandum of assurance and accountability between HEFCE and institutions

Terms and conditions for payment of HEFCE grants to higher education institutions

To
Heads of HEFCE-funded higher education institutions
Heads of HEFCE-funded further education colleges

Of interest to those responsible for
Vice-chancellors and principals, Governing bodies, Senior management, Finance, Audit, Providers of capital, Student representatives, Other beneficiaries of regulatory assurance

Reference
2014/12

Publication date
June 2014

Enquiries to
Ian Lewis
e-mail i.lewis@hefce.ac.uk

Foreword
HEFCE is a non-departmental public body. This means that while our remit is currently set by the Secretary of State for Business, Innovation and Skills, we are not part of any government department. This enables us to act as a broker between universities, colleges and the Government ensuring the appropriate institutional freedom for teaching, research and knowledge exchange.

The Government decides on the total public funding for higher education, and we distribute this funding fairly and transparently, according to agreed principles and criteria.

Under the Further and Higher Education Act 1992, which established HEFCE, the Secretary of State is not entitled to frame his conditions of grant to us by reference to specific institutions, or to particular courses of study or programmes of research, or to the criteria for the selection and appointment of academic staff or for the admission of students. This is designed to safeguard both institutional and academic autonomy, which are widely regarded as key factors in the success of English higher education. We strongly endorse these principles which are unaffected by the Government's recent reforms of the higher education system.

Higher education in England is made up of a diverse range of institutions of varying size and complexity. To give expression to the principle of autonomy, every institution is headed by a governing body which is unambiguously and collectively responsible for overseeing the institution's activities, determining its future direction, and fostering an environment in which the
institutional mission is achieved and the potential of all students is realised. The governing body ensures compliance with the statutes, ordinances and provisions regulating the institution and its framework of governance. HEFCE funding is provided explicitly to the governing body as the institution’s ultimate authority.

In addition to their responsibilities for good governance and financial stewardship, the leadership of institutions takes account of the interests of their students. Higher education is a partnership between students and the university or college that is delivering their courses or programmes of study. Universities and colleges have responsibilities with regard to their students, and take pride in the high quality of education they provide and the wider experience enjoyed by their students. Universities and colleges are also committed to the continuous improvement of learning and teaching, and the vast majority of students have a good relationship with the institution where they study.

As accounting officer, the chief executive of HEFCE has a personal responsibility to safeguard public funds and achieve value for money as set out in HM Treasury guidance, ‘Managing Public Money’. This includes responsibility for the public funds allocated by HEFCE to higher and further education institutions and other bodies for education, research, knowledge exchange and associated purposes.

The approach to accountability described above draws on the expertise and diligence of governors, the effective academic management of institutions and an established relationship of trust between HEFCE and universities and colleges in England which serves higher education extremely well.

HEFCE, in turn, has responsibilities to protect the collective student interest – a role given more prominence in the recent government reforms – and to secure the wider public interest, particularly in relation to the funding of higher education.

In relation to the collective student interest, HEFCE remains legally responsible for making sure that the quality of learning and teaching is assessed in each university and college across England which it funds. We also assess the quality of research, enabling us to fund research selectively by supporting excellence wherever it is found, and promoting vibrant PhD and post-doctoral communities. HEFCE also has a role in respect of students by providing assurance about the financial sustainability of the universities and colleges where they are studying and the operation of policies that promote student opportunity and success. But a student’s primary relationship remains with his or her institution.

In relation to the wider public interest, HEFCE has a clear regulatory duty to ensure that universities and colleges in receipt of public funds provide value for money and are responsible in their use of these funds. We also ensure that the funding we distribute accurately reflects what is delivered. In addition, we act as the principal regulator for those universities and colleges that are exempt charities, advising the Charity Commission where appropriate. We aim to reduce the accountability burden on institutions by enabling other public bodies, wherever possible, to rely on our systems of oversight and assurance. We in turn seek to take assurance from institutions’ own systems of self-regulation and control.

The principle of institutional autonomy and the system of co-regulation on which it depends therefore relies on clear lines of accountability for the proper stewardship of public funds and on being able to demonstrate to Parliament and the public that, in the exceptional circumstance when something goes wrong, there is a clear mechanism to put it right. The purpose of the memorandum of assurance and accountability is to provide this clarity and assurance by defining the formal relationship between HEFCE, governing bodies and heads of institutions.

Professor Madeleine Atkins
Chief Executive
Higher Education Funding Council for England
Memorandum of assurance and accountability between HEFCE and institutions

Purpose of this document
1. The memorandum of assurance and accountability sets out the formal relationship, in the form of terms and conditions made under section 65 of the Further and Higher Education Act 1992, between HEFCE and the higher education institutions (HEIs) and further education colleges (FECs) that it funds, and their governing bodies and accountable officers. It reflects HEFCE’s responsibility to provide annual assurances to Parliament that:
   - funds provided to us are being used for the purposes for which they were given
   - risk management, control and governance in the higher education (HE) sector are effective
   - value for money is being achieved.
2. In addition HEFCE has to take account of the collective interest of students in how it operates. This 2014 memorandum of assurance and accountability has, therefore, been designed to address both the collective student interest and the public interest.
3. This memorandum of assurance and accountability is in two parts:
   - Part 1 sets institutional conditions of grant that apply to HEIs, but with specific conditions that also apply to FECs. Where requirements apply to both HEIs and FECs this is stated as ‘HEIs and FECs’. Where the requirements only apply to HEIs, it is stated as ‘HEIs’.
   - Part 2 sets conditions to specific grants that are paid to HEIs and FECs. It is issued each year as the ‘funding agreement’.

References to the memorandum of assurance and accountability or the memorandum embrace both part 1 and part 2.

4. For those HEIs that are exempt charities the memorandum of assurance and accountability sets out the requirements for information to enable us to carry out our responsibilities as principal regulator under the terms of the Charities Act 2011. These responsibilities apply to all the funds and assets of HEIs that are exempt charities.
5. The memorandum of assurance and accountability sets out the mandatory requirements placed on HEIs and FECs as conditions of grant.
6. HEIs are bound by the requirements of their charter and statutes (or equivalent) and by the law relating to their charitable status. This document does not supersede those requirements but is intended to complement and reinforce them.
7. This document, including the Audit Code of Practice (Annex A), takes effect from 1 August 2014.

Linkage to Operating Framework and the register of HE providers
8. The memorandum of assurance and accountability applies to HEIs and FECs in receipt of grant funding from HEFCE. This forms part of a suite of accountability arrangements, covering both access to and continued operation in the HE sector, that provide coverage across all higher education providers which have one or more of the following features:
   - its courses are validated by a listed body
   - it has degree-awarding powers
   - it has university or university college title
   - its courses have been designated as eligible for access to student finances
   - it has been designated as an HEI eligible to receive HEFCE grant funding.
9. These, and details of the register of HE providers, are set out in full in the Operating Framework1. This memorandum of assurance and accountability does not apply to alternative providers2.

Requirements of other bodies
10. It is a condition of HEFCE grant that HEIs and FECs in receipt of HEFCE grant funding subscribe to the Quality Assurance Agency for Higher Education (QAA). It is also a condition of HEFCE grant that HEIs subscribe to and provide data or

---

1 This can be found at www.hefce.ac.uk/about/intro/wip/rpg/of/
2 Alternative providers are subject to separate conditions attached to designated courses (www.hefce.ac.uk/whatwedo/reg/desig/).
other information requested by the Higher Education Statistics Agency (HESA).

11. Under the Higher Education Act 2004 HEIs are required to subscribe to the Office of the Independent Adjudicator.

12. Non-compliance with regulatory requirements or requirements of other bodies, such as QAA or HESA, may lead to a flag in the register of HE providers to alert current and prospective students and others to the non-compliance. Whether the non-compliance leads to a flag will depend on the circumstances and the impact of the non-compliance. There will be dialogue with the institution or institutions concerned to address the issues raised ahead of any decision to include a flag in the register, if that flag relates to compliance with the conditions in this memorandum. We expect the need for this escalated process to be extremely rare. Any such areas of non-compliance may also be taken into account by HEFCE in our assessment of risk, and there may be actions that flow from that assessment, as set out in our support strategy.

13. HEIs and FECs must ensure compliance with European Union state aid law in their own uses of HEFCE funding. In the case of any breach of state aid law we may be required to recover all or some funding, together with interest. HEFCE may also be required to Withhold funding or aspects of funding to any institution which is subject to a state aid enquiry or which has an outstanding recovery notice against it.

Our responsibilities

14. HEFCE provides grant funding for the provision of education and the undertaking of research by those universities, institutions conducted by higher education corporations, and institutions of higher education designated as eligible to receive HEFCE grant funding (collectively referred to as ‘higher education institutions’ or ‘HEIs’) and FECs. HEFCE has lead responsibility for public accountability for HEIs.

15. As such we will endeavour to work with HEIs and others in the higher education sector to the highest standards of openness, integrity and consistency expected of public sector bodies. We recognise that universities, other HE providers and FECs are autonomous bodies and acknowledge that HEIs and FECs accept that they are accountable for the funding they receive. We will not ask for information that we already have, and as far as possible we will rely on data and information that HEIs and FECs have produced to meet their own needs. We will make regulation efficient and effective and seek to ensure that its benefits outweigh the costs to HEIs and FECs, ourselves and other parties.

16. We will respect commercial confidentiality within the constraints of the Freedom of Information Act 2000 and our own obligations to Parliament and under the framework document with our sponsor department.

17. Our grants to HEIs are to fund activities defined by the Further and Higher Education Act 1992. For HEIs these are:

- providing education and undertaking research
- providing facilities and undertaking activities that the HEI’s governing body thinks are necessary or desirable for providing education or undertaking research.

18. We will review an HEI’s annual accountability returns to us, and give to the accountable officer and governing body a confidential risk assessment. We will not normally make our risk assessments public until three years have elapsed. This period, based on advice from the Information Commissioner, gives an HEI that is designated ‘at higher risk’ 3 time to reduce its risk classification.

19. We will make our risk assessments available within this three-year period, on an exceptional and confidential basis, to:

- other public funders and other regulators to enable those bodies to make their own assessments of risk, and
- the National Audit Office who may exceptionally need to discuss those assessments at the Public Accounts Committee or disclose them in a published report.

20. We must do this to minimise the risk to public funds distributed by those bodies or other regulatory remits they hold.

---

3 The classification of HEIs as ‘at higher risk’ or ‘not at higher risk’ is planned to be reviewed and will be the subject of a separate consultation. Consequently this wording differs from the terminology used in the 2013 Operating Framework, which is more aspirational in how this might develop.
21. We will exceptionally make public a risk assessment at any stage if we have strong grounds for believing that it is in the collective student or the public interest to do so. We will only share or publish our risk assessments after having notified the accountable officer and governing body of the HEI concerned. When we assess an HEI to be ‘at higher risk’, we will engage with it in line with our institutional engagement and support strategy (see Annex B).

22. We define an HEI as ‘at higher risk’ when in our judgement, on the basis of all available evidence, it:

- faces threats to the sustainability of its operations, either now or in the medium term
- has serious problems relating to value for money, propriety or regularity (that is, whether funds are used for the purpose intended), or
- has materially ineffective risk management, control or corporate governance.

23. More detail on how HEFCE assesses institutional risk is given at Annex B, Table 2.

**Responsibilities of universities and colleges to us and to students**

24. HEIs are required to supply HEFCE with certain information about their viability and the way they operate, because we have:

- an oversight role for regulation of higher education
- responsibility and lead public accountability for HEIs designated to receive HEFCE grant funding
- responsibility to protect the collective student interest and the public interest
- responsibility as principal regulator of those HEIs that are exempt charities
- or any combination of the above.

**Regularity and propriety**

25. A condition of grant is that HEIs and FECs must use HEFCE funds only for activities that are eligible for funding under the Further and Higher Education Act 1992, as this is the intended purpose for which the funds have been provided by Parliament. When using these grants HEIs and FECs should ensure they apply proper processes that ensure effective accountability.

26. This condition also applies where the HEI passes on part of its HEFCE grant to another legally distinct entity for the provision of facilities or learning and teaching, or for research to be undertaken. In such cases, as set down in Section 65(3A) of the Further and Higher Education Act 1992, the HEI must obtain our consent before passing HEFCE funds to the connected institution. In these circumstances the HEI awarded the funding by HEFCE will be held accountable for those funds; and the HEI should therefore ensure adequate accountability arrangements are in place when it passes on such funding to another entity.

27. Members of HEI governing bodies and accountable officers should comply with the seven principles set out by the Committee on Standards in Public Life.

28. Governing bodies and accountable officers are accountable for their decisions and actions, and must submit themselves to whatever scrutiny is appropriate to their office. They should also be as open as possible about all the decisions and actions that they take that may affect funding provided by HEFCE. HEFCE will write to the new chair of each governing body of an HEI, on appointment, drawing attention to their own and their governing bodies’ responsibilities under the memorandum of assurance and accountability.

**Governing bodies**

29. Members of governing bodies of HEIs have a set of legal responsibilities and other duties. Taken together, the responsibilities of members of a governing body and of the governing body as a whole are considerable, and must be met. The governing body of an HEI is collectively responsible and has ultimate responsibility that cannot be delegated for overseeing the HEI’s activities, to determine its future direction, and to foster an environment in which the HEI’s mission is achieved. In accordance with the HEI’s own statutes and constitution, there should be effective arrangements for providing assurance to the governing body that the HEI:

- a. Has a robust and comprehensive system of risk management, control and corporate governance. This should include the prevention and detection of corruption, fraud, bribery and irregularities.
b. Has regular, reliable, timely and adequate information to monitor performance and track the use of public funds.

c. Plans and manages its activities to remain sustainable and financially viable.

d. Informs us of any change in its circumstances which – in the judgement of the accountable officer and in agreement with the governing body – is a material change, including any significant developments that could impact on the mutual interests of the HEI and HEFCE.

e. Uses public funds for proper purposes and seeks to achieve value for money from public funds.

f. Delivers its charitable purpose for the public benefit.

g. Complies with the mandatory requirements relating to audit and financial reporting, set out in our Audit Code of Practice and in our annual accounts direction.

h. Sends us:
   i. The annual accountability returns.
   ii. Other information we may reasonably request to understand the HEI’s risk status.
   iii. Any data requested on our behalf by HESA.
   iv. Information needed to enable us to act as principal charity regulator (exempt charities only).

i. Has effective arrangements for the management and quality assurance of data submitted to HESA, the Student Loans Company, HEFCE and other funding or regulatory bodies (HEFCE reserves the right to use and publish its own estimates of data, where we are not satisfied that the HEI or FEC data are fit for purpose. HEFCE also reserves the right not to publish data). Responsibility for the quality of data used for internal decision-making and external reporting, which must be fit for purpose, rests with the HEI or FEC itself. Data submitted for funding and student number control purposes must comply with directions published by HEFCE; if in doubt an HEI or FEC should ask its HEFCE regional consultant to provide an authoritative, written ruling.

j. Has an effective framework – overseen by its senate, academic board or equivalent – to manage the quality of learning and teaching and to maintain academic standards.

k. Considers our assessment of its risk status, engages with us during the risk assessment process, and takes action to manage or mitigate the risks we agree upon.

**Governing body members are also trustees**

30. Where HEIs are charities, whether registered or exempt, members of their governing bodies are also trustees and have the responsibilities and potential liabilities that go with trustee status. They must apply the HEI’s charitable assets for the charitable purposes of the HEI and not put them at undue risk. Members who act prudently, lawfully and in accordance with the governing instrument will not find themselves liable for their actions. However, in exceptional cases HEFCE will use its role as principal regulator to refer an issue to the Charity Commission, which may then investigate and take action against trustees who have not fulfilled their roles. Trustees need to be particularly careful to ensure that the charity has the means to meet its obligations when the HEI is entering into substantial contracts or financial commitments.

**Accountable officer**

31. The head of an HEI is first and foremost responsible for leadership of the academic affairs and executive management of the HEI. The appointment (or dismissal) of the head of an HEI is governed by employment law, and this is clearly the responsibility of the governing body. HEFCE has no role, rights or responsibilities in relation to the appointment (or dismissal) of the head of an HEI, and has no wish to change this position. We presume that in a case where a head of an HEI does not discharge his or her duties or acts improperly the governing body will take appropriate action.

32. Under this memorandum of assurance and accountability, the governing body is responsible for the use of public funds. To assist and enable it to discharge this responsibility and to provide clear accountability, the governing body will designate a senior officer, normally the head of the HEI, as the ‘accountable officer’: that is, the officer who reports to HEFCE on behalf of the HEI. On being notified by, or on behalf of, the governing body of a new accountable officer, HEFCE will write to that individual explaining what the responsibilities of an accountable officer involve.
33. The accountable officer is personally responsible to the governing body for ensuring compliance with the terms of this memorandum of assurance and accountability and for providing HEFCE with clear assurances to this effect.

34. The head of an HEI as the accountable officer is also required to report to HEFCE on behalf of the HEI in relation to the requirements set out in paragraph 29. In exceptional circumstances HEFCE may take the view that the accountable officer is failing to meet these responsibilities. Faced with this position HEFCE would be obliged to respond in a fair, reasonable and proportionate way.

35. If, in the judgement of the HEFCE chief executive, there is evidence of serious failure in relation to the oversight and management of public funds, (s)he will raise this as appropriate with the accountable officer concerned, the chair of the governing body or both; provide the relevant evidence; and seek and consider a response. Experience suggests that most difficulties can be resolved through this process.

36. In extremis, and after all due process has been exhausted, the HEFCE chief executive may conclude that the accountable officer is unable or unwilling to meet his or her responsibilities under this memorandum of assurance and accountability. HEFCE may then ask the governing body to appoint someone else to report to HEFCE on behalf of the HEI. In taking this action HEFCE will not seek to influence the employment relationship between the governing body and the head of the HEI. The governing body is clearly entitled to maintain the head of the HEI in post. However, the governing body would then have to designate another senior officer as the accountable officer, and adjust the roles and responsibilities of the head of the HEI accordingly.

37. The HEI’s accountable officer, the chair of the governing body or both may be required to appear before the Public Accounts Committee alongside the chief executive of HEFCE in his or her role as accounting officer, on matters relating to grants to the HEI.

38. In the event of a prolonged absence from work or a sudden departure by the accountable officer, the clerk to the HEI’s governing body must ensure that HEFCE is made aware immediately of the identity of the interim accountable officer.

**Provision of information to HEFCE**

39. Our information requirements are set out in this memorandum of assurance and accountability and in guidance on accountability and other returns. It is a condition of grant that HEIs provide the requested accountability or other information. We keep these information requirements under review to ensure we only ask for the information we need.

40. HEIs also have an obligation to supply information to enable us to fulfil our role as principal regulator of HEIs as exempt charities under the Charities Act 2011. The information required for this is summarised at Annex E, and largely draws on existing returns that HEIs make to HEFCE.

41. HEFCE publishes an annual accounts direction, and HEIs and their external auditors must comply with it. The accounts direction states HEFCE’s financial reporting requirements.

**Provision of information for students**

42. It is a condition of funding that institutions supply data requested by HEFCE or its agents to allow for provision of information to prospective and current students. For example institutions must provide Key Information Set data annually according to the published specification and timetable, and display a ‘widget’ prominently on each main course page where the course has been included in the Key Information Set. Guidance on how to embed the widget into course pages is provided on the HESA web-site (www.hesa.ac.uk/content/view/2297/233/).

**Quality of provision**

43. HEFCE has a statutory duty to ‘secure that provision is made for assessing the quality of education provided in HEIs and FECs for whose activities they provide, or are considering providing, financial support’. In exercising this duty and in considering quality in the exercise of our other functions, we aim to ensure that students receive

---

4 We are intending to set out the information requirements more fully in the near future.

higher education provision of sufficient quality and that England’s reputation for high-quality higher education is maintained. We exercise this duty partly through contracting the QAA to review quality of provision in HEIs and FECs.

44. If an HEI or FEC receives a published judgement of ‘does not meet UK standards or expectations’ in one or more area(s) of judgement in a QAA Higher Education Review then HEFCE’s policy for addressing unsatisfactory quality will apply (see HEFCE 2013/30). This includes assessing the risk status of the HEI; we may then implement our strategy for supporting HEIs ‘at higher risk’.

45. If an HEI or FEC with a ‘does not meet’ or ‘requires improvement to meet UK standards or expectations’ judgment fails to make the necessary improvements through the QAA follow-up process, then HEFCE will take the lead, arranging regular meetings with the HEI or FEC. HEFCE steps in at this point because it has a clear regulatory interest to ensure that HEIs and FECs in receipt of public funds provide value for money and are responsible in their use of these funds, as described in this memorandum of assurance and accountability. Improvements will be expected and, in exceptional circumstances, sanctions may be applied. Our ultimate sanction is the withdrawal of some or all HEFCE funding.

Research integrity

46. Compliance with the concordat to support research integrity is a condition of HEFCE grant for all HEIs eligible to receive our research funding. Each HEI is required to confirm in its annual assurance return that it complies with the concordat, particularly in relation to its recommendations for internal processes and guidance, and for staff training.

Sustainability of universities and colleges

47. HEIs should have a financial strategy that reflects their overall strategic plan, sets appropriate benchmarks and performance indicators, shows how resources are to be used, and how activities and infrastructure will be financed. This should include how the HEI assesses and reviews its own sustainability, including the use of sustainability assessments.

48. To remain sustainable and financially viable HEIs should also assess, take and manage risks in a balanced way that does not overly constrain freedom of action in the future.

49. We normally expect that an HEI will make a surplus in line with its financial strategy for sustainability, and thus that its discretionary reserves will grow over time, all other things being equal. A series of deficits, even if covered by discretionary reserves, might cause us concern, as could low levels of liquidity or increased financial commitments. In such cases we would expect to discuss financial performance and strategy with the HEI, to understand how sustainability is assessed and to be maintained and then, if appropriate, agree an action plan. We would expect financial strategies to include how the HEI intends to address pension scheme deficits, including participation in multi-employer pension scheme recovery plans.

50. HEIs must apply the following principles when entering into any financial commitments:

a. The risks and affordability of any new on- and off-balance sheet financial commitments must be properly considered.

b. Financial commitments must be consistent with the HEI’s strategic plan, financial strategy and treasury management policy.

c. The source of any repayment of a financial commitment must be clearly identified and agreed by the governing body at the point of entering that commitment.

d. Planned financial commitments must represent value for money.

e. The risk of triggering immediate default through failure to meet a condition of a financial commitment should be monitored and actively managed.

51. The primary responsibility for assessing the affordability of, and risks around, financial commitments rests with HEIs’ governing bodies. HEFCE’s role is to assess whether any financial commitments entered into by an HEI present challenges to the HEI’s sustainability that could impact adversely on the past and continuing public investment in an HEI, become a call on public funds, or adversely affect the collective student...
interest. An institution must get written permission from us to increase its earnings before interest tax depreciation and amortisation (EBITDA)-based threshold, before it agrees to any new financial commitments where its total financial commitments would increase to above five times its average EBITDA-based surplus.

52. Annex C sets out how the EBITDA-based financial commitments threshold is calculated, as well as the information we need to assess requests to increase the threshold. When we designate an institution as ‘at higher risk’ any increase in its financial commitments (regardless of the threshold) will require written permission in advance.

53. The threshold is not a limit, and should not deter an institution from increasing its financial commitments where appropriate. An institution should determine the level of its financial commitments that are both affordable and consistent with its financial strategy. In any case presented to us we ask the institution to demonstrate this, to show that the proposal represents good value, and to confirm the approval of its governing body. In responding to requests for consent we aim to be helpful and pragmatic, taking into account the circumstances of each proposal.

54. As part of ensuring its long-term viability, an HEI should know the full cost of its activities and use this information in making decisions. If it does not seek to recover the full cost, this should be the result of a clear policy set by the governing body and included in the financial strategy, and should not put the HEI in financial difficulty. We do not expect public funds to subsidise non-public activities.

55. The Financial Sustainability Strategy Group is overseeing the development of sustainability assessments. A pilot scheme has been operating and HEIs provided these assessments voluntarily in December 2013. We welcome the Committee of University Chairs’ willingness to consider including these sustainability assessments in its revised Governance Code of Practice and General Principles. The assessments will be of benefit to HEIs’ governing bodies, and will be valuable assurance to HEFCE and the Research Councils. Adoption within the revised Committee of University Chairs’ code of practice would respect the principle of self-regulation and enable the assessments to serve multiple purposes, such as institutions’ own going-concern assessments, thus reducing any burden on institutions.

56. HEIs should manage their estate in a sustainable way, in line with an estates strategy and the requirements of HEFCE’s Capital Investment Framework. HEIs are required to have carbon management plans in accordance with guidance in HEFCE 2010/02, and performance against these plans is a factor in determining future capital allocations.

Material adverse events

57. The HEI’s accountable officer must report any material adverse change without delay – such as a significant and immediate threat to the HEI’s financial position, significant fraud, or impropriety or major accounting breakdown – to all of the following:

- the chair of the HEI’s audit committee
- the chair of the HEI’s governing body
- the HEI’s head of internal audit
- the external auditor
- the HEFCE chief executive.

Other significant events

58. The HEI’s accountable officer must also inform HEFCE about major changes in strategy, plans for major restructuring or merger with another institution or organisation.

59. The governing body must inform HEFCE’s assurance service without delay of the removal or resignation of the external or internal auditors before the end of the term of their appointment.

Equality and diversity

60. The Equality Act 2010 makes unlawful discrimination on the grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex or sexual orientation. It introduced a public sector equality duty requiring HEIs and HEFCE to show due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between protected groups.

---

7 www.hefce.ac.uk/pubs/year/2010/201002/
8 Defined as fraud of £25,000 or higher.
61. This law applies to employment; education; the provision of goods, facilities and services; the management of premises; and the exercise of public functions. For the HE sector, the legislation applies to both staff and students, before, and during the relationship with the HEI, and for any dealings arising out of a past relationship.

62. HEFCE’s Equality and Diversity Scheme (www.hefce.ac.uk/pubs/year/2012/201203/) sets out the actions taken to meet the equality duty both as a provider of public funds and as an employer. Every HEI should, as a minimum, comply with the Equality Act’s requirements, and HEFCE will monitor HEIs’ progress with regard to equality and diversity.

Contributing to meeting policy objectives
63. We expect HEIs to consider how their actions affect our policy objectives for the higher education sector, as set out in our strategy statement9.

64. All HEIs and FECs that are in receipt of HEFCE Student Opportunity funding from 2014-15 are required to provide a submission to HEFCE. For further details see www.hefce.ac.uk/whatwedo/wp/current/howfund/

Other requirements
65. HEIs are required to subscribe to Jisc from August 2014 to July 2017. This will enable Jisc to have financial stability in the short-term during the transition towards lower grant funding and increased reliance on subscriptions.

66. HEIs and FECs must ensure that their use of JANET and SuperJANET networks conform to acceptable practice and current legislation.

67. There is an Exchequer interest that has built up over time in HEIs in receipt of HEFCE capital funding. These HEIs entered into an agreement with HEFCE effective from 1 August 2006. These institutions and any others that have received capital funding since then are required to follow the conditions set at Annex D.

Payment of grant
68. Each year we determine how much money to allocate to each HEI or FEC. HEIs and FECs should use this money only for the purposes we are empowered to fund, as defined in the Further and Higher Education Act 1992 or other relevant legislation.

69. We may withhold or require an HEI or FEC to repay part or all of a grant if it does not comply with the conditions we attach to the grant or if it has been incorrectly over-funded. In cases where we require repayment we may charge interest, at 2 per cent above the Bank of England base rate, for the period before the HEI or FEC repays the funding to us.

Institutional engagement, support and safeguarding actions
70. As a public sector funding body HEFCE must be confident that the bodies it funds have adequate and effective risk management, control and governance arrangements to protect the investment of public funding; and arrangements for delivering value for money (VFM) from public funds.

71. HEFCE’s accountability framework has three main strands designed to give HEFCE the necessary confidence while minimising burden on the sector. The strands are:
   • annual accountability returns
   • HEFCE Assurance Reviews
   • data assurance.

72. As far as possible the accountability process between HEFCE and HEIs is concentrated into an exchange of documents and dialogue during a specific period following the end of the financial year. We will confirm the specific content of this exchange each year and consult the sector on any major changes to the process. Our aim is to minimise our demands on HEIs, and as far as possible to rely on data and information that they have produced to meet their own needs.

Annual accountability returns
73. HEFCE takes assurance from a suite of accountability returns, including audited financial statements, financial forecasts and independent audit reports, which must be submitted to HEFCE by a specified date or dates. They provide HEFCE with a view of each HEI’s risk management, control and governance, financial sustainability, arrangements for promoting VFM and managing

---

9 See www.hefce.ac.uk/about/howweoperate/strategystatement/
and quality assuring data. By using information and assurances, much of which is needed for internal management and assurance purposes by the HEI, HEFCE is able to minimise its audit requirements and reduce burden. See paragraphs 78 to 80 below on institutional engagement and support.

74. The annual accountability returns are analysed by HEFCE, which then carries out a risk assessment of each HEI. The risk assessment is reported to the governing body and accountable officer – see Table 2 of Annex B. For those we consider to be ‘not at higher risk’ (our experience to date suggests that this is the vast majority) there will be no need for further information or discussion of accountability until the following year’s return, except in the case of an unanticipated change in circumstances. Sometimes we ask for more information to clarify uncertainties.

**HEFCE Assurance Review**

75. The HEFCE Assurance Review (see HEFCE Circular letter 25/2006) is a short site visit to HEIs to ensure that there are suitable accountability processes within each HEI to assure the validity of its annual accountability returns. This helps us validate the systems of self-regulation on which we rely.

**Data assurance**

76. HEIs and FECs are required to supply HEFCE with data to inform allocations of funding and for other purposes. The responsibility for the quality and accuracy of that data rests with the HEI or FEC. HEFCE relies on the institution’s own data assurance processes where possible.

77. HEFCE monitors the reasonableness of data and undertakes verification, validation and reconciliation work between HESA data and other datasets. HEFCE may undertake audits at an HEI or FEC if it deems this necessary. Data audits will assess the strength of institutional systems and controls as well as assessing the accuracy of the data submissions.

**Institutional engagement and support**

78. When we assess an HEI as being ‘at higher risk’ we must respond appropriately, to protect the public and the collective student interest. Our institutional engagement and support strategy (see Annex B) describes the range of ways in which we might respond to help HEIs resolve difficulties and manage risks. We will always discuss our concerns with the HEI’s accountable officer, and take his or her views and actions into account, before we formally make an ‘at higher risk’ designation. We will also try to reach agreement on what needs to be done. When we consider the HEI to be no longer at higher risk, we will write to its accountable officer and its governing body to confirm this.

79. Beyond the exchange of accountability information each year, we welcome the opportunity for regular and informal discussions with HEIs about their plans and developments. We believe this will help us to work together and reduce the risk of misunderstanding.

80. In response to requests from HEIs our annual risk letters also provide high level feedback to governing bodies on a number of quantitative measures and highlight any issues that we wish to bring to the HEI’s attention but do not regard as sufficiently serious to warrant ‘at higher risk’ status.

**Safeguarding actions**

81. Our institutional engagement and support strategy, and risk assessment process, has been described in paragraphs 70 to 80 above and is set out in detail at Annex B.

82. If an HEI fails to take any agreed action HEFCE will seek explanations and, if appropriate and justified, issue warnings to improve.

83. If the HEI still fails to address the risks and issues then the HEI will be informed that one or more of the safeguarding actions will be applied. This is very much a last resort and an action that we would not expect to take often.

84. The two safeguarding actions at HEFCE’s disposal, which could be deployed if other routes to secure compliance are not successful, are:

a. Financial – through the recovery of grant funding or the denial of access to future grant funding, including access to specific grants or to discretionary funding, such as the Catalyst Fund. Ultimately HEFCE can withdraw funding entirely, should circumstances warrant such action.

b. Information – through making public our concerns about an HEI where there are strong grounds to do so and where this is in the public or collective student interest (both current and prospective students, and past students where relevant). This could include an entry in the HEFCE register of HE providers.
85. In addition HEFCE may:

- provide advice to OFFA where there are issues around access
- provide advice to the Charity Commission where an HEI may have breached its charitable obligations
- provide advice to the Equality and Human Rights Commission where discrimination may have occurred.

86. The Agreement on institutional designation (HEFCE Circular letter 15/2014, available online at www.hefce.ac.uk/pubs/year/2014/cl152014/) has been developed with Universities UK, GuildHE and the Association of Colleges to ensure that accountability for public funds continues to be effective following the Government’s reforms of the funding of higher education. The Agreement is effective from 1 August 2014 until 31 July 2017. Any actions that HEFCE might take under that Agreement may also lead to actions under this memorandum.

**Revision to memorandum of assurance and accountability**

87. We will make material revisions to this document only after consulting the higher education sector or its representative bodies, as appropriate.
Annex A

Audit Code of Practice

Overview

1. In this Audit Code of Practice (the Code) the word ‘must’ denotes a mandatory requirement under the memorandum of assurance and accountability, whereas ‘should’ denotes our view of good practice.

2. The Code sets out what we require higher education institutions (HEIs) to have in place to provide themselves and us with adequate assurance on good governance, internal controls, the management of risk and achieving value for money (VFM). How these requirements are met is for HEIs to decide themselves.

Governing bodies of HEIs

3. The responsibilities of governing bodies are set out at paragraph 29 of the memorandum of assurance and accountability. Governing bodies are also responsible for the appointment and removal of external and internal auditors. Governing bodies are also responsible for appointing outsourced internal audit providers, on the advice of the Audit Committee, and for choosing to move between outsourced and insourced internal audit provision, also after taking advice from the Audit Committee. Staff appointments and terminations for insourced internal audit staff are a matter for management, with the Audit Committee advising on the appointment and termination of the Head of Internal Audit.

Audit committees in HEIs

4. Each HEI must have an audit committee which follows best practice in HE corporate governance. The audit committee is responsible for assuring the governing body about the adequacy and effectiveness of:

- risk management, control and governance
- VFM
- the management and quality assurance of data.

5. The Committee of University Chairs has published detailed guidance about audit committees (HEFCE 2008/06). This reflects best governance practice, and HEFCE expects HEIs to take account of such guidance in meeting the required standards (see paragraph 12 below) or explain why the guidance is not being applied and good practice is not being followed.

6. An audit committee can undertake whatever work it considers necessary to fulfil its role. This should include assuring themselves about the effectiveness of their internal audit function and their external auditors. Audit committees will only be able to provide the necessary assurances if they are supported by suitably resourced internal audit and external audit functions, operating to recognised professional standards. They should also consider evidence based assurances from management.

7. Members of the audit committee must not have executive authority. Audit committees should include a minimum of three lay members of the governing body. Audit committee members should not be members of an HEI’s finance committee or its equivalent. This is because it would create a potential conflict of interest when the audit committee is considering issues involving the finance committee. If an HEI’s governing body determines that cross-representation involving one member is essential, this should be the subject of an explicit, recorded resolution, which sets out the rationale for such a decision – but it should not be an option for the chair of either committee or the chair of the governing body.

8. The committee must produce an annual report for the governing body and the accountable officer. The report must cover the financial year and include any significant issues up to the date of signing the report and its consideration of the financial statements for the year. The report must be presented to and reviewed by the governing body before the audited financial statements are signed.

---

10 As described in HEFCE 2008/06.
9. The report must include the committee’s opinion on the adequacy and effectiveness of the HEI’s arrangements for:

- risk management, control and governance
- economy, efficiency and effectiveness (VFM)
- management and quality assurance of data submitted to the Higher Education Statistics Agency, the Student Loans Company, HEFCE and other bodies.

10. The final annual report to the governing body and the accountable officer must be shared with HEFCE each year.

**Internal audit arrangements in HEIs**

11. Internal audit is a vital element in good corporate governance since it provides governing bodies, audit committees and accountable officers with independent assurance about the adequacy and effectiveness of risk management, control and governance, and VFM.

12. Consequently each HEI must have a suitably resourced internal audit function which must comply with the professional standards of the Chartered Institute of Internal Auditors. Internal audit terms of reference must make clear that its scope encompasses all the HEI’s activities, the whole of its risk management, control and governance, and any aspect of VFM delivery.

13. The internal audit service must produce an annual report which must relate to the financial year and include any significant issues, up to the date of preparing the report, which affect the opinions. It must be addressed to the governing body and the accountable officer and must be considered by the audit committee.

14. The report must include the internal auditor’s opinions on the adequacy and effectiveness of the HEI’s arrangements for:

- risk management, control and governance
- economy, efficiency and effectiveness (VFM).

15. The final annual report to the governing body must be shared with HEFCE each year.

16. The head of internal audit must have direct access to the HEI’s accountable officer, the chair of the audit committee and, if necessary, the chair of the governing body.

17. Where internal audit is provided from an outside source, market testing should be undertaken at least every five years.

**External audit arrangements in HEIs**

18. External audit must provide an opinion to the governing body on whether funds (including public funds) have been applied for the intended purposes and on whether the financial statements provide a true and fair view of the financial results for the year. External audit must also form a view about whether an HEI is a going concern. External auditors of HEIs do not have a duty of care to HEFCE.

19. HEIs may ask external auditors to provide additional services. The audit committee must agree all significant matters with a bearing on the auditor’s objectivity and independence. Additional work must not impair the independence of the external audit opinion.

20. HEIs must disclose separately, by way of a note to the financial statements, the fees paid to their external auditors for other services.

21. External auditors must issue a report (or reports, if more than one, covering different stages of the annual audit) to those charged with governance which records accounting issues and control deficiencies arising from the audit. HEFCE would expect any issues around the use of charitable assets for non-charitable purposes to be highlighted in such reports. The HEI’s management must provide written responses to any recommendations made or issues raised. The report(s), including management response, is one of the annual accountability returns which must be submitted to HEFCE.

22. The report(s), with management responses, must be made available to the HEI’s audit committee in time to inform the committee’s annual report.

**Audit report**

23. The external auditors must report whether in all material respects:

a. The financial statements give a true and fair view of the state of the HEI’s affairs, and of its income and expenditure, recognised gains and losses, and statement of cash flow for the year.
They should take into account relevant statutory and other mandatory disclosure and accounting requirements, and HEFCE requirements.

b. The financial statements have been properly prepared in accordance with UK general accepted accounting principles and the ‘Statement of recommended practice: accounting for further and higher education’, and relevant legislation.

c. Funds from whatever source administered by the HEI for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.

d. Funds provided by HEFCE have been applied in accordance with the memorandum of assurance and accountability and any other terms and conditions attached to them.

e. The requirements of HEFCE’s accounts direction have been met.

24. Auditors should have regard to the specific requirements of the memorandum of assurance and accountability such as compliance with those relating to increases in financial commitments thresholds, or other issues of non-compliance, in their management letters or reports, as set out in paragraph 21 above.

25. Market testing should be undertaken at least every seven years. One named individual partner in the firm is normally responsible for the HEI’s audit; he or she should not hold this position for more than ten consecutive years.

**HEFCE access to auditors**

26. HEFCE may wish to communicate with an HEI’s external or internal auditors, particularly in connection with a HEFCE Assurance Review and should have unrestricted access to do so. This will normally be arranged through the HEI’s accountable officer or representative. HEFCE will exchange letters where necessary with both parties to deal with confidentiality and the terms under which access is given.

**Provision of audit services**

27. Internal and external audit services must not be provided by the same firm or provider.

**Auditors’ access to information**

28. Internal and external auditors must have unrestricted access to information – including all records, assets, personnel and premises – and be authorised to obtain whatever information and explanations the head of internal audit service or the external auditor considers necessary.

**Restriction on auditors’ liability**

29. Where the internal audit service is provided through a contractual arrangement with an external provider, the provider may ask the HEI to agree to a restriction in the internal auditors’ liability arising from any default by the auditors. Normally such liability should be without limit. However, HEIs may negotiate a restriction in liability so long as the decision is made on an informed basis and the liability remains at such a level as to provide reasonable recourse for the HEI. The governing body, through the audit committee, must be specifically notified of any request for a liability restriction.

30. HEIs must not agree to any restriction in external auditors’ liability in respect of the external audit of their annual financial statements.

31. For other types of work performed by the external auditors, the provider may ask the HEI to agree to a restriction in the auditors’ liability arising from any default by the auditors. However, as with internal audit services, HEIs may negotiate a restriction in liability if the decision is made on an informed basis and the liability remains at such a level as to provide reasonable recourse to the HEI. The governing body, through the audit committee, should be notified of any liability restriction agreed.

**Appointment, removal or resignation of internal and external auditors**

32. Governing bodies are responsible for the appointment and removal of external and internal auditors. Where auditors cease to hold office for any reason, they should provide the governing body with either a statement of any circumstances connected with their removal which they consider should be brought to the governing body’s attention, or a statement that there are no such circumstances. Any such statements must also be sent to HEFCE by the accountable officer.
Annex B
Institutional engagement, support and safeguarding actions

Introduction
1. This annex sets out how we will engage with and support higher education institutions (HEIs) and our related bodies\textsuperscript{11} on matters relating to accountability and risk assessment. It also describes what will happen when, as a result of our assessment, we find there to be significant risks either to the organisation itself or to the collective student or public interest that HEFCE is charged to protect. Our risk assessment methodology is summarised in Table 2. The strategy applies to our work both as funder of higher education and as principal regulator on behalf of the Charity Commission.

2. The principles underlying our institutional engagement and support strategy are that we will:

\begin{itemize}
  \item respect the independence of HEIs and the status of each related body
  \item protect the collective interests of students, the public and the taxpayer
  \item maintain an open dialogue on matters of mutual interest
  \item seek to intervene only when necessary but we will do so vigorously, using the full extent of our powers, when we judge that an institution’s management and governors are not effectively addressing risks to public funds and the collective interests of students
  \item be open with the HEI or related body in our risk assessment and requirements and, if warranted, on student or public interest grounds, disclose our risk assessments publicly
  \item ensure our involvement is proportionate to the risks
  \item end our enhanced involvement as soon as possible.
\end{itemize}

3. In broad terms there are three levels at which HEFCE may engage with institutions:

\begin{itemize}
  \item normal contact
  \item focused dialogue (in cases where we are supporting an institution’s change or development or where we perceive there to be medium-term risks which, if not addressed, will put the institution at higher risk)
  \item support strategy (for institutions at higher risk or institutions which in HEFCE’s view will be at higher risk if decisive action is not taken).
\end{itemize}

Each of these is dealt with in detail below.

Normal contact
4. As part of our routine engagement with institutions and related bodies we will want to understand their mission, strategy and operational plans. This will help us to make appropriate responses to the needs of the institution and the higher education sector, and to gain assurance about matters that affect the delivery of our own objectives. There will often be a formal visit by the HEFCE institutional team to the institution in each year, sometimes in addition to more frequent and less formal exchange of information and views. It is also part of our normal contact to discuss an institution’s accountability returns and give feedback, as part of the annual accountability returns exercise.

Focused dialogue
5. There are occasions when it is to the advantage of both HEFCE and institutions to explore issues in more detail. For example, an institution may wish to secure our support for particular plans, and we will want to understand how best to provide help to meet its development needs and fit with our wider objectives for the sector. Likewise, we may wish to discuss with an institution whether there are opportunities to improve its performance or work collaboratively with others. There will also be cases where an institution’s risks are increasing because of

\textsuperscript{11} Related bodies are organisations, not HEIs or further education colleges, that help and support HEFCE in delivering its objectives. These include Jisc, the Quality Assurance Agency for Higher Education and the Higher Education Statistics Agency.
strategic reasons, for instance, changes in student demand or increased competition, its performance or its internal control arrangements; At such times HEFCE will seek to engage to try and ensure that the risks are appropriately addressed.

**Support strategy**

6. We have a risk assessment system covering all institutions and related bodies. This draws on the information we routinely collect through the annual accountability returns exercise and on other information such as research and teaching quality assessments. Sometimes we will ask for more information to clarify our understanding. There are currently two risk categories: ‘not at higher risk’ (the vast majority of HEIs at any time) and ‘at higher risk’ (for a small number of institutions).

7. Through these annual returns or other contacts with an institution or a related body, there may be issues that require further discussion. All institutions and related bodies face business and operating risks. The issue is therefore about managing risk, putting in place systems to identify, mitigate and report on risk. In many cases, as a result of further discussions, we will conclude quickly that there is no need for any further action.

8. When we have major concerns we need to intervene to protect the collective student interest and the wider public interest. We will firstly discuss these issues with senior management, specifically the accountable officer (of an HEI) or chief executive (of a related body). We will seek a common understanding of the issues, clarify what actions have already been taken or are planned, and if necessary then agree an appropriate support strategy. Table 1 sets out the range of possible actions, though sometimes we will agree a different approach with an HEI or related body.

9. The HEFCE associate director responsible for dealings with the HEI or related body will lead our support activity, but a relevant senior manager – the HEFCE regional consultant or relationship manager in the case of a related body or assurance consultant – will manage the day-to-day engagement. In exceptional cases, our chief executive will become involved. The process will be overseen by our audit committee and individual cases reported to the HEFCE Board. The role of the HEFCE audit committee is to advise on process, whereas the role of the HEFCE Board is, where required, to form a judgement.

10. When an institution receives a published Quality Assurance Agency for Higher Education (QAA) review judgement of ‘does not meet UK expectations’ or ‘requires improvement to meet UK expectations’ in one or more areas, the first stage in addressing the identified issues is led by the QAA.

11. When the issues remain unresolved HEFCE will take the lead in a second stage: improvements will be expected and, in exceptional circumstances, sanctions applied. If an institution or related body does not address its problems to our satisfaction, it might be in the interest of current and prospective students and the public for us to disclose our risk assessment (see paragraph 84 of the main text). In the case of unsatisfactory quality the QAA may make its concerns public as set out in paragraph 10 above. We expect this to be a rare occurrence, because in our experience institutions generally do take appropriate action.

12 See HEFCE 2013/30 for details of HEFCE’s policy to address unsatisfactory quality in institutions from 2013-14.
Table 1 **HEFCE support strategy for HEIs and related bodies ‘at higher risk’**

<table>
<thead>
<tr>
<th>Possible HEFCE actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
</tr>
<tr>
<td>We may require institutions to make changes as conditions of grant if we feel that risks to our funding and the interests of students and the public are not being addressed. We will only do so after due consideration and consultation, and only on the basis of appropriate advice. Thus it will always be our intention to make only reasonable demands of institutions. The actions that we might take are escalatory, and we will not escalate our actions until we have exhausted prior stages in the engagement and support strategy. However, there may be circumstances where it is necessary to take action more urgently. If institutions do not comply with conditions of grant, then after we have exhausted the elements of the support arrangements, we will consider withdrawing grant in part or in full and making public our risk assessment. We see this as a last resort. In addition to the actions below we will consider any other action that we believe is necessary to support institutions at risk and protect the interests of the public, the taxpayer and the collective interest of students.</td>
</tr>
</tbody>
</table>

| At governor and senior manager level we: |
| a. Will engage with senior management, including the accountable officer. |
| b. Will assess the institution’s compliance with the memorandum of assurance and accountability, including the requirement to have effective management and quality assurance arrangements over data supplied to the Higher Education Statistics Agency, the Student Loans Company, HEFCE and other funding bodies. |
| c. Will inform the governing body of any change in risk assessment and seek commitments to improvement. We will notify other public funders, as appropriate, of any ‘at higher risk’ assessment, and exceptionally we will make such an assessment public at any time where we consider it to be the collective interest of students or the public to do so. |
| d. Will engage directly with the chair of the governing body, the chair of the audit committee or both. |
| e. Will engage with the whole governing body and, if necessary, take steps to ensure improvements are made to governance arrangements. |
| f. May require observer status at governing body or audit committee meetings to enable us to assess whether our specific concerns are properly understood and are being addressed. This could be for individual meetings or over a period of time. Our observer will always be a senior HEFCE officer. |
| g. May request the appointment of interim managers, where we consider the institution has insufficient capacity to address its risks properly. |

| Regarding information and audit we may: |
| a. Require or commission additional information, reports and data relating to the risks. |
| b. Require that information and reports be audited. |
| c. Request changes to internal or external audit arrangements. |
| d. Undertake or commission audit investigations. |
Regarding planning and strategy we may:

a. Require or commission a recovery or action plan.

b. Discuss possible changes to strategic plans and market positioning.

c. Explore collaborative opportunities with other institutions.

Regarding funding we may:

a. Re-profile grant to assist an institution that has a cash flow difficulty.

b. Consider the use or withdrawal of special funding.

c. Attach special conditions to grant.

d. Reduce or withdraw funding.

e. Use our own estimates of data where we are not satisfied that information from the institution can be relied on.

As risks decline we will:

a. Inform the institution (and others who may have been notified of our risk assessment) about changes in our risk assessment.

b. Remove special conditions of grant and other requirements.
## Table 2 HEFCE institutional risk system

### Introduction
HEFCE’s management of risk obliges it to assess the risk to the collective interests of students and to public funds or the activities provided from those funds posed by institutions. We maintain an assessment of each HEI, which focuses on the three areas of risk identified in paragraph 22 of the memorandum of assurance and accountability:

- institutional sustainability
- value for money, propriety or regularity
- risk management, control or governance.

### Sources of information
We have a number of mechanisms and sources for enabling us to assess risk, including:

a. **The annual accountability returns process** in which institutions submit a range of information and returns relating to financial performance and forecasts, student numbers, the use of funds and risk management, control and governance and sustainability assessments.

b. **Our own institutional audit processes**, including data audits and cyclical assurance visits, which are designed to provide assurance on institutions’ accountability returns.

c. **The continuing dialogue that we have with each institution** about their changing priorities and strategies, and their reporting of material events.

d. **Information from other sources** including public bodies that might potentially impact on our concerns with sustainability, among other issues. For example, we have memoranda of understanding with other funders of HEIs that commit us, on a confidential basis, to share information which could have a bearing on each other’s assessments of the risk to funds. This furthers part of our commitment to minimise the accountability burden on institutions.

e. **Indicators** that we do not monitor systematically for the purpose of institutional risk but which, at times and in specific institutional cases, could have a bearing on our risk assessments. For example, quality assurance judgements, any implications under our policy for addressing unsatisfactory quality (HEFCE Circular letter 29/2013, available online at [www.hefce.ac.uk/pubs/year/2013/cl292013/](http://www.hefce.ac.uk/pubs/year/2013/cl292013/)) or National Student Survey outcomes.

f. **Information given to us through public interest disclosures** but only when substantiated in dialogue between us and the institutions concerned.

g. **Other sources** of publicly available data.

### Our risk assessment
Our assessment of the risk to financial sustainability is based on historical (two years) and forecast (four years) financial information supported by a narrative commentary. A number of indicators are employed as set out below. We perform assessments throughout the year on an ongoing basis and as necessary. We have internal benchmarks for each of these indicators which help us to flag concern. We also try to look beyond the snapshot position which the indicators represent to an institution’s trends and how its performance compares with the sector and its peers. We feed back key parts of our financial assessment to each institution in our annual risk letter. The current indicators are:
• historical cost surplus as percentage of total income
• cash flow from operations as a percentage of total income
• liquidity expressed in days
• affordability of financial commitments
• discretionary reserves as percentage of total income
• staff costs as percentage of total income.

We develop and supplement these indicators over time and in response to individual cases.

Our assessment of risk relating to the use of public funds is concerned with all public funds being used for the purposes intended by Parliament (regularity), fraud and impropriety being prevented or dealt with effectively, and value for money (economy, efficiency and effectiveness) being pursued in the application of those funds. We do not normally audit these matters directly ourselves but derive information for our risk assessment from these sources:

a. The annual submission by HEIs of the reports of the governing body, audit committee, accountable officer and internal and external auditor.

b. Information and evidence from institutions themselves and other organisations and sources that indicate any material misuse of funds. From time to time we may receive information through these routes relating to any aspects of an institution’s operations or provision that could cause us to reconsider our risk assessment. We would make such a judgement on a case-by-case basis having consulted with the institution concerned.

Our assessment of institutional risk management, control and governance is concerned with ensuring that public funds are being administered by well run corporations and that the collective interests of students are not at risk. In addition to information on finances and the use of funds, our own data and assurance audits enable us to corroborate institutional assurances. Overall, the regular sources of information for this risk assessment include:

• the annual accountability returns, including the governance and accountable officers’ assurances
• the outputs of the institution’s internal and external auditors
• information from other public bodies
• HEFCE’s own audit and assurance work.

---

**Risk notification**

The work undertaken by HEFCE, augmented by information from other sources, enables us to make an annual risk assessment. For the majority of institutions this results in a letter from the HEFCE chief executive to the accountable officer, normally by the end of April advising that in HEFCE’s judgement the institution is not at higher risk. We ask that all our risk letters be communicated to the governing body. For some institutions a second risk letter may be issued in the autumn following assessment of their financial forecast submissions.

In some cases, the HEFCE assessment letter notifying that an institution is not ‘at higher risk’ will be qualified by comments alerting the institution to concerns we have that need to be addressed and which, in some cases, if not addressed, may lead to a worsening of the institution’s risk status. The comments can include a range of issues, including financial performance, future
sustainability, strategic challenges and issues of non-compliance with accountability requirements. Some of these matters are more serious than others. We will endeavour in such cases to explain the issues fully, and we expect that our concerns will be considered and dealt with by the institution.

In a small number of cases, HEFCE’s judgment will be that an institution is ‘at higher risk’. This assessment is most likely to be made for financial reasons. Whatever the reason for the judgment, the process of making and communicating the judgment is very thorough and will be communicated to the institution concerned and the support strategy, as outlined at paragraphs 6 to 10 and Table 1 of this annex, will come into play.
Annex C
Approval of increases in a financial commitment threshold

Introduction
1. An institution must get prior written approval from us to increase its financial commitments threshold¹³, before it agrees to any new financial commitment meeting either of the following criteria.

a. Where total financial commitments (long-term and short-term) exceed five times its average earnings before interest tax depreciation and amortisation (EBITDA).

b. Where it is assessed by us as being at higher risk.

Definitions

Average EBITDA
2. The average is based on six years’ EBITDA (as defined by the British Universities Finance Directors Group – see www.bufdg.ac.uk/ViewDocument.aspx?t=1&ID=2131&GUID=1e60d938-3bd4-4f65-ba23-359bc3e5f4f&dl=1), as provided in the July financial forecasts.

Financial commitment
3. Financial commitments should be defined as those that are on balance sheet, in accordance with accounting standards, recognising that these may change from 2015-16 with the adoption of Financial Reporting Standard 102.

4. Financial commitments include:
   • all financial commitments, whether self-financing or not, drawn or undrawn
   • finance leases
   • Private Finance Initiative arrangements which are accounted for as loans or finance leases in accordance with the requirements of Statement of Standard Accounting Practice 21 or Financial Reporting Standard 5
   • repayable grants, such as from the HEFCE Catalyst Fund.

5. In calculating the threshold financial commitments pension fund liabilities and all provisions should be excluded.

6. Where existing financial commitments exceed institutions’ EBITDA-based threshold at 31 July 2014, HEFCE will automatically provide approval for the higher financial commitment threshold, though any changes to financial commitments after this date will require approval. As part of this transition, we may need to engage with some institutions about their ability to service their financial commitments.

7. Where a university or college exceeds its financial commitments threshold in the future because of a decline in its EBITDA, it need not apply for a higher threshold. However, this is likely to lead to engagement with that institution about its ability to service its financial commitments.

Our response
8. We take a risk-based approach to each institution’s application for a higher financial commitments threshold. This approach will determine whether the application is considered by the HEFCE Chief Executive or by the HEFCE Board. We will aim to respond to applications within 15 days of receiving the relevant information, although this period may be longer where approval by the HEFCE board is necessary (we will advise institutions when this is the case). We therefore expect institutions to include their financial commitments plans as far as possible in their annual financial forecasts submissions, to enable HEFCE to review them at an early stage. Institutions are also advised to discuss their plans informally with HEFCE at an early stage. Where HEFCE approves the application for a higher financial commitments threshold, we will write to the institution setting out the revised threshold. As part of this approval we may set out additional conditions which will need to be adhered to.

¹³ The threshold will be five times the average EBITDA surplus, or a multiple above five times the EBITDA surplus where agreed by HEFCE.
Information required

9. All applications for a higher financial commitments threshold must be signed by the accountable officer. In signing the application, the accountable officer is confirming that the institution’s governing body has reviewed the terms and conditions of the financial commitment providing assurance over value for money, and has reviewed affordability and compliance with banking covenants under different scenarios (meaning that the proposed financial commitments have been stress tested). In addition we ask for confirmation that the student interest has been considered in any application.

10. We set out in Table 3 the information we require to consider a request for an increase in the financial commitments threshold. This addresses the issues on which we would expect the institution’s own governing body to seek assurance before approving additional financial commitments. The main focus is on affordability and risk, not necessarily on the individual project.

Table 3 Information required by HEFCE to consider a request to increase a financial commitments threshold

Financial commitments

1. There should be a reasonable case for the new investment.

Information required:

a. A brief description of the new investment.

b. An explanation of how it broadly fits with the institution’s mission and strategic priorities.

c. Confirmation that the institution has considered appropriate guidance on appraising investment decisions.

d. A description of how the student interest will be taken into account.

2. The new financial commitments or refinancing arrangement (where these will result in an increase to financial commitments threshold) should be consistent with the institution’s financial strategy and represent good value for money.

Information required:

a. An explanation of why additional finance or refinancing is necessary and how this fits with the financial strategy.

b. The forms of finance considered and the selection process and criteria.

c. The net present value for each financing option, and a brief explanation of why the chosen method was selected.

3. Details of the new financial commitments.

Information required:

a. Details of the chosen option, including name of lender, value of new financial commitment, repayment period, basis of repayment and financial covenants.

b. Terms and conditions of the financing (such as a copy of the offer letter) and an evaluation of the risks and uncertainties.
4. The new investment and financial commitments must be affordable.

Information required:
An update of the latest financial forecasts, to include the impact of the new investment and financial commitments, and demonstration that they are affordable. This update must include any other material changes in the institution’s financial prospects, including guarantees to third parties.

5. The institution’s governing body must have made an informed decision about the new investment and financial commitments.

Information required:

a. Details of when the governing body approved the new investment and financial commitments, and a minute of the decision reached.

b. A summary of the information the governing body received in reaching its decision.

6. Details of the new threshold.

Information required:

a. Details of existing financial commitments (including the lender, terms, interest rate and financial covenants) and of the new financial commitments.

b. A calculation of the new threshold required.
Annex D

Exchequer interest

Introduction
1. This annex reflects the agreed system for Exchequer interests, which provides accountability for public funding without imposing an undue administrative burden on institutions and enabling them to manage their estates flexibly (see HEFCE Circular letter 12/2006).

Requirements
2. Each higher education institution (HEI), having entered into an agreement with HEFCE effective on 1 August 2006 to enable the retrospective elements of a new system of accounting for Exchequer interests to be enacted, must follow the conditions set out below.

3. The Exchequer interest identified and agreed with HEFCE in that agreement formed the opening balance of a simple Exchequer interest register maintained by HEFCE. The register is adjusted immediately for the addition of capital grants received in the year, and annually for both of the following:
   • indexation of the opening balance and all grants received in subsequent years
   • writing down grants over the prescribed period.

4. The indexation rate used will be the GDP deflator published annually by the Treasury. This will take account of changes in value and ensure that the value of the Exchequer interest is not eroded through inflation.

5. All capital grants made by HEFCE after 1 August 2006 that create an Exchequer interest are entered onto the register, regardless of how they are treated for accounting purposes.

6. The opening Exchequer interest balance as at 1 August 2006 is written down over a 10-year period on a straight-line basis. All subsequent capital grants are written down annually over 15 years from the year of the grant in question on a straight-line basis, to recognise their consumption through the provision of education over that period.

7. The closing balance of the register as at 31 July 2007 and annually thereafter provides a single reportable sum for the Exchequer interest, and is confirmed annually with the institution by HEFCE.

8. As repayment of Exchequer interest only occurs in exceptional circumstances (see below), it does not need to be disclosed as a contingent liability in the institution’s annual accounts.

Circumstances in which the Exchequer interest becomes repayable
9. If either of the following remote events occurs, they will trigger immediate liability for the institution to repay to HEFCE the full amount of the Exchequer interest (as shown in the Exchequer interest register at that date). The institution will recognise HEFCE as an unsecured creditor until such repayment is made. If a liability to make repayment arises, HEFCE may agree to accept repayment of some other sum, or to delay repayment, at its absolute discretion, and such agreement may be on terms and conditions as HEFCE thinks fit.

10. The first trigger event will be if the institution becomes insolvent, including going into liquidation or administration, or if it dissolves or transfers its undertaking to some other body (for example, by the exercise of the Secretary of State’s powers under the Education Reform Act 1988), or if it experiences any analogous event.

11. The second trigger event is if there is a significant reduction in the level of total of HEFCE-funded activity and tuition fee payments from the Student Loans Company to the institution, using the following indicators:
   • the absolute level of HEFCE grant funding and Student Loans Company (SLC) payments
   • the absolute level of total income
   • the percentage of total represented by HEFCE grant funding and SLC payments.
12. A base level for each of these indicators was set as at 31 July 2006 by reference to the institution’s 2005-06 financial statements. This value is indexed each year, as are previous years’ capital grant additions, before being written down, as set out at paragraphs 3 and 4 above.

13. The trigger event will only occur if two or more of the three indicators reduce to at least 50 per cent from the base level.

14. This second trigger has been designed to ensure that HEIs are not discouraged from generating other sources of income, providing they continue to offer the same level of HEFCE or SLC-funded education. HEIs may activate the trigger if, for example, they cease to educate publicly supported students, significantly downsize or go into liquidation, but are unlikely to do so if activities continue as normal or they expand. We will not use our Exchequer interest rules to penalise institutions that are successful in diversifying their income.

15. The agreed base level for each indicator will be uprated annually for inflation by HEFCE (as described in paragraphs 3 and 4 above), and may be reset if appropriate to reflect the changing nature of the provision of education and more general changes within public sector funding.

16. If two or more of the trigger indicators reduce to at least 30 per cent from the base level, this will lead to discussions between HEFCE and the institution about the impact of further downsizing, including consideration of whether to reset the base indicators.

17. If the triggers are activated, HEFCE has the right, but not the obligation, to request repayment. It has discretion to waive the requirement for repayment.
Annex E
Exempt charities

1. HEFCE is the principal regulator of those higher education institutions (HEIs) that are exempt charities. The benefit of HEFCE having this role is that we can utilise existing assurance processes, so minimising the burden on institutions as well as enhancing confidence.

2. This annex sets out our main requirements relating to annual and longer-term cyclical monitoring of HEIs that are exempt charities. They arise from our role as principal regulator of HEIs as charities (see www.hefce.ac.uk/whatwedo/reg/charityreg/ for more information).

3. In addition to the requirements set out here, from time to time we may need to ask for other information to enable us to deal with particular issues about HEIs as exempt charities. Our power to do so is set out in Section 79A of the Further and Higher Education Act 1992. In particular, our principal regulator role applies to entities that are exempt charity ‘connected institutions’ by virtue of Paragraph 28, Schedule 3, Charities Act 2011 (paragraph 28 connected institutions). Although we do not directly monitor those entities, we have the power to request information about them.

4. The information requirements of HEIs as exempt charities (see paragraphs 5 to 9 below) are similar to those of the Charity Commission for registered charities. However the collection and publication arrangements have been tailored to the sector, and reflect our responsibilities as the lead regulator of HEIs in respect of their accountability for public funds, and are largely embedded in our normal monitoring processes. For example, the Charity Commission publishes some of the information it collects on its own web-site; instead we require each HEI to publish information on its own site.

**Information to be included in audited financial statements**

7. The following information must be included in the HEI’s audited financial statements and related reports:

a. The charitable status of the HEI.

b. The main constitutional document of the HEI (such as its Royal Charter, Memorandum and Articles, or Trust deed). This should be the latest version, but HEIs should provide earlier versions back to at least the one that was in force in 2009-10.

c. The names of the trustees on 31 January each year, together with a list of all other charities (if any) of which each trustee is then also a trustee.

d. The full audited consolidated financial statements for at least five years.

6. The ‘gateway’ web page should be easy to locate on the HEI’s web-site and must be updated with the previous year’s information no later than six months after the end of the previous academic year. HEIs must provide HEFCE with the up-to-date web address (URL) of the gateway page so that third parties can access it via our own web-site.

**Information to be made readily available on HEIs’ web-sites**

5. HEIs that are exempt charities must maintain a page on their web-site to provide a gateway to the following information:

a. The legal name and correspondence address of the HEI. The preferred name(s) used by the HEI should also be shown.

b. The names of the trustees on 31 January each year, together with a list of all other charities (if any) of which each trustee is then also a trustee.

c. The names of the trustees on 31 January each year, together with a list of all other charities (if any) of which each trustee is then also a trustee.

6. The ‘gateway’ web page should be easy to locate on the HEI’s web-site and must be updated with the previous year’s information no later than six months after the end of the previous academic year. HEIs must provide HEFCE with the up-to-date web address (URL) of the gateway page so that third parties can access it via our own web-site.

**Information to be included in audited financial statements**

7. The following information must be included in the HEI’s audited financial statements and related reports:

a. The charitable status of the HEI.

b. The trustees who served at any time during the financial year and until the date the financial statements were formally approved.

c. A statement that the charity has had regard to the Charity Commission’s guidance on public benefit.

d. A report on how the HEI has delivered its charitable purposes for the public benefit. For detailed guidance, see www.hefce.ac.uk/whatwedo/reg/charityreg/goodpracticeguidanceforinstitutionsascharities/reportingonthedeliveryofpublicbenefit/

e. Information about payments to or on behalf of trustees, including expenses; payments to trustees for serving as trustees (and waivers of such payments); and related party transactions involving trustees. For detailed guidance and materiality levels, see www.hefce.ac.uk/whatwedo/reg/charityreg/goodpracticeguidanceforinstitutionsascharities/transactionswithtrustees/#section3
f. Information about ‘paragraph 28’ connected institutions of the HEI.

8. We do not specify where in the financial statements this information should be presented, but it is likely that:
   • a and b above will form part of the corporate governance statement
   • c and d above will either form part of the operating and financial review or be presented as a separate section
   • e and f above will be included in appropriate notes to the financial statements.

9. We may provide more detail about some of the above in the HEFCE accounts direction to HEIs, which is updated by an annual circular letter.

Reporting serious incidents

10. A serious incident is one which has resulted in, or could result in, a significant loss of funds or a significant risk to a charity’s property, work, beneficiaries or reputation. For more guidance see www.hefce.ac.uk/whatwedo/reg/charityreg/goodpracticeguidanceforinstitutionsascharities/seriousincidentreporting/

11. HEIs must report serious incidents to HEFCE at the time when they are identified. We have also included in HEFCE’s annual assurance return a specific declaration that serious incidents have been appropriately reported to us. This declaration will be made on behalf of all trustees. It would be appropriate therefore for the trustees to be informed about incidents reported to HEFCE; however, we do not stipulate how this should be done.

12. Where HEIs report the loss of an HEI’s assets through fraud, theft or other cause, we will consider an incident reported both as funder and as principal regulator.

13. In addition, and as principal regulator in the first instance, we expect HEIs to report the following serious incidents:
   • donations of more than £25,000 from unknown donors or where the source cannot be verified
   • abuse or mistreatment of a charitable beneficiary involved in activities of the HEI
   • disqualification of a trustee
   • known or alleged links (other than for bona fide academic reason) with proscribed organisations or terrorism; this applies to trustees, staff, students or anyone else associated with the HEI.

We would welcome a provisional report if it is likely that internal investigations may be time-consuming.

14. A report of a serious incident should be sent to the HEFCE chief executive. Our primary concern is to satisfy ourselves that the HEI has responded to the incident in an appropriate way, designed to protect the HEI as a charity. In order for us to do this, HEIs should provide as much information as possible to help us to decide if their response has been appropriate and what, if any, further action is planned. In particular we would expect the report to indicate:
   • whether the incident has happened or is suspected
   • when it occurred and who was involved
   • the impact of the incident on the HEI, any beneficiary involved, or both
   • what inquiries have been made and actions taken, including any reports to other regulators or the police
   • what policies and procedures were in place that apply to the incident, whether they were followed and, if not, why
   • whether the trustees have determined that policies and procedures need to be introduced or revised – and if so, how and by when.

15. In extreme cases, a serious incident report may lead us to invite the Charity Commission to consider opening a formal Inquiry under s46 of the Charities Act 2011.

16. We appreciate that information provided under the terms of paragraphs 10 and 11 may be of a sensitive nature, and we undertake to treat it with care. We ask for the information to fulfil our statutory obligations as principal regulator, and such obligations may require us to consult the Charity Commission to ensure that we deal with an issue in a manner consistent with the regulation of charities generally. As public authorities, both HEFCE and the Charity Commission are subject to the Freedom of Information Act. We will only
disclose information to someone outside HEFCE or the Charity Commission in circumstances where we are legally obliged to do so. Further guidance about the way HEFCE applies the Freedom of Information Act and the Data Protection Act 1998 is available on our web-site.

17. Further guidance on these reporting requirements is available at: www.hefce.ac.uk/whatwedo/reg/charityreg/goodpracticeguidanceforinstitutionsascharities/transactionswithtrustees/
## Annex F

### Definitions and abbreviations

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountable officer</td>
<td>Head of an institution responsible and accountable to HEFCE (and ultimately to Parliament) for ensuring that the institution uses HEFCE funds in ways that are consistent with the purposes for which those funds were given, and complies with the conditions attached to them. These include the conditions set out in the Further and Higher Education Act 1992 and in this memorandum of assurance and accountability.</td>
</tr>
<tr>
<td>Accounting officer (of HEFCE)</td>
<td>As accounting officer, the chief executive of HEFCE has a personal responsibility to safeguard public funds and achieve value for money as set out in HM Treasury guidance, ‘Managing Public Money’ and any subsequent guidance. This includes responsibility for the public funds allocated by HEFCE to higher and further education institutions and other bodies for education, research and associated purposes.</td>
</tr>
<tr>
<td>Annual accountability returns exercise</td>
<td>A streamlined accountability process between HEFCE and institutions, linked to an assessment of institutional risk, which comprises an exchange of documents and dialogue during a specific period each year.</td>
</tr>
<tr>
<td>Annual accounts direction</td>
<td>HEFCE publishes an annual accounts direction, which states HEFCE’s financial reporting requirements. HEIs and their external auditors must comply with it. The most recent accounts direction was published as HEFCE Circular letter 25/2013.</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Earnings before interest, taxes, depreciation and amortisation.</td>
</tr>
<tr>
<td>FEC</td>
<td>Further education college.</td>
</tr>
<tr>
<td>Governing body</td>
<td>The university council, board of governors or other body ultimately responsible for the management and administration of the institution’s revenue and property, and the conduct of its affairs.</td>
</tr>
<tr>
<td>HE</td>
<td>Higher education.</td>
</tr>
<tr>
<td>HEI</td>
<td>Higher education institution.</td>
</tr>
<tr>
<td>HESA</td>
<td>Higher Education Statistics Agency.</td>
</tr>
<tr>
<td>JANET</td>
<td>High-speed computer network supported by all the four higher and further education funding bodies, which links universities and colleges in the UK. SuperJANET is the enhanced network.</td>
</tr>
<tr>
<td>Key information Set</td>
<td>Key Information Sets are comparable sets of information about full- or part-time undergraduate courses, published on course web pages. All of the Key Information Sets are published on the Unistats web-site.</td>
</tr>
<tr>
<td><strong>Operating Framework</strong></td>
<td>The Operating Framework explains how higher education providers in England are held to account and regulated.</td>
</tr>
<tr>
<td>-------------------------</td>
<td>--------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>QAA</strong></td>
<td>Quality Assurance Agency for Higher Education.</td>
</tr>
<tr>
<td><strong>Register of HE providers</strong></td>
<td>This is being developed with the first version due for August 2014.</td>
</tr>
<tr>
<td><strong>Related body</strong></td>
<td>A body other than an HEI or FEC through which significant levels of HEFCE funding are distributed or activities promoted.</td>
</tr>
<tr>
<td><strong>Regularity</strong></td>
<td>Regularity is a public finance requirement for funds to be applied only to the extent and for the purposes authorised by Parliament.</td>
</tr>
<tr>
<td><strong>Secretary of State</strong></td>
<td>Secretary of State for Business, Innovation and Skills.</td>
</tr>
<tr>
<td><strong>SLC</strong></td>
<td>Student Loans Company Limited.</td>
</tr>
<tr>
<td><strong>the Code</strong></td>
<td>HEFCE’s Audit Code of Practice.</td>
</tr>
<tr>
<td><strong>VFM</strong></td>
<td>Value for money.</td>
</tr>
</tbody>
</table>

References to the financial position, financial statements, financial commitments or borrowings of the institution mean the consolidated financial position, financial statements, financial commitments or borrowing of the institution and its subsidiary undertakings, as defined in the Companies Act 1985 and revised by the Companies Act 1989 and 2006, and in accordance with generally accepted accounting principles.

Shall and must denote mandatory requirements, and should denotes our view of good practice.
APPENDIX 9
PREVIOUS OFFICERS OF THE UNIVERSITY
Previous Officers of the University

Chancellor
1926–35 J H Benyon
1935–37 Sir Austen Chamberlain
1937–59 Viscount Templewood
(formerly Sir Samuel Hoare)
1959–69 Lord Bridges
1970–92 Lord Sherfield
1992–07 Lord Carrington

Vice-Chancellor
1926–29 W M Childs
1929–46 Sir Franklin Sibly
1946–50 Sir Frank Stenton
1950–63 Sir John Wolfenden
1963–64 Professor J M R Cormack
(Acting Vice-Chancellor)
1964–78 Sir Harry Pitt
1979–93 Dr E S Page
1993–02 Professor Sir Roger Williams
2003–11 Professor G Marshall

President of the Council
1926–30 Alfred Palmer
1930–32 Leonard G Sutton
1933–66 Sir George Mowbray
1966–70 Gerald E H Palmer
1970–74 Sir George Abell
1974–75 The Hon Gordon W N Palmer
1975–80 Sir Michael Milne-Watson
1980–87 Sir Philip Rogers
1987–94 Sir Donald Hawley
1994–03 Dr Paul Orchard-Lisle
2003–09 Dr Timothy G Ford
Vice-President of the Council

1926–30  Leonard G Sutton
1930–32  Sir Leslie Wilson
1932–36  H G Willink
1936–46  A G West
1946–66  Gerald E H Palmer
1966–74  The Hon Gordon W N Palmer
1974–75  Sir Michael Milne-Watson
1975–77  R A O’Conor
1977–82  Sir Edward C Goschen, Bt
1982–86  M G Brock
1986–95  Sir James Hamilton
1995–98  W A Palmer
1998–02  Dr M E Rayner
2002–07  Dr G P Botting
2007–13  Mrs J M Scott

Secretary to the Council

1926–27  The Revd F H Wright
1927–32  H Knapman
1932–55  E Smith
1955–82  J F Johnson
1982–92  T Bottomley
1992–03  D C R Frampton
2003–08  W D Watts
2008–14  K N Hodgson
APPENDIX 10
SOME STATISTICS
## Some statistics

### Staff (as at 31/07/2015)

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>On Payroll</td>
<td>3,337</td>
</tr>
<tr>
<td>Academic</td>
<td>1,231</td>
</tr>
<tr>
<td>Technical</td>
<td>162</td>
</tr>
<tr>
<td>Clerical</td>
<td>724</td>
</tr>
<tr>
<td>Manual</td>
<td>406</td>
</tr>
<tr>
<td>Managerial</td>
<td>652</td>
</tr>
<tr>
<td>Other</td>
<td>162</td>
</tr>
</tbody>
</table>

### Land

<table>
<thead>
<tr>
<th>Location</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whiteknights</td>
<td>300</td>
</tr>
<tr>
<td>Greenlands</td>
<td>26</td>
</tr>
<tr>
<td>London Road</td>
<td>11</td>
</tr>
<tr>
<td>MERL and Martindale site</td>
<td>4</td>
</tr>
<tr>
<td>Bulmershe sports pitches</td>
<td>15</td>
</tr>
</tbody>
</table>

### Students (2013 – 2014)

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>All students</td>
<td>17,150</td>
</tr>
<tr>
<td>Full-time students</td>
<td>12,800</td>
</tr>
<tr>
<td>Undergraduates</td>
<td>9,500</td>
</tr>
<tr>
<td>Postgraduates</td>
<td>7,650</td>
</tr>
<tr>
<td>UK-based International students</td>
<td>3,050</td>
</tr>
<tr>
<td>(excluding those from EU)</td>
<td></td>
</tr>
<tr>
<td>Countries of origin of overseas students (excluding EU)</td>
<td>105</td>
</tr>
</tbody>
</table>

### Degrees conferred

<table>
<thead>
<tr>
<th>Category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate</td>
<td>3,080</td>
</tr>
<tr>
<td>Postgraduate (includes PGCEs and PGDips/Certs)</td>
<td>3,277</td>
</tr>
<tr>
<td>Diplomas and certificates</td>
<td>212</td>
</tr>
</tbody>
</table>
HANDBOOK FOR MEMBERS OF THE COUNCIL 2015–16

For more information, please contact:
Dr R J Messer
University Secretary
University of Reading
Whiteknights
Reading RG6 6AH
r.j.messer@reading.ac.uk
Tel (0118) 378 8531
www.reading.ac.uk