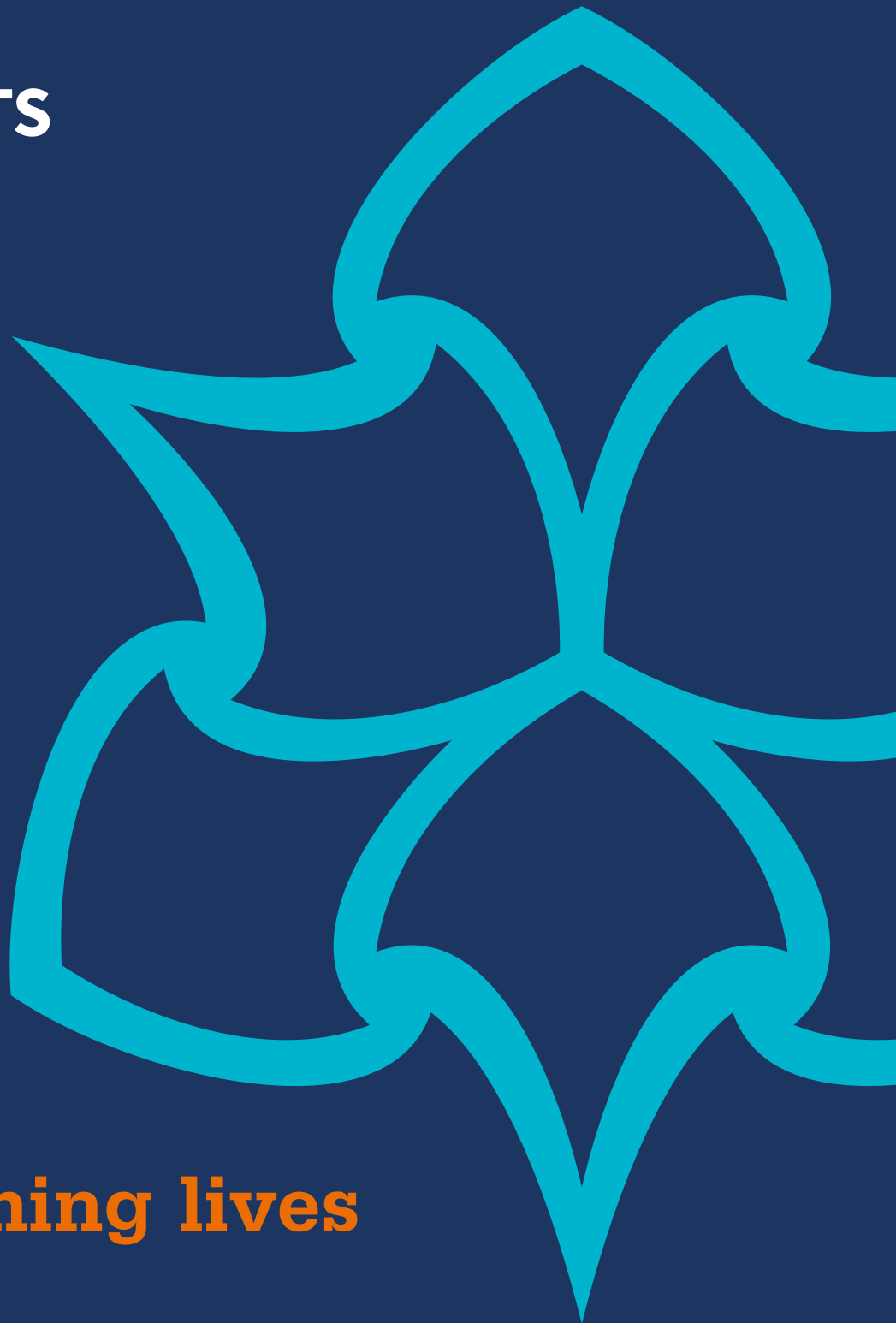


ANNUAL REPORT AND FINANCIAL STATEMENTS

Year ended 31 July

2023



transforming lives





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Our University At a glance

Our purpose

Transforming lives through the power of education and research.

Our ambition

We will harness our creativity and confidence to enrich our students' lives, raise the impact of our excellent education and research, and project its application to Manchester and the world.

Our key goals

Excellent education

We will deliver an excellent education and a great university experience for our students, which transforms their lives and leads to successful careers.

Excellent research with impact

Our excellent research and knowledge exchange will help to address the grand challenges of our time, delivering local, national and global impact.

Our values

Student centred

We place students at the heart of what we do, recognising every student journey matters and that every member of our University can positively impact the student experience.

People led

We recognise everyone's contribution and strive to ensure that both our students and staff achieve their full potential. We develop our staff to succeed, support each other and recognise individual needs, knowing we can achieve more when we work together.

Future focused

We anticipate emerging opportunities and challenges and act on them; innovating to achieve real-world results and embracing change in teaching and learning as well as through our research.

Inclusive

We champion equity, diversity and inclusion through a transformative employee and student journey. We enrich our communities, and respect and improve the world around us.

Manchester Met proud

We are proud to be a part of our University, and we are ready to tell the world about its successes. We are confident and enthusiastic about the difference we make in transforming lives and contributing to society.

43,000
students

Over 3,000 international students from more than 125 countries

5,100
staff

1st for
applications

UK-domiciled undergraduate applications UCAS 2022

£422m

Total income 2022/23

£52m

Net cashflow from operating activity

Top 30
for student positivity

Times Higher Education for National Student Survey

7.4%

growth in income

Top 1%
of business schools globally

Part of elite group with triple accreditation

Ofsted
outstanding for degree apprenticeships

£42m

funding for Research and knowledge exchange activity

330,000

alumni from 170 countries

200
place rise in QS World Rankings

Top 3
for a decade Sustainable university

People and Planet University League

78.8%

of graduates in graduate-level work or further study

(10 percentage point increase in two years)

Another year of transforming lives

Launching a refreshed education strategy

A new education strategy was launched in March 2023, focusing on five key themes: deliver a future-focused, high-quality curriculum; provide an engaging, digitally enhanced teaching, learning and assessment strategy; deliver the best possible student experience; ensure the best possible futures for our graduates; and support, develop and empower our staff to enable them to deliver transformational outcomes for our students.

Creating more new world-class facilities

One of the things that sets us apart is the quality of our campus. In March 2023 we officially opened our new Grosvenor East building – home to the Manchester Poetry Library, Manchester Writing School, and Manchester School of Theatre – and our Institute of Sport, a state-of-the-art facility which will unite research excellence from across the University to champion every aspect of sport and health. Meanwhile, the quality of the recently opened School of Digital Arts (SODA) was recognised with an award from Royal Institute of British Architects (RIBA).

Consolidating our place in an elite global grouping

Our Business School retained its triple-crown status, with accreditation from the Association to Advance Collegiate Schools of Business (AACSB), the Association of MBAs (AMBA), and EQUIS. This places us among an elite group of business schools globally.

Building for the future

Construction continued on our new world-class Dalton Building. Due to be completed in spring 2024, it reflects the aspirations of our Faculty of Science and Engineering, with a 200-seat super lab, academic offices, and social and self-directed learning areas. Other planned facilities include a new landmark library and a landscaped and pedestrianised public realm.

Celebrating the excellence of our people

Several of our employees received honours and awards. For example, Professor Cathy Parker was awarded an MBE in the King's Birthday honours for her work on helping communities transform their high streets, Professor Craig Banks was awarded the prestigious Tilden Prize by the Royal Society of Chemistry for his pioneering work in additive manufacturing, and one of our research technicians, John Hancock, won a Lifetime Achievement Award in the Papin Prize.

Scooping a top poetry prize

In December 2022, we were proud to see Manchester Writing School's Dr Kim Moore win the prestigious Forward Prize for her poetry collection *All the Men I Never Married*. One of the judges described it as "a phenomenal and powerful collection". Dr Moore joins colleagues Professor Carol Anne Duffy DBE, Professor Michael Symmons Roberts (both winners of best collection) and Malika Booker (winner of best single poem) as a recipient of a Forward Prize.

Building on our leadership in degree apprenticeships

We are proud to be a leading provider of degree apprenticeships and, across the year, we built on an already strong record. In November 2022, our provision was rated Outstanding by Ofsted against the regulator's tough new Education Inspection Framework. In the same month, we were also named University of the Year in the Multicultural Apprenticeship Awards. And in July 2023 the RateMyApprenticeship Awards ranked us as the UK's leading higher education provider for the fifth year in a row.

Preparing students for a successful future

In January 2023, we ran our first Future Me week, enabling more than 6,000 students at all levels of study to take part in a range of employability enhancing development programmes and enrichment activities and to gain an extra qualification. We were also the first university in the country to launch a formal Student Futures Commitment, which outlines the ways we promise to support all students to get the most out of their time with us.

Forging another new international partnership

One of the ways we give the University an international outlook is through a network of trans-national educational partnerships. A highlight of 2022/23 was our strengthened relationship with the British University in Egypt. During the year, four dual award programmes were launched, our Vice-Chancellor joined the university's governing body, we welcomed a contingent of students to an Arts & Humanities summer school, and we started to develop more opportunities for two-way student mobility.

Celebrating an excellent set of NSS results

In the National Student Survey (NSS), we achieved one of our best-ever performances, exceeding the UK benchmark across almost every dimension, scoring very strongly in areas like assessment and feedback and the student voice, and propelling us into the top 30 of the *Times Higher Education* NSS league table for the first time.



Clockwise from top left: Technician John Hancock with Lifetime Achievement award; topping out of the Dalton Building; new Education Strategy; international partnership with the British University in Egypt; alumna Bridget Lea helps launch Future Me week

Making progress in ranking tables

We made steady progress across all the best-known university league tables. In the Times and Sunday Times we climbed 11 places to rank 60th, and in the Complete University Guide we moved up seven places to 60th. Meanwhile, in the QS World University rankings we rose more than 200 places to reach 590th place – while the Manchester School of Architecture was ranked fifth in the world.

Bringing yet more strength to our senior team

As our reputation grows, so too does our ability to attract the brightest talent. Significant appointments included Professor Steve Rothberg as our new Provost and Deputy Vice-Chancellor. Joining us from Loughborough University, he has a mandate to ensure our Road to 2030 strategic framework is applied to shape the success of our students, staff and wider communities. Meanwhile, Professor Saul Becker, an internationally renowned expert on vulnerable children, care and caring, was appointed Pro-Vice-Chancellor to lead the Faculty of Health and Education.

Hosting a series of high-profile visits

Among the high-profile visitors to the University in 2022/23 was Andrew Bailey, Governor of the Bank of England, who came in November 2022 to learn more about our industry-focused research and collaborations, and how we are boosting innovation and supporting economic growth in the North West. During the year, we also hosted senior-level contingents from several research councils and awarding bodies, including the Arts and Humanities Research Council and the Engineering and Physical Sciences Research Council.

Recognising a step change in graduate outcomes

A core tenet of our education strategy is to ensure the best possible outcomes for our students. It's an area where we put real emphasis and, in 2022/23 we had much to celebrate. The latest graduate outcome results, which relate to our 2020/21 graduates, show that 78.7% are in graduate-level work or further study, representing a ten-percentage point increase over the past two years. Also, the work of our Careers and Employability teams was recognised through several prestigious awards.

Celebrating the achievements of the Class of 2023

A highlight of any year is our graduation ceremonies. Held in July 2023, the latest round of 22 ceremonies was attended by more than 9,800 students and 29,000 guests. Despite a marking and assessment boycott by some members of the University and College Union, every student graduated with a mark. Around 200 staff volunteered to help us run the events, and we also employed 21 students to ensure things went to plan. Everyone deserves huge congratulations, but special mention goes to mixed media artist Stan Harland who studied BA (Hons) Fine Art at Manchester School of Art and graduated this year aged 80.

Leading in sustainability for a decade

In December 2022, we were able to celebrate ten consecutive years with a top-three ranking in the *People & Planet University League*. We aim to be a beacon of sustainable development practice, working towards a zero-carbon future and putting sustainability at the heart of the University. In 2022/23 our credentials were also recognised by a top-70 place in the *Times Higher Education Impact Rankings*, which assesses higher education institutions globally on the quality of their contribution to the United Nations Sustainable Development Goals.

Supporting the net-zero ambitions of the North West

To help businesses across our region capture opportunities arising from net zero, and upskill their workforces accordingly, we worked with partners to develop and launch a Net Zero Skills Charter in November 2022. Other initiatives which support the net-zero ambitions of the North West include the region's first low-carbon hydrogen hub – a planned facility that is set to produce green hydrogen at scale, generating enough power for 200,000 homes.

Achieving the number-one spot for nursing in the UK

In April 2023, our excellence in nursing was recognised in the *Student Nursing Times Awards*, where we were named Nurse Education Provider of the Year. The award celebrates the quality of our post-registration apprentice team which plays an important role in supporting the development of apprentices for post-registration nurses and helps employers to understand and engage with them.

Securing more funding for research with impact

Throughout the year, we continued to secure funding for our researchers and research facilities. For example, we are leading two consortia as part of the government's new £100 million Innovation Accelerators programme, one for green energy and the other for digital technology. We also secured £3.8 million from the Arts and Humanities Research Council (AHRC) to create a new Robotics Living Lab at the Manchester Fashion Institute that will help UK garment manufacturers develop new sustainable production techniques.

Forging new sporting partnerships

One of the strengths of the University is our Institute of Sport which explores sport in all forms and forums, from the mechanics of movement and the anatomy of winning to the politics of participating and the business of competition. Through our Rugby League World Cup partnership we looked to evaluate and enhance the likely legacy of the 2022 tournament held in Manchester. We also became a partner of the Para Swimming World Championship, held in Manchester in August 2023.



Clockwise: We were named Nurse Education Provider of the Year at the Student Nursing Times Awards; Nearly 10,000 students attended our graduation ceremonies; Prof Steve Rothberg was appointed Provost and Deputy Vice-Chancellor; Bank of England Governor Andrew Bailey visits the University.

Chair's Statement



For the Board of Governors, 2022/23 stands out as one of the best years in the University's recent history, and perhaps the best year ever. Everyone at Manchester Metropolitan can take great pride in their achievements.

A strong start on the Road to 2030

In last year's report, I discussed the rigour and ambition behind the University's Road to 2030 strategic framework. This year, we have had a change of gears, with the senior team working on the implementation of the plans, and the wider University rallying behind its two key goals: delivering excellent education and excellent research with impact.

The focus of the Board of Governors has been to give support, offer insight, monitor performance, provide assurance, and ensure that everyone remains mindful of a very challenging external environment. The report outlines some of the highlights of the year and the headline message from the Board of Governors is that, wherever we look in the University, we see examples of excellence.

In my experience Manchester Metropolitan stands as an exemplar: a well-led, well-managed institution that is creating tangible value for society.

A robust response to external challenges

As widely reported, the higher education sector faces significant challenges around funding. It is also under close scrutiny over value for money, graduate outcomes, and the balance between vocational and academic learning. On all these counts, Manchester Metropolitan is in a strong position.

The University has long been characterised by a prudent approach to financial management, which means that, relatively speaking, Manchester Metropolitan is in robust financial health. We are also in a good position to build on the excellent progress made in attracting more international students, which is a viable way of supplementing our income while also adding to the vibrancy of the University. While cost control remains crucial, with a need to forever do more for less, the University retains the financial headroom to continue to invest in its people and facilities. For example, there is a strong commitment to continue to develop an already impressive campus, including its public realm and a new landmark library.

In terms of graduate outcomes, we are not yet where we would like to be, but the trajectory is very encouraging. The figures have seen a marked improvement in recent years, and the Careers and Employability teams have won a clutch of awards for their ingenuity. The University excels in several related areas, such as its links to industry and employers and the scale and quality of its award-winning degree apprenticeship provision.

In my experience, Manchester Metropolitan stands as an exemplar: a well-led, well-managed institution that is creating tangible value for society, is helping to address today's most pressing challenges, and is routinely transforming the lives of tens of thousands of people.

A disciplined approach to governance backed by a strong Board

Another defining characteristic of the University is the approach to governance. The Board and the leadership team work together in a spirit of openness and transparency. We enjoy a high level of mutual trust and respect, and the strategic plans and targets are co-owned and co-set between us.

This is due in equal parts to the calibre of the management team, the culture of the University, and the quality of insights and experience offered by the Governors. In 2022/23, we were pleased to welcome two new members of the Board, namely Jill McCormack and Nick Read. They add significantly to our credentials, particularly in internationalism, governance and the needs of today's employers and, as alumni, they both have a strong affinity with the University.

In terms of the systems of governance, we widened the remit of the Finance and Resources Committee – now renamed as the People, Finances and Resources Committee – to reflect the importance of our people strategy and importance of Manchester Metropolitan being a great place to work.

A clear indication of the caring culture of the University

I should add that, in the four-and-a-half years I have served on the Board, one of the things that has always struck me is the caring and collegiate culture that permeates the University. We saw this in the pandemic, and we saw it again in the way that the University responded to cost-of-living pressures on students. Given the inclusive nature of Manchester Metropolitan, many of our students and their families have been hit hard by rising prices and, in partnership with the Students' Union, a programme of initiatives was quickly put in place including increased bursaries, hardship funds, and greater opportunities for students to work on campus.

I was struck by this response on many levels – the spontaneity, the collaboration, the generosity, the quality of planning and execution, and, most important of all, the empathetic attitude to everyone in the University.

A spirit of optimism and ambition for the future

I am confident that we will see further progress in 2023/24 and beyond.

Again, the Road to 2030 has had the strongest possible start, the level of ambition across the University is palpable and, although mindful of some real challenges, the leadership and the Governors are excited by the future.

In the meantime, I would like to extend my congratulations to the staff and students on such an outstanding year of achievement. I would also like to thank my fellow Governors for their dedication and commitment to excellence.



Simon Duffy

Pro-Chancellor and Chair of the Board of Governors



Vice-Chancellor's Statement

2022/23 was an outstanding year for Manchester Metropolitan University.

The Road to 2030 strategic framework has brought real clarity and certainty to the University. As a team, we are all clear about our purpose, the value we bring to society, the scale of our ambition, and how we will build on our considerable progress.

I believe passionately that the university sector provides the single most important lever we can pull to transform lives and drive the economy and, as one of the country's largest and most inclusive universities, we have a remarkable opportunity and a responsibility to make a positive difference.

The way we live up to this responsibility is through the power of our education and research. These two themes have equal emphasis for us, and we see strong synergies between them. The most important dividend of our Road to 2030 strategic framework has been to galvanise our teams behind these twin priorities and make it clear how every person in the University contributes to them.

Of course, many other universities will also say their twin priorities are education and research. What makes us different and gives Manchester Metropolitan its distinct flavour is our sheer size, our strengths in areas like sport, business and the creative industries, the quality of our facilities, the prudent way we manage our finances, our place in Manchester, and a caring and collegiate culture.

Transforming lives through education

The year brought further evidence of the quality of our education.

In the National Student Survey (NSS), we achieved our best-ever performance against the sector, exceeding the UK benchmark across almost every dimension. We scored very strongly in areas like assessment and feedback and the student voice, propelling us into the top 30 of the *Times Higher Education* NSS league table for the first time.

Meanwhile, our faculties continued to gain recognition, including, a top-five global ranking for the School of Architecture, and the triple-crown accreditation for the Business School – which puts it among the top one percent of the world's business schools – and the School of Nursing being named Provider of the Year by the *Nursing Times*.

The message is certainly getting through to prospective students. Last year we were the country's most applied to university by UK-domiciled undergraduates, suggesting they not only recognise the quality of the student experience, but also that they appreciate the breadth of our offer, and like the

idea of studying in Manchester. We also appeal to students of real calibre who, on average, come to us with an A and two Bs at A-level (or equivalent).

Special mention should go to our degree apprenticeship programmes. We are the only university rated outstanding by Ofsted for their provision and, for the past five years, have been named as the leading university provider in the *RateMyApprenticeship* awards.

An important aspect of the student experience is the quality of our campus and its digital infrastructure. During the year, we hosted formal launch events for our new Institute of Sport and Grosvenor East Building and are seeing the dividends of other recently completed facilities like the School of Digital Arts (SODA). Thanks to the way we have managed our finances, we have the headroom to continue to invest in more world-class facilities. The new Dalton Building for our Faculty of Science and Engineering is due to open in 2024 and we are particularly excited by the ambitious plans for a new landmark library, which will be submitted for planning permission in autumn 2023.

We are also delivering great career opportunities for our students. As an indication of our trajectory, we achieved a 10-percentage point boost in our graduate outcome results over the past two years (students in a graduate job or further study 15 months after graduation). Our Careers and Employability team picked up several national awards for the quality of their work. There is still much to do across this all-important dimension, but I am confident that we are on the right path.

I am proud of our strong working relationship with the Students' Union, which has allowed us to work in partnership and focus on key issues impacting on students, for example, support with the cost-of-living challenge.

One of the most significant challenges facing the University this year has been mitigating the impacts of industrial action, which has been rife across the sector. We have a strong working relationship with our local union branches and I am pleased to report that all students' work was marked and over 14,000 students graduated with a fully classified degree, as would be expected. I am grateful to the hard work of colleagues who made this possible.



What I think really sets us apart and makes me so proud to be a part of Manchester Metropolitan is the culture here and the way, as a community, we care so deeply about the wellbeing of students and colleagues alike.

Transforming lives through research

In 2022/23, the dividends of our performance in the most recent Research Excellence Framework (REF) really began to flow.

With the publication of the REF 2021, it was as if the perception of our research excellence had finally caught up with the reality of our improved performance. We were ranked 38th for Research Power by *Times Higher Education*, with four subjects in the national top ten and a further four in the top twenty.

With a new Pro-Vice-Chancellor Research, Professor Nick Brook, joining us in September 2022, plus several additional senior appointments of researchers who are leading in their field, we have developed the research strategy and aim to build on the solid foundations evidenced through REF 2021. With our reputation for excellent research in the ascendancy we benefit on many levels.

First, we can attract more external funding with bigger and more prestigious awards. During the year, we beat all our targets, securing more than £42 million in funding for our research and knowledge exchange activity, with all four of our faculties landing awards valued at more than £1 million.

Similarly, we become a more attractive place for researchers to base themselves, a more prestigious partner for national and international research collaborations, and a more appealing destination for prospective students and staff who witness areas of research that are internationally leading and internationally excellent in their standing.

Perhaps most important of all, the impact of our research increases commensurately. We can truly help to address those big societal challenges, with world-class research in areas like healthy aging, cybersecurity, the future of UK highstreets, and the impact of global warming.

Ensuring Manchester Metropolitan is a great place to work

None of this would be possible without the incredible team of over 5,100 people we employ at Manchester Metropolitan, encompassing the academy and all the professional services functions.

We believe we have a market-leading rewards and benefits package, plus the option for flexible and hybrid working for many roles, dedicated personal development schemes, clear career pathways, a generous holiday entitlement, great facilities, a clear commitment to diversity, and more. In 2022/23, we also recognised the exceptional performance across the University with a one-off recognition payment to all staff on the pay spine, equal to 2% of their salary.

What I think really sets us apart and makes me so proud to be a part of Manchester Metropolitan is the culture here and the way, as a community, we care so deeply about the wellbeing of students and colleagues alike.

I would therefore like to conclude by paying tribute to everyone at Manchester Metropolitan. Throughout the year my colleagues have demonstrated a relentless pursuit of quality, alongside an uncompromising commitment to treating the people around us with empathy and respect.

Professor Malcolm Press CBE
Vice-Chancellor

Progress on our strategy



Making a strong start on the Road to 2030

In 2021/22, we published our new Road to 2030 strategic framework, setting out our long-term vision, providing some ambitious mid-term targets, and clarifying our two core goals:

- Providing excellent education – with demonstrable student success
- Delivering excellent research – with real-world impact

To build on this framework, we have now finalised our new education and research strategies and teams from across the University have developed their own underpinning strategies and departmental plans in support of those core goals.

You can find out more about our strategy at:
mmu.ac.uk/about-us/strategy

Evaluating our 2022/23 performance

Tracking our performance against stretching targets

To monitor the University's performance, the Road to 2030 includes a set of institutional key performance indicators (KPIs) and targets. Starting out from a baseline year of 2021, the Board of Governors agreed clear targets through to 2026 against our two core goals and our enabling strategies.

The 2026 targets are deliberately stretching, are intended to motivate and galvanise action, and demonstrate the extent of our ambition. For example, our Student Satisfaction target would put us among the top tier of UK universities, and our Research Quality target would mean our research outputs are cited at twice the world average.

Making strong progress against most of our performance targets

Overall, 2022/23 was a strong year for the University.

In almost all areas, we made good progress towards our 2026 targets and, in some cases, are already performing at that level. On education, we achieved excellent results in most areas, although the proportion of students returning for Level 5 has dipped back in the wake of the pandemic. Buoyed by our performance in the most recent Research Excellence Framework (REF), our research reputation and funding are developing strongly. Meanwhile, we continue to grow our international student numbers and diversify our income which, in turn, helps us to invest in our people and facilities, pursue business partnerships, and improve our environmental performance.

CORE GOAL Excellent Education

Student satisfaction

Satisfaction with the student experience as measured via the National Student Survey.

2021 Baseline n/a*

2023 Performance 81.3%

2026 Target 85%

*Equivalent measure not available in 2020/21

Graduate outcomes

The proportion of undergraduate degree leavers in a positive destination 15 months after graduation, as measured by the Graduate Outcomes Survey.

2021 Baseline 68.6%

2023 Performance 78.7%

2026 Target 80.0%

Returns

The proportion of Level 4 students that re-enrol at Level 5 in the next academic year.

2021 Baseline 88.1%

2023 Performance 82.0%

2026 Target 90.0%

Entry quality

The average entry tariff of year 1 undergraduate degree students based on their best three Level 3 qualifications.

2021 Baseline 122

2023 Performance 129

2026 Target 128

Equivalent to ABB at A Level

Student profile

The proportion of the student body which is not full-time, home, undergraduate students.

2021 Baseline 27.9%

2023 Performance 27.0%

2026 Target 45.0%

CORE GOAL Excellent Research

Research quality

Citations: Field-weighted citation rates (i.e. citation rate normalised on the basis of subject/discipline citation rates).

2021 Baseline 1.64

2023 Performance 1.66

2026 Target 2.00

Research awards

Value of research awards and contracts won (not including Knowledge Exchange).

2021 Baseline £13.5m

2023 Performance £20.5m

2026 Target £30.0m

FIVE Enabling targets

Internationalisation

Number of full-time, international, on-campus, new entrants.

2021 Baseline 978

2023 Performance 3,017

2026 Target 2,500

Engagement with businesses and strategic partners

Income from contract research, consultancy, equipment, facilities, Innovate UK and regeneration.

2021 Baseline £10.9m

2023 Performance £12.6m

2026 Target £15.0m

Leadership in sustainability

Scope 1 and 2 carbon emissions (tonnes CO2 equivalent). Our plan is to reduce our carbon emission related to scope 1 and 2 to zero by 2038.

2021 Baseline 8,511

2023 Performance 9,062

2026 Target 6,400

Great place to work

Proportion of staff who would recommend Manchester Metropolitan as a good place to work in the Employee Voice Survey.

2021 Baseline 67.1%

2023 Performance 65.0%

2026 Target 80.0%

Robust foundations financial sustainability

Rolling six-year average net operating cash flow from operating activities as a percentage of income.

2021 Baseline 11.0%

2023 Performance 11.6%

2026 Target 10.0%

Transforming lives through the power of education

We aim to attract ambitious students from all backgrounds, transform their lives, and launch them onto the path to career success. To do this, we need to provide an excellent education and wraparound student experience. In this regard, 2022/23 demonstrated we are delivering on those objectives.

We performed strongly against most of our key performance measures and made progress with several key initiatives, including the way we structure the academic year. Following the publication of our Road to 2030 strategic framework, we also finalised a new education strategy, co-created by students and staff, which further raises the ambition for our students.

Best ever

performance in the National Student Survey against the sector

5 years
as the leading university provider

of degree apprenticeships

10% point improvement

in graduate outcomes over two years

Most applied to university

by UK-domiciled undergraduates UCAS 2022

First UK university

to develop and launch a Student Futures Commitment

Top 1% in the world

Business School is one of just 124 in the world to achieve triple accreditation

Ofsted Outstanding

rating for our degree apprenticeship programmes

Global top 5

Manchester School of Architecture ranked fifth in the world

Top 30

for student positivity in the Times Higher Education NSS rankings



Recognising an excellent year

We use the National Student Survey (NSS) to evaluate the quality of the student experience and understand how we perform relative to the wider university sector.

Although the NSS methodology and some of its question areas changed in 2022/23, we can safely claim the results were our best ever against the sector.

In the 2022/23 survey, we exceeded the UK benchmark across almost every dimension, and scored very strongly in areas like assessment and feedback and the student voice. Participation rates, at 77.6%, were well above the sector average of 71.5%, indicating the level of engagement among our students. The strength of the results also propelled us into the top 30 of the *Times Higher Education* NSS ranking for the first time.

Our strategic goal is to attain an overall 85% satisfaction for our programmes which would put us among the very best universities in the UK. We are already performing at this level for 12 of our programmes across a range of subjects, and we understand what we need to do to close the gaps elsewhere.

Becoming the UK's most applied to university

We have always been a large and popular university and, in 2022/23, we built on this position.

We became the UK's most popular university for UK-domiciled undergraduate applications and we had the second largest number of applicants that secured a university place. We also saw continued growth in the number of applications from

A growing reputation, nationally and globally

The University's reputation is in the ascendency. As well as making our way into the top 30 of the Times Higher Education UK ranking for our NSS outcomes, we rose more than 200 places in the latest QS World University rankings. Meanwhile, some of our departments were singled out for special recognition:

- Manchester School of Architecture was named as one of the world's top-five architecture schools in the QS World Subject Rankings
- Our Business School retained its coveted triple accreditation status, with recognition from EQUIS, the Association to Advance Collegiate Schools of Business (AACSB), and the Association of MBAs (AMBA)
- Our School of Nursing was named Nurse Education Provider of the Year at the Student Nursing Times Awards



international students, who now account for 12% of the total student body.

We continue to be recognised as a leader for widening participation, successfully attracting disadvantaged students and those who have traditionally been underrepresented in higher education, and being one of the top recruiters of students from low-income households. Our award-winning First Generation programme continues to extend the opportunities for university study to young people from the North West, and we support them by focusing on belonging, confidence, decision making, and self-efficacy.

However, we make no compromises on entry quality, which is a key University metric. Our target is to maintain an average of 128 tariff points (equivalent to ABB at A Level) which was exceeded in 2022/23.

Ensuring students progress through their studies and perform to their full potential

As well as attracting students from different backgrounds, we want them to be engaged with their studies and to progress through their courses.

One of our most important performance measures is therefore the proportion

of students who progress from Level 4 to Level 5. In 2022/23, this fell back to 82% which we believe was linked to the impact of covid-19 pandemic. The entire cohort has faced challenges in readjusting to in-person teaching, learning and assessment, but these have been pronounced among students from low-participation neighbourhoods, Black, Asian and minority ethnic students (BAME), and those who come to us with vocational qualifications. Tools which help us to address the issue include our Education Annual Review process and a Student Engagement Dashboard, which provides an early warning to personal tutors by picking up on several leading

indicators for engagement (such as attendance, failure to submit coursework, or failing an element of assessment).

These tools enable us to identify individuals at risk of dropping out, analyse the performance of departments, and offer targeted support. They also help us to understand and address the awarding and attainment gaps which are prevalent among the same student demographic. Besides the academic support we provide, we have stepped-up a wider programme of Equity, Diversity and Inclusion (EDI) initiatives which are intended to boost feelings of belonging and confidence.

Ultimately, we remain committed to achieving our target of 90% progression.

Celebrating improved graduate outcomes

Graduate outcomes and career readiness continue to be a priority and achievements from 2022/23 suggest we are on the right course. The most recent survey results, relating to our 2020/21 graduates, suggest that 78.7% were in graduate-level work of further study 15 months after graduation. This represents an improvement of 10 percentage points over the past two years and a rise of 6.7 percentage points in the past year, compared with 3 percentage points for the sector. It also takes us very close to our medium-term target of 80%.

Several initiatives contributed to this success. For example, our award-winning RISE at Manchester Met programme, developed and delivered with the help of our industry partners, enables students to learn the type of transferable skills sought by today's employers, while also gaining credits towards their degree.

For 2022/23, we delivered much of this activity through our new Future Me enrichment activities, centring on an exciting week of employability-enhancing development programmes that we delivered between our academic semesters. Well over 6,000 students benefitted from this initiative.

We have also worked to position the University itself as an employer of choice, placing more than 1,200 students in part-time roles, and over 70 graduates in full-time roles. And we teamed up with some of the region's employers and the Greater Manchester Combined Authority to understand how our city region can best retain local graduate talent.

Considerable credit goes to our Careers and Employability teams, whose work was recognised in several awards: RISE at Manchester Met was named Best Student Program at the Global Career Services Summit, and we won the awards for Best University Employability Strategy at the Target Jobs Award and Outstanding University Partnership with an Employer at the Institute of Student Employers Awards.

Extending the success of our degree apprenticeships

With more than 2,500 students supported by some 540 employers, we are a leading provider of degree apprenticeships, and widely recognised for the excellence of our provision.

In November 2022, we were rated Outstanding by Ofsted for degree apprenticeships against the regulator's tough new Education Inspection Framework, the first higher education institution to do so. With programmes ranging across digital, health, HR, marketing, management, technology and science at both undergraduate and postgraduate level, we were rated as the leading university provider of degree apprenticeships for the fifth year running by the RateMyApprenticeship website, and named University of the Year at the Multicultural Apprenticeship Awards.

As well as delivering excellent career prospects to the degree apprentices, the lessons learnt on employer needs and career readiness inform the wider curricula and contribute towards improved outcomes for all students.

Building our international reach and reputation

We have ambitious plans to for the continued internationalisation of Manchester Metropolitan.

By growing our global reach and reputation, we enhance the experience of all our students, support our educational and research ambitions, and increase and diversify our revenues. Therefore, we look to recruit more international students, develop partnerships with leading universities and institutions around the world, enable our UK students to benefit from an international experience, and nurture strong relationships with our international alumni.

A surge in international applications

For 2022/23 entries, we received over 33,500 applications (representing a circa 125% increase on 2021/22), resulting in 3,000 new enrolments (a circa 120% increase). While the increases were mainly driven by interest from West Africa and South Asia, we welcomed students from 125 countries. This influx from around the world adds to the dynamism of the University, supports our equity, diversity and inclusion (EDI) programmes, and helps us meet our student profile targets.

Forging an exciting new partnership with the British University in Egypt

We continue to build our network of trans-national educational partnerships. A highlight of 2022/23 was our strengthened relationship with the British University in Egypt. During the year, four dual award programmes were launched, our Vice-Chancellor joined the university's governing body, we welcomed a contingent of students to an Arts and Humanities summer school, and we started to develop more opportunities for two-way student mobility.

Extending the success of our Joint Education Institute with Hubei University

In 2016, Manchester Metropolitan formed a partnership with Hubei University in Manchester's twin-city Wuhan and, in 2020, we launched a Joint Education Institute (JEI). More than 430 students are now enrolled who are studying for a range of Science & Technology undergraduate degrees. In 2022/23, another new JEI building was opened on the Wuhan campus, and we hosted a summer school for 20 students.

Continuing to invest in an exceptional campus

A key tenet of our new education strategy is an exceptional campus and connection to place.

We therefore continue to invest in creating state-of-the-art teaching spaces and innovative knowledge commons, which help attract students to the University and encourage them to work together in ways that promote active learning and build community, connection and belonging.

As an indication of the quality of our facilities, the newly opened School of Digital Arts (SODA) won a prestigious award from the Royal Institute of British Architects in May 2023. This £35 million facility includes a variety of active learning spaces including flexible studio spaces, edit suites, sound studios, and production studios. Similarly, the new Science and Engineering Building, which is due to open in 2024, will incorporate a new 200-student super lab and many self-directed learning spaces, and will enable new pedagogies and improvements to the curricula.

The next big landmark development, which will be submitted for planning permission in autumn 2023, will be a new library. Meanwhile our public realm development programme began in May 2023 and will enhance the quality and connectivity of our outside spaces. We will also continue to invest in residences, providing high-quality accommodation in the right locations and at the right price points to support student recruitment, progression, retention and satisfaction.

The new structure was widely welcomed by most students and staff and provides the right platform for further improvement of our education metrics, as evidenced by our NSS results.

Launching a refreshed education strategy

Following the publication of the University's Road to 2030 strategic framework, and building on the gains of recent years, a new education strategy was launched in March 2023. A significant co-creation project involving hundreds of students and staff from across the University, this focuses on five key drivers:

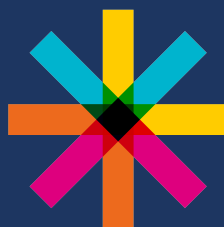
- To deliver a future-focused, high-quality curriculum informed by our strengths in research and our insights into practice.
- To provide an engaging, digitally enhanced teaching, learning and assessment strategy.
- To deliver the best possible student experience incorporating a sector-leading co-curricular offer and outstanding extra-curricular opportunities.
- To ensure the best possible futures for our graduates, whether that be in graduate employment or postgraduate study.
- To support, develop and empower our staff to enable them to deliver transformational outcomes for our students.

For each of these components, we have clear action plans which should enable us to achieve our ambitious 2026 performance targets. To support the implementation, a new Centre for Learning Enhancement and Educational Development (LEED) was established, which brings together the University Teaching Academy, Digital Education team, and Education Innovation and Initiatives unit into a central hub.

Looking ahead to 2023/24 and beyond

With the new education strategy, we have many more initiatives planned for 2023/24 and beyond, including work to further enhance the student voice and extend the Future Me employability initiatives by developing new Future Me plans for all students. An overriding priority will be to address the awarding and attainment gaps discussed above and provide the necessary support to get progression rates back on track.

Introducing our Student Futures Commitment



In March 2023, Manchester Metropolitan became the first UK university to launch a Student Futures Commitment, co-created with our students and the Students' Union.

The commitment outlines six ways in which the University will work to support all students to get the most out of their time with us, namely: joining our community; innovative teaching, learning and assessments; learning support and resources; supporting your physical and mental health; your voice matters; and helping you prepare for life after university.

Introducing a big shift in the way we structure our academic year

In 2022/23, we transitioned to a semester-based academic year, comprising of two eleven-week teaching semesters followed by assessment weeks, for around 80% of our taught programmes.

The change was based on a comprehensive review of the way that

other leading universities structure their years, and their respective levels of student attainment and satisfaction, as well as extensive staff and student surveys and focus groups. It also enabled us to run a new Future Me enrichment week between the two. And, as part of the new approach, we introduced a refreshed welcome programme, with thousands more students engaged over two weeks of onboarding activities.



Investing in a capable and connected digital infrastructure

Investing in a capable and connected digital infrastructure

To support the education strategy, we continue to invest heavily in our digital infrastructure. By giving students and staff easy, secure access to new digital technologies, we can enhance teaching, learning and assessment, provide students with flexibility in what, where, when and how they learn, and improve the quality of the overall student experience.

For example, our Student Journey Transformation Programme, which brings together our administrative processes and systems in a more standard and user-friendly manner, is near completion and due to be launched in 2023/24. Also, we continued to enhance our student relationship management systems, which will improve the self-serve experience for students. And we successfully implemented a major upgrade to our virtual learning environment, which was delivered seamlessly to all students and staff over a single weekend.

Drawing on these foundational investments, we continued the development of the MyManMet mobile app, which will enable everyone to use their smartphone to access the full range of services, including timetabling, space booking, and assessments.

Transforming lives through the power of research

Through our research and knowledge exchange, we aim to tackle many of the grand challenges of our time, delivering local, national, and global impact and ensuring Manchester Metropolitan is internationally known for the quality of our research.

2022/23 was another successful year. We continued to increase the quality and quantity of our outputs, attract more respected researchers to the University, secure significant levels of external funding, and invest in our facilities. Following the publication of our Road to 2030 strategic framework, we also finalised a new research strategy which further raises our ambition and cements our status as a dual-intensive institution – where research and education are equally valued and mutually supportive.

£20.4m

in external research funding

90%

of our research impact rated as world-leading or internationally excellent

57%

of our outputs co-authored with international partners

1,790

academic outputs

33%

of our outputs published in the top 10% of journals in their field

£1m

Each faculty secured funding awards valued at more than £1m

Distinctive

our research portfolio is characterised by its Manchester-based partnership ethos

Exceptional campus

Investment in world-class facilities like the Institute of Sport

Societal impact

we aim to deliver real change, regionally, nationally and globally

Building on the recognition we achieved from REF21

For UK universities, performance in the Research Excellence Framework (REF) is an important criterion for determining research reputation. In the most recent REF, conducted in 2021, we were ranked 38th in the UK by the Times Higher Education for the power of our research, 35th in the UK for QR income from Research England, and 90% of our research impact was rated world-leading and internationally excellent.

The results showed that the depth and quality of our research is on a par with many universities with a more established reputation for research. They therefore helped build confidence within the University around the excellence of our research, helped to attract more attention from international partners, and put us in contention for larger and more prestigious external awards. To build on this position and expand on the principles set out in the University's Road to 2030 strategic framework, we developed a new research strategy in 2022/23, which has five main drivers designed to create a vibrant research culture and community:

- To support, develop and empower our staff to enable them to produce transformational research through world-leading outputs and impact
- To invest in excellence and critical mass across our people and infrastructure to drive an innovative and inclusive research culture
- To grow research and knowledge exchange funding to create a strong and rich research ecosystem, which is financially robust

- To create a thriving doctoral research community to enhance and grow our research environment, and develop the research leaders of the future
- To build our global reputation to attract the best students and staff to deliver our society-changing research with the greatest reach

Recognising the distinctiveness and the strengths of our research portfolio

The new research strategy recognises and aims to build on our distinctive approach to research partnerships, particularly those that draw on our place in Manchester and aim to bring tangible benefits to social, economic, and environmental wellbeing. It also sets out five mission areas in which we have clear research strengths, namely:

- Transforming health
- Driving economic growth
- Leading cultural and creative excellence
- Driving sustainability
- Tackling inequality

During the year, our researchers published more than 1,790 academic outputs. Some 33% of outputs were in the top 10% of the journals in their field. The metric we use to monitor and track our research quality is our Field-Weighted Citation Impact. Our mid-term target is 2.00 (which means that we are aiming for our research outputs to be cited at twice the world average) and, in 2022/23 we achieved a rate of 1.66.





Investing in, and benefiting from, world-class research facilities

One of the ways we attract leading researchers to Manchester, secure external funding, and produce impactful research is the quality of our facilities.

A good example is our new Institute of Sport, officially opened in March 2023. This new world-class facility unites research excellence from across the University to champion every aspect of sport and health, and is home to specialist labs, an eye-tracking and clinical suite, as well as a 3 Tesla MRI scanner and x-ray scanner enabling the assessment of a range of body tissues and functions. In REF21, the Institute of Sport was ranked sixth in the country for research power, and our ambition is to become the global leader in sport research, impact and education.

Similarly, the new Science and Engineering Building, our largest single capital investment to date, is due to be completed in 2023/24. This will enhance our research reputation in key strategic areas, such as sustainable energy, advanced materials and manufacturing, and artificial intelligence, and will also house the Manchester Fuel Cell Innovation Centre.

The next significant investment will be our new library (artists impression above), with construction due to commence in 2024. From a research perspective, this will include collaborative workspaces and, by housing some of our collections, will show off our work in the cultural and creative industries.

Attracting more world-leading researchers to Manchester

Our growing reputation as a dual-intensive institution is indicated through the calibre of senior researchers who are joining the University. Most notably for 2022/23 was the appointment of Professor Nick Brook as our new Pro-Vice-Chancellor Research who oversees our growing research portfolio, led the strategy refresh, and will take charge of its implementation. An extensively published physicist, he previously held senior leadership roles at the University of Bath, University College London and the University of Bristol.

Other senior researchers recruited during 2022/23 include:

- Professor Michelle McManus, who joins us from Liverpool John Moores University, where she was Head of Criminal Justice, and was previously National Research Lead in Public Health and Policing for Public Health Wales.
- Professor Alison Pilnick, who joins us from the University of Nottingham, where she was Professor of Language, Medicine and Society and has an interest in the sociology of health and illness.
- Professor Anita Franklin, who joins us from the University of Portsmouth, where she was Professor of Childhood Studies and whose research has mainly focused on disabled children's voice, rights, participation and protection.

To continue to build our senior teams, we launched a new professorial recruitment campaign, called Create Our Future, with a view to recruiting an additional 40 professors over the coming four years. Through this campaign, we are actively looking for people with a proven track record in world-leading, high-quality research which expands and complements our existing research strengths.

Winning larger and more prestigious research awards

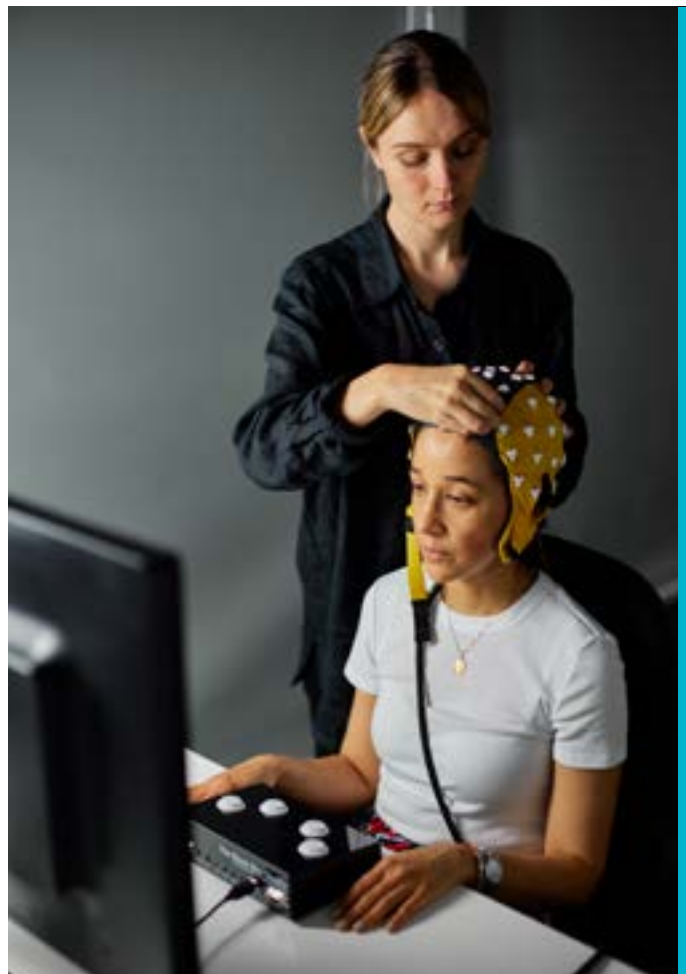
Buoyed by the REF21 results and the growing reputation of our research, we are now in contention for more research awards, and have put an emphasis on larger and more prestigious awards.

In total for 2022/23, we submitted 677 applications for external funding worth £168m. We also generated £28.8m from 268 successful awards, putting us well ahead of our targets. Some of the more significant awards included:

- Professor Nicola Ray from the Department of Psychology, who is leading a consortium of partners including the Northern Care Alliance and the University of Manchester on a Medical Research Council-funded £1m project intended to help improve treatments for Parkinson's Disease.
- Professor Susan Postlethwaite from the Manchester Fashion Institute won a £3.8m grant from the Arts and Humanities Research Council (AHRC) for a project to develop a new fashion robotics lab to help micro-scale fashion businesses introduce high-value, low-volume sustainable production models (see box to the right).
- Dr Keith Winwood from the Department of Life Sciences, who is working alongside partners from several institutions, including the University of Manchester and the University of Nottingham, on a prestigious, five-year Engineering and Physical Sciences Research Council (EPSRC) Programme Grant. Manchester Metropolitan's portion, valued at around £1m, involves the development of facial prostheses with true-to-life skin tones.

We also hosted visits to the campus from several research councils and awarding bodies. For example, an AHRC team led by the organisation's CEO toured our facilities, met some of

our researchers, and discussed its research priorities. Similarly, an EPSRC team led by the Deputy CEO viewed progress on and plans for our new Science and Engineering Building, and discussed our approach to and success with research collaborations across the Greater Manchester region.



Creating a new Robotics Living Lab

A new fashion research facility is being developed at Manchester Fashion Institute.

The Robotics Living Lab (RoLL) received £3.8m from the Arts and Humanities Research Council (AHRC). As well as helping to build and equip the facility, this funding will enable new research into highly responsive sustainable production techniques for UK garment manufacturers.

Fashion researchers, designers and manufacturers will be able to use RoLL to collaborate and make use of robotic technologies with a focus on developing the market for high-value, low-volume fashion production in the UK.

The funding was announced by Science and Technology Secretary Chloe Smith as part of £103m investment into digital research and infrastructure, and the facility is due to be complete by summer 2024.

Supporting innovation among SMEs with a new Centre for Digital Innovation

A central theme of our research and knowledge exchange programmes is their real-world impact, and this sees us engage extensively with businesses and the community. For example, we work closely with national and regional government agencies and take part in several innovation-led consortia and initiatives.

A great example is a project we are leading as part of the UK government's £100m Innovation Accelerators funding. Working with a consortium of universities, further education colleges and industry partners, we created the Centre for Digital Innovation (CDI), which will build digital skills for North West SMEs across four strands: artificial intelligence, cyber security, industrial digitalisation and immersive technology. As part of the Innovation Accelerators programme, we are also leading a consortium to create the Greater Manchester Electrochemical Hydrogen Cluster.

Developing a resilient, scalable, flexible digital infrastructure – and the skills to benefit from it

As part of our research and knowledge exchange strategy, we are committed to investing in excellence – which includes our digital infrastructure.

During 2022/23, for example, we extended the cloud-based platforms used for research management and data processing, which should allow us to secure the necessary levels of capacity, enable us to scale-up and scale-down as required, and contribute to the University's sustainability agenda.

We are also looking to create closer synergies between our research community and professional services colleagues, and to build digital skills across our teams, particularly in areas such as big data and artificial intelligence.



Recognising, celebrating and supporting the contribution from all our staff

A key tenet of the new research strategy is to support all our staff and recognise the way academic staff, professional services colleagues and technical professionals collaborate and contribute to our research ambitions. For example, since 2017 we have supported the Technician Commitment, a sector-wide initiative led by the Science Council to support technical professionals. In 2023, the scheme was extended internationally, and we were one of four universities chosen to share best practice with the first overseas signatory, the University of Sydney. Meanwhile, one of our most experienced technicians, John Hancock, was recognised with a prestigious 2023 Papin Prize – the UK's only award scheme dedicated to celebrating technical excellence and innovation in higher education and research.

Looking ahead to 2023/24 and beyond

Through the new research strategy, we have a full programme of activity scheduled for 2023/24 and beyond.

Areas of emphasis include:

Additional support for our doctoral research community - doctoral students have an essential role to play in our research and, in many areas, are the engine room of our research.

Creating a high-calibre environment and training offering is essential to establishing the University as a destination of choice for doctoral study.

The delivery of an internationally competitive experience requires a strong academic environment, with robust support and supervision mechanisms, coupled with highly integrated professional services dedicated to doctoral activities.

To support our aims, we are creating a Doctoral College, under academic leadership, focused on supporting the whole of the doctoral research community.

Attracting more early-career researchers to the University

- we will continue with our 40 new professors recruitment campaign, complemented by a Manchester Met Proud research fellowship scheme, to include a pathway to an open-ended academic contract. This will demonstrate our support for early-career researchers, establishing a strong research pipeline.

Strengthening our research culture - as we move to the next stage of our research journey, we will develop a research culture roadmap, ensuring our ambition is embedded in all we do and that our shared values drive our working norms and practices, celebrating and rewarding research success.



Extending our international reputation and reach

We want our researchers to be globally respected, and for their research to have international impact. We are therefore pursuing more international research collaborations and applying for more international funding

During 2022/23, more than half (57%) of our research outputs were co-published with international partners, and our researchers continue to publish jointly with collaborators at top-ranking international institutions, such as Harvard University, the University of Toronto, the National University of Singapore, the University of Melbourne, KU Leuven, and the University of Helsinki. We also secured £3.9m in funding from international funding sources including the Australian National Health and Medical Research Council, Sony Europe, and the Danish Research Council for Technology and Production Sciences.

For 2023/24, we are looking to launch a Global Chair programme to enable leading internationally renowned researchers to spend time at the University.

Great place to work

A key component of our Road to 2030 strategic framework is for Manchester Metropolitan to be a great place to work.

The fact is, everything we achieve is dependent on the quality and attitude of our teams, and how effectively they engage and build partnerships with our students, stakeholders and each other. In 2022/23, we made progress with a range of initiatives to help colleagues thrive and support our key goals of excellent education and excellent research with impact. Drawing on extensive consultation with staff, we also finalised our Great Place to Work strategy which focuses on five key goals: talent, reward and recruitment, performance, engagement and wellbeing, and ways of working.

5,100

talented people employed by Manchester Metropolitan

74%

engagement

compared to a sector benchmark of 73%

65%

advocacy

compared to a sector benchmark of 63%

70

of our graduates recruited by the University

+2%

one-off recognition payment awarded to all staff on the pay spine

Sector-leading

for our rewards and benefits

Flexible & hybrid working

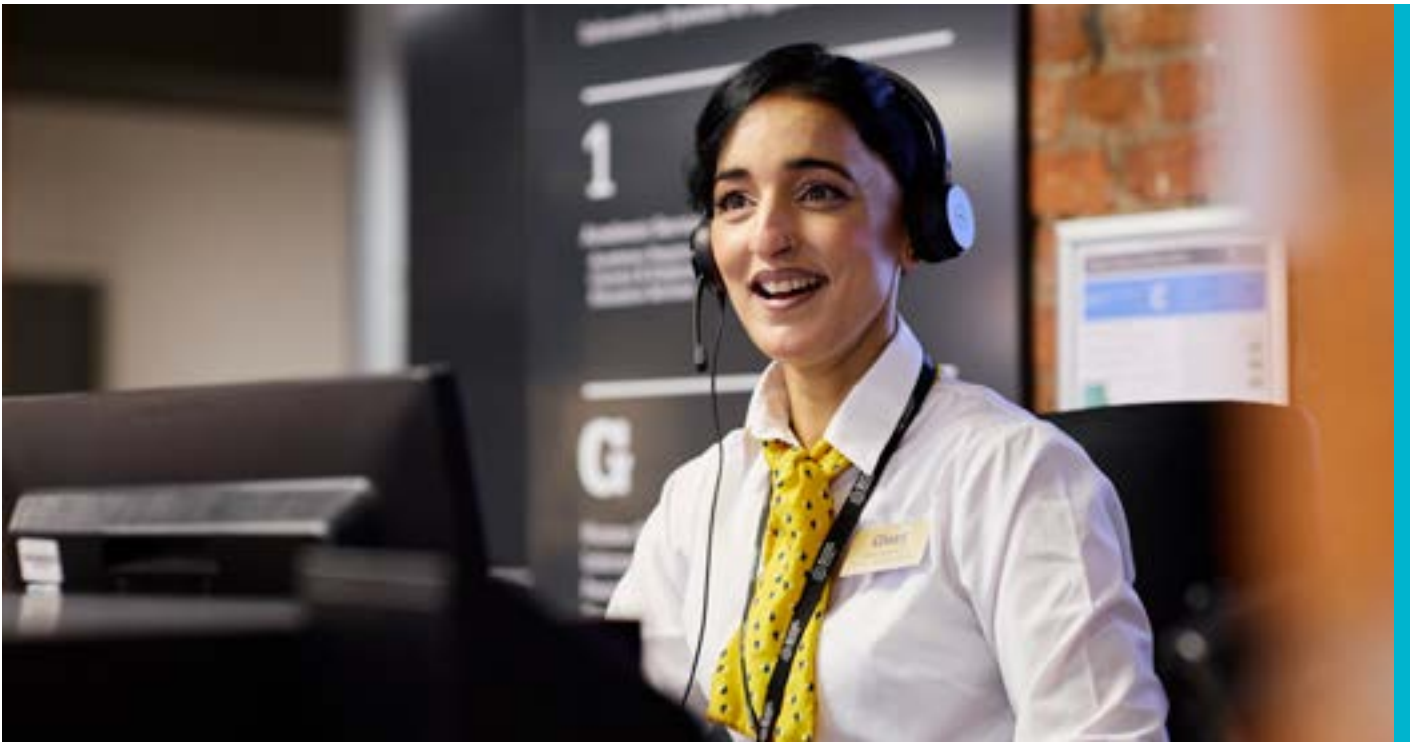
depending on role requirements

Commitment to diversity

with a programme of initiatives to become ever more inclusive

Dedicated professional development

including career and leadership programmes



Attracting talented people

We aim to attract, retain and develop talented, diverse people, who share our values and work with passion, drive and determination to achieve the University's goals.

To this end, we are developing a new employee value proposition. This helps us to articulate the reasons why Manchester Metropolitan is a great place to work, including our goals, values, and sense of community, as well as sector-leading rewards, benefits, and career development pathways.

To help us attract and develop future talent, who are committed to the University and appreciate its transformational potential, we have also become more active in encouraging our graduates to consider a career at the University. During the year we appointed more than 70 graduates into permanent or fixed-term roles, over 40 of whom joined the academy.

Recruiting and rewarding

One indication of our success is our ability to attract high-calibre, high-profile leaders in both the academy and professional services. In 2022/23 we recruited an additional 23 senior staff members, including seven professors. This included the appointment of Professor Steve Rothberg as Provost and Deputy Vice-Chancellor, who joined us from Loughborough University where he was Pro-Vice-Chancellor for Research. He is also a member of the EPSRC Research Infrastructure Strategic Advisory Team and Panel Chair for Athena Swan gender equality awards.

We also made 28 internal promotions to senior positions (nine to Professor and 19 to Reader), which is evidence of the career progression and leadership pathways offered to employees. Meanwhile, to continue to build the breadth and depth of our senior teams, we launched a new professorial recruitment campaign, with a view to recruiting 40 additional professors over the coming four years.

To support our recruitment aims, we refreshed the careers pages on our website. This led to an increase in page visitors of more than 80%, with more than 9,400 applications submitted in the first three months.

Improvements to the benefits package include a new subsidy scheme for electric vehicles and the introduction of private health insurance for all staff. Work is underway to introduce Total Reward Statements for all employees and further enhance our rewards and benefits package.

As with the wider sector, the University was subject to industrial action during the year. We developed several options for improvements to our grading structure and remain committed to making improvements once the national disputes have been resolved. To reflect the progress made by the University, we also awarded a one-off recognition payment to all staff on the pay spine, equal to 2% of their salary, on top of the nationally agreed pay awards.

Celebrating our employees, and the impact they have on transforming lives

One of the ways we celebrate our employees, their commitment to our values, achievements, and impact is through our annual Staff Awards programme, which is now in its third year and goes from strength to strength.

This year, we received over 1,400 nominations from 630 colleagues across 14 categories. Some 400 people attended the awards ceremony. One of the defining characteristics of the University is its creative, confident, passionate and proud community of +5,100 employees – something that is vividly demonstrated and celebrated through the awards.



Enabling high performance

We began work on a refresh of our policy on performance development reviews. The aim is to bring a more consistency to these reviews, ensure that all staff are aware of and have access to high quality support and resources and, ultimately, bring more clarity to roles, objectives, and expectations.

Supporting engagement and wellbeing

In November 2022, we asked all staff to participate in our Employee Voice Survey, a confidential survey run by an independent third party (People Insight) that conducts equivalent studies among more than 50 other UK universities. More than 2,800 colleagues participated, representing 67% of the workforce, and the engagement score was 74%, compared to a sector benchmark of 73%.

The overriding Key Performance Indicator for the Great Place to Work strategy is colleague advocacy, or the proportion of employees who would recommend the University as a great place to work. The score for 2022/23 was 65%, which is ahead of the sector benchmark, but we have work to do to reach our ambitious target of 80%. Several workstreams are underway to address those areas where staff expressed concerns, such as the efficiency of internal processes.

In terms of employee wellbeing, we have clear policies and provide a wide-ranging programme of support. To help evaluate our approach and identify further areas for improvement, we are applying for accreditation to the Mental Health and Wellbeing Charter.

Facilitating new ways of working

We want to enable and empower our colleagues to work more collaboratively, more efficiently, and in a way that helps them to manage their respective priorities and workloads. To this end, we implemented a formal hybrid working policy which draws on learning from recent years. However, it does recognise we are a campus-based university, and we cannot allow flexible working to negatively

impact any services we provide.

We also launched a digital capabilities initiative to help us develop the digital skills and literacy of students and staff alike. Combined with the ongoing investments in our digital infrastructure and connectivity, this ensures that we keep abreast of technological developments, such as generative artificial intelligence (AI), and can harness the best technologies to support our education and research ambitions.

An inclusive and diverse culture

We have always been proud of our diverse community. Across the University, we are committed to creating an intentionally inclusive culture of belonging that promotes equity and celebrates diversity.

Our Equity, Diversity and Inclusion (EDI) Strategy Board and EDI Implementation Group are charged with embedding the principles throughout the University and each year we publish our performance in our EDI Annual Report.

Highlights from 2022/23 include the launch of our Intentional About Inclusion leadership scheme, comprising a full range of digital resources and e-learning programmes for managers. We also refreshed our EDI Essentials e-learning module that is mandatory for all staff.

In November 2022, we received a Bronze Race Equality Charter Award from Advance HE, recognising the work done and the commitments made to improve the representation and progression and success of Black, Asian and minority ethnic staff and students. We are also working towards re-accreditation within Athena Swan, a scheme that supports gender equality within higher education and research, and are accredited at the highest level of the government's Disability Confident scheme.

Meanwhile, our staff networks – Gender, Race, Parents and Carers, LGBT+ and Disability – continue to support our diverse communities across the University, working collaboratively with their members to enhance a culture of belonging.

Leadership in sustainability

Manchester Metropolitan is recognised as one of the UK's most sustainable universities.

Every year for the past decade, we have achieved a top-three ranking in the *People & Planet University League*, which assesses all UK universities on their environmental and ethical performance. In 2022/23, with the launch of our new sustainability strategy, we set out the details of how we are embedding sustainable development practice across four dimensions: leadership in sustainability, academic innovation and impact, sustainable campus and practices, and engagement and partnerships.

Top 3 every year for a decade

in the *People & Planet University League*

3rd in the world

for Responsible Consumption and Production in the *Times Higher Education Impact Rankings*

Zero carbon by 2038

a firm commitment with a clear plan of action

7th in the world

for Partnerships for the Goals in the *Times Higher Education Impact Rankings*

79.3% of students

say they are gaining sustainable development knowledge and skills

£7.2m

a new project to make the Birley Energy Centre carbon neutral

16 KPIs

to monitor and manage our sustainability performance

130 colleagues

trained to incorporate Carbon Literacy in their courses

200MW renewable energy

to be generated at the region's first low-carbon hydrogen hub

Demonstrating leadership in sustainability

Through our Leadership in Sustainability strategy, we aim to make Manchester Metropolitan a beacon of sustainable development practice, making a positive difference to our society, the environment, and the economy through our education, research, partnerships, and campus.

Within the strategy, we set out 16 ambitious targets, and our progress towards them is detailed in an annual sustainability report. Implementation is coordinated by the Environmental Strategy Group, chaired by Professor Steve Rothberg, Provost and Deputy Vice-Chancellor, while Professor Liz Price in her role as Deputy Pro-Vice-Chancellor for Sustainability ensures the subject is embedded in all our courses.

Besides our top-three position in the *People & Planet University League*, recognition included a top-70 place in the 2023 *Times Higher Education* Impact Rankings, which assesses higher education institutions globally on the quality of their contribution to the United Nations Sustainable Development Goals. Although the number of institutions in this prestigious listing has increased three-fold over recent years, we continue to improve our position within it, achieving third place in Responsible Consumption and Production category, and seventh place in the Partnerships for the Goals category.

Understanding and addressing the climate change impact of aviation

Research teams in the Centre for Aviation, Transport, and the Environment are producing ground-breaking work on the climate change impact of aviation and how best it can be managed. For example, David Lee, Professor of Atmospheric Science co-authored a new study on the true environmental impact of Sustainable Aviation Fuels, explaining that they are unlikely to be a silver bullet for the decarbonisation of the airline industry. He was also lead author on a United Nations report on the need for carbon capture solutions in the Aviation Industry and contributed to a new briefing from the Royal Society on the alternatives to conventional jet fuel.

Delivering academic innovation and impact

In terms of education, our ambition is to embed learning about sustainable development and climate change into all our taught courses by 2026/27, and we are making good progress towards this goal. For example, in 2022/23 79.3% of returning students said they had gained knowledge and skills related to sustainable development as part of their course, while 74.9% of students expressed a strong interest in learning about sustainable development as part of their university studies.

To help colleagues from across the academy to integrate relevant topics into their courses, we began the development of a new Education for Sustainable Development toolkit. We also continued to extend our award-winning and sector-leading Carbon Literacy initiatives, which enable us to equip our staff, students, and

partners with knowledge and skills to make a lasting contribution to a socially just and environmentally sustainable future. By the close of the year, more than 130 Carbon Literacy Champions had been recruited in every department, and trained to incorporate carbon literacy into their programmes.

To ensure consistency and rigour in the University's approach, we continued to embed Education for Sustainable Development and carbon literacy into our graduate attributes and quality assurance processes.

In terms of research, we want Manchester Metropolitan to play a role in addressing the grand challenges of our time, including our work in greener fuels, aviation, sustainable consumption, and nature-based solutions to climate change.

Tackling climate change through effective land management

Research from the Department of Natural Sciences has shown the way land is managed by organisations and farmers across the UK can help increase biodiversity and cut carbon emissions. As part of an EU-funded project, our teams are helping to find innovative solutions for peatland restoration, involving local and regional stakeholders. These peatlands are important habitats for specialised wildlife and can play a big role in the fight against climate change



Operating a sustainable campus

Our vision is for our campus to be a living model of sustainability. We want it to be an innovative and solutions-focused environment that makes a positive contribution to people's health and wellbeing, the planet, and the economy. To this end, we have



set targets and monitor our performance against nine related dimensions: carbon emissions reduction, sustainable buildings, biodiversity value, sustainable food, reuse and recycling, water efficiency, sustainable procurement, ethical investment, and climate change adaptation and resilience.

Our goal is to be a zero-carbon University by 2038. For 2022/23, our direct emissions (scope 1 and 2) were 9,062 tonnes. We remain on track to achieve a 44% reduction (on our 2018/19 baseline) by 2026, and our Carbon Management Plan sets the trajectory for subsequent reductions. For our indirect emissions (scope 3) we began work on a comprehensive reduction plan involving academic colleagues and students. This will be a significant undertaking, yet we remain confident of achieving our 2038 net zero goal.

During the year, we began a two-year, £7.2 million project to upgrade the Birley Energy Centre, and replace its existing gas-fired boilers with electric heat pumps. Since this facility provides heating and hot water to more than 1,000 students and accounts for 27% of our gas use, this will be a significant achievement, delivering an estimated annual saving of 1,558 tonnes of CO² annually.

We also made progress in our aims to address emissions associated with staff and student travel. For example, we published a comprehensive Sustainable Travel Plan, which encourages the use of low-carbon and active modes of travel amongst staff and students. We also reduced the size and the carbon intensity of our vehicle fleet, extended our EV charging infrastructure and introduced a fleet of e-cargo bikes for on-campus and inter-campus journeys.

Extending our engagement and partnerships

Regionally, nationally, and internationally, we aim to work with partners to amplify our impact and bring about tangible environmental and social benefits. Indicative developments in 2022/23 included:

- As part of the government-funded Innovation Accelerators programme, we are leading the Greater Manchester Electrochemical Hydrogen Cluster, a new consortium that builds on the work of the University's Manchester Fuel Cell Innovation Centre. Its aim is to accelerate the development and adoption of clean and efficient electrochemical hydrogen technologies among the region's small and medium-sized (SME) enterprise.
- Through a new partnership with OakTree Power, a celebrated climate-tech start-up, we are helping companies reduce their carbon footprint using cloud-based artificial intelligence (AI) solutions. Focusing on the energy efficiency of commercial buildings, these can enable improvements of up to 30%.
- A significant landmark was reached in our work with Greater Manchester Combined Authority (GMCA) and several industry partners on the region's first low-carbon hydrogen hub. In October 2022, planning permission was secured, paving the way for the facility to produce green hydrogen at scale, with the capacity to generate 200 megawatts of renewable energy – enough to power 200,000 homes.

On a global level, we continued our membership of the United Nations Academic Impact initiative, which promotes our Manchester Fuel Cell Innovation Centre (MFCIC) facility as an example of global best practice.



Financial Statements

2022/2023

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Robust Foundations

Sustainable investments to support our ambitions. We will maintain financial stability so we can make strategic investments in our activities and infrastructure. We will invest in line with our sustainability strategy and ethical standards.

Track investment performance. With all our investments in the University we will make sure we deliver value for money, with academic, financial, and reputational returns that support our education and research ambitions.

Financial Performance and Sustainability

The University continues to deliver strong financial performance, with income growing by £29.0m (7.4%). Cash and short-term investments have decreased (to stand at £126.8m), with the strategic investments in the estate, IT infrastructure and other facilities funded through internally generated cash reserves.

With total net assets of £678.7m and no external borrowing, the financial position of the University remains robust.

Total income

£422m

(2021/22: £393m)

Total income grew by 7.4%, predominantly through the growth in international student tuition income, funding body grant income with increased Research England funding, and increased investment returns from cash deposits.

Tuition fee income

£328m

(2021/22: £311m)

Tuition fee income grew by 5.5%, predominantly through the growth in international student tuition income.

Research income

£15m

(2021/22: £14m)

Research income grew by 7.2%, as a result of the continued growth in research awards.

Total expenditure

£406m

(2021/22: £382m)

Total expenditure grew by 6.2%, as a result of inflationary pressures in both staff cost and operating expenditure, alongside increased investment in estates and IT projects.

Staff costs*

** excluding pension provisions*

£234m

(2021/22: £209m)

Staff costs (excluding pension provisions) grew by 12%, as a result of the annual pay award and investments in new academic and administrative roles.

Capital investment

£66m

(2021/22: £45m)

Capital investment grew by 44.6% due to planned capital expenditure in new buildings, such as the new Science and Engineering building and the refurbishment of Grosvenor West.

Net cash from operations

£52m

(2021/22: £67m)

Net cash inflow from operation reduced by £15m, as a result of the planned investments in new staffing roles and operating expenditure.

Cash and investments

£127m

(2021/22: £157m)

Cash balances reduced by £30m, due to the repayment of external borrowing (£23m), and the planned investment in the University's estate.

External borrowing

£0m

(2021/22: £23m)

External borrowing reduced to zero during 2022/23, through the repayment in full of an outstanding loan. The University has a £50m Revolving Credit Facility in place should any new borrowing be required, which remained undrawn at the balance sheet date.

Financial Performance and Sustainability

Income - Year-on-year growth £29.0m (7.4%)

Growth in **tuition fee income** of £17.1m (5.5%) in the year to £327.9m recognises the popularity of the University in the student recruitment market. The increase in income year-on-year particularly reflects strong growth in international postgraduate student recruitment.

The increase in **research grants and contracts** of £1.0m (7.2%) to £14.9m, is a result of an increase in research awards in prior years.

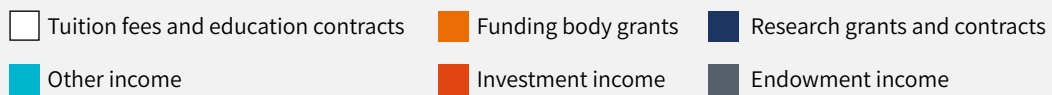
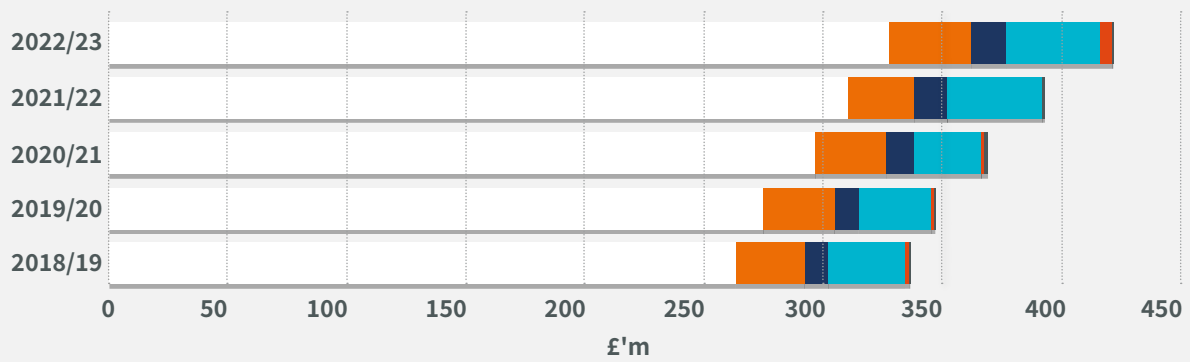
The increase in **funding body grant income** (£7.1m) reflects an increase in Research England funding, recognising the University's achievements in the Research Excellence Framework (REF 2021).

Expenditure - Year-on-year growth £23.7m (6.2%)

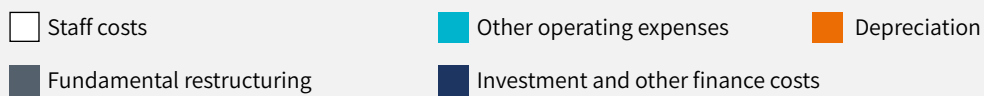
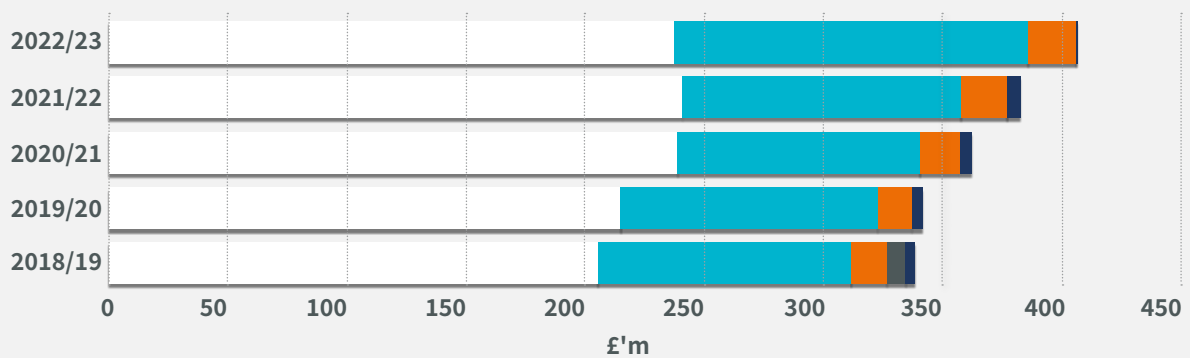
Staff costs of £237.0m in the year (a decrease of £3.8m) equates to 56.1% of income, compared with 61.3% in the prior year. A decrease of £29.0m in pension provision costs is offset by increase in underlying staff costs, as a result of the annual pay award and growth in staff numbers of 145 FTE, with extra investment in academic and research roles, and administrative roles aligned to improving the student experience and graduate outcomes.

A £32.5m increase in **other operating expenditure** during the year reflects significant investments in estates and IT related expenditure, alongside inflationary pressures leading to increased energy costs and the decision to provide additional hardship funding to support students. Increased student recruitment expenditure has been incurred to support the growth in international students, plus a one-off cost was recognised as a result of a provision for an onerous lease (see note 20).

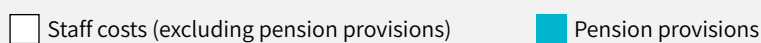
Consolidated income



Consolidated expenditure



Staff cost

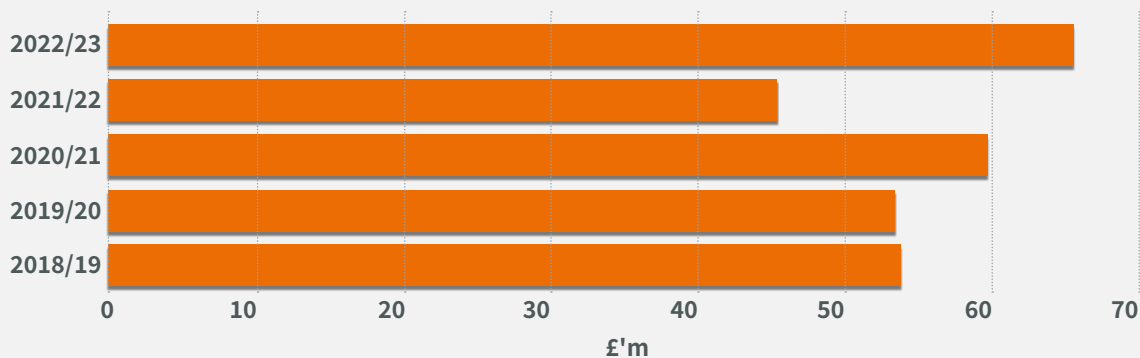


Financial Performance and Sustainability

Fixed Assets – Year-on-year growth £42.9m (7.4%)

The Estate Strategy 2017-2027, is a framework document that outlines a number of high-level strategic estates related investments that are required over the ten-year period to support the University in attaining its strategic objectives. Capital expenditure of some £65.6m was incurred during 2022/23, primarily related to the investments in assets which were under construction during the year, including the new Science and Engineering building and the refurbishment of the Grosvenor building, which are scheduled for completion in early 2024.

Capital expenditure



Modern slavery

The University provides clear direction on its approach to the removal of modern slavery in our business and supply chains through our Modern Slavery Act Policy. Our Procurement Strategy and processes identify the standards and principles we require our suppliers to commit to and evidence as part of our supplier selection process.

During the last year we have achieved several positive outcomes in the fight against modern slavery and human trafficking, including: maintaining our membership of Slave Free Alliance (part of Hope for Justice) and attending their members' seminar; Progressing our 3-year Action Plan developed with the Slave Free Alliance; meeting with colleagues from across Professional Services and Faculties to strengthen our connections and identify Modern Slavery risk areas in our business; requiring our suppliers to pay the Living Wage Foundation accredited rate on our contracts; maintaining active membership with Electronics Watch; appointing our graduation gown supplier who works to the Ethical Trading Initiative Base code principles.

Further information can be found at: [Modern slavery and human trafficking annual statement | Manchester Metropolitan University \(mmu.ac.uk\)](#)

Sustainable Procurement

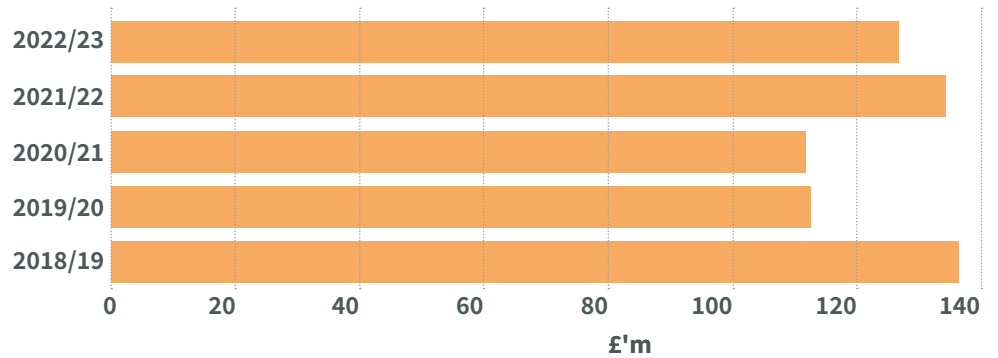
The University's Procurement Strategy recognises the impact of embedding sustainable procurement into our procurement process and providing outcomes which support our Sustainability Strategic Theme.

Our Procurement Strategy explains how we will embed 'Environmental Sustainability', 'Economic Sustainability' and 'Social Value' into our tender process and the contracts that we procure, committing our supply chain partners to deliver sustainable solutions that reach beyond the University's direct influence. Further details can be found at: [Sustainable procurement | Manchester Metropolitan University \(mmu.ac.uk\)](#)

Liquidity and debt

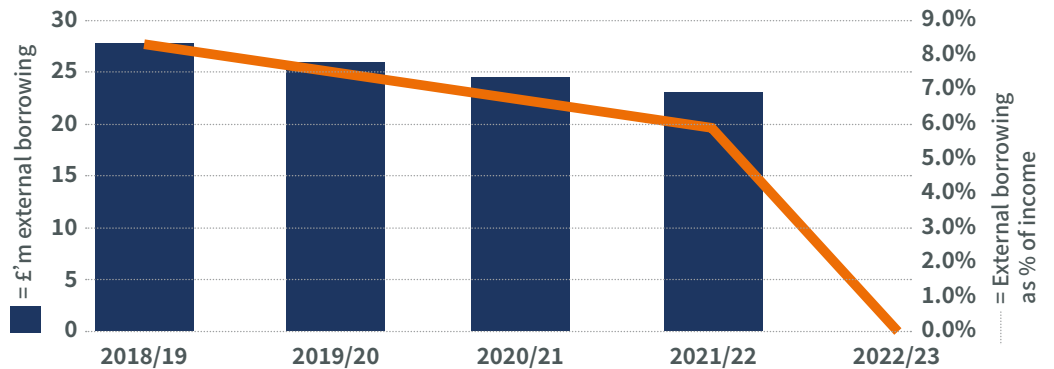
Cash resources (investments and cash and cash equivalents) stand at £126.8m at 31 July 2023, with the year-on-year decrease primarily due to the repayment of external borrowing. Net funds (cash resources less external borrowing) reduced by £7.3m, through the planned investment in the University's estate. The University aims to generate healthy operating cash flow levels (2022/23: £51.8m) to fund future long-term investments, whilst still achieving the financial KPIs.

Net funds (cash resources less external borrowing)



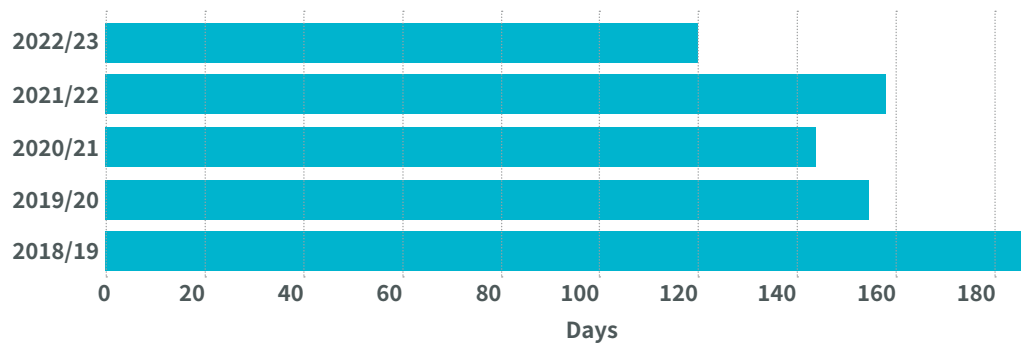
External borrowing

External borrowing reduced to zero during 2022/23, through the repayment in full of current borrowings. The University has a £50m Revolving Credit Facility in place should any new borrowing be required. This remained undrawn at the balance sheet date.



Net liquidity (days)

Net liquidity days has decreased from 158 days in 2021/22 to 120 days in 2022/23 as the University's Estate Strategy progresses. This will provide the funding headroom to support planned strategic investment in the estate, IT infrastructure and other facilities in the near term.



Treasury management and ethical investment

The Manchester Metropolitan University sets out to invest its funds with due consideration for ethical, environmental, corporate governance and social issues. To achieve this aim, the University will aim to place all short-term investments and endowments with financial institutions whose investment objectives are aligned to the University's values.

The University does not intentionally invest directly (or through collective funds) in; fossil fuel companies; arms companies; corporations complicit in the violation of international law; or organisations with high exposure to activities or substances, which are potentially injurious to health (including alcohol and tobacco).

The University is committed to helping protect and preserve the global environment and in terms of environmental sustainability, does not invest directly in organisations that do not have policies to control and significantly reduce the risk of serious negative environmental impacts.

Further information can be found at:

[Treasury-Management-Policy-Statement.pdf \(mmu.ac.uk\)](#)

Pension Costs

The University is an employer in three large pension schemes which cover the majority of its employees. These are the Teachers' Pension Scheme, The Greater Manchester Pension Fund and the Universities Superannuation Scheme. Each of these schemes is structured differently and therefore requires different accounting treatment to meet the requirements of Financial Reporting Standard 102 (FRS102). Further details can be found in note 29.

Key Performance Indicators (KPIs)

Key Performance Indicators (KPIs) allow the University to monitor its progress towards maintaining robust financial sustainability, so that we can make strategic investments in our activities and infrastructure, with returns that support our education and research ambitions.

The table below demonstrates the robust financial health of the University, with the majority of measures significantly ahead of the targets that have been set. This strength will allow the University to continue investing across all areas of activity, while also providing resilience to manage any external risks that may arise.

	Target	2022/23	2021/22
Net liquidity (days)	> 60 days	120 days	158 days
External borrowing as % of total income	< 40.0%	0.0%	5.9%
Net cash inflow from operating activities as a % of total income	(i) Annual basis (> 5.0%)	12.3%	17.1%
	(ii) 6 year average basis (> 10.0%)	11.6%	11.5%

Going Concern

The University has conducted a Going Concern review for the period from 1 August 2023 to 31 December 2024. Scenario modelling shows that, even with significant reductions in income, the University will retain sufficient cash to meet its liabilities as they fall due over this period. Further details on the scenario modelling undertaken can be found on page 64.

The University has adequate resources to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis for preparing the financial statements. In reaching this conclusion, it has reviewed the sustainability of the University and is satisfied that the strategies, plans and processes in place will help the University move towards delivering its strategy.

Risk summary

The University operates within a clear, consistent and dynamic risk management framework, which identifies, evaluates and manages risk systematically across the organisation.

The Corporate Risk Register is the focus of the documentation and assessment of key strategic risks. The Register identifies and defines individual risks, assesses their likelihood and impact, outlines the mitigating actions in place or underway to minimise the impact of the risk, and in conjunction with the Board of Governors, assesses the University's appetite for tolerating the individual risks identified.

These risks are reviewed regularly in light of internal and external developments and are also informed by similar risk registers developed by individual faculties and Professional Services.

The table below summarises the key strategic risks identified in 2022/23 that could impact on the University's ability to deliver our strategic objectives and the mitigating actions and controls in place to manage them effectively.

Risk area	Risk description	Risk management
People		
Failure to recruit, retain and develop quality staff	<p>The current tight labour market has led to higher turnover of staff and difficulty in recruiting. The ongoing recruitment challenges and vacancies reduce the capacity of the University to deliver its strategy.</p> <p>There is also an increased risk of losing quality staff, especially research stars, and increased need to develop existing staff, both academics and in professional services, to ensure we deliver the University's Strategy.</p> <p>Issues with staff recruitment will require increased emphasis on retention, training and development and succession planning.</p>	<ul style="list-style-type: none"> • Clear development pathways for academic staff development and progression. • Research focused on areas of quality to support recruitment and retention of research-active staff • Professional Services Leadership Development • Great Place to Work strategy (attraction, retention and reward of talented staff) • Workforce and succession planning embedded in Faculties and Professional Services • Emphasis on internal staff development opportunities, greater use of interns and apprenticeships, and involvement in projects within professional services • Emphasis on staff productivity including through investment in systems and processes • Employee Value Proposition (EVP) Project to support attraction and retention of staff • Ongoing work on staff engagement, reward and recognition
Staff health and wellbeing	<p>A high number of vacancies across the workforce increase the pressure and workload for remaining staff, posing risk to health and wellbeing (which in turn increases the difficulty of retaining staff).</p> <p>The cost of living crisis poses an external risk with high inflation and interest rates producing a real decrease in wages and significant financial challenges for some staff</p>	<ul style="list-style-type: none"> • Staff engagement strategy including VC briefings, monthly briefings, videos, newsletters, intranet • Regular Employee Voice Surveys • Launch of Mental Health and Wellbeing strategy • Close monitoring of staff wellbeing and flexible working arrangements, including enhanced support for carers • Continued sickness and absence monitoring • Regular formal and informal communications with the Trade Unions • Great Place to Work strategy (engagement and wellbeing of staff)
Industrial action	<p>Protracted dispute with the Trade Unions on pay and conditions continues across the sector. Industrial action could impact on capacity to deliver core business of education and research, and impact on key student administrative processes as well as negatively impacting on the student experience.</p> <p>The impact on staff of wider industrial action, particularly in schools and transport, could further impact on the University's capacity to deliver its services.</p>	<ul style="list-style-type: none"> • Staff engagement strategy including VC briefings, newsletters intranet. • Proactive engagement with the Trade Unions through meetings related to associated projects and the JNCC. • Briefings and updates from UCEA. • Networking with HRDs across the sector to inform response in the event of a positive ballot. • Joint TU/management working group established to consider improvements to a range of terms and conditions • Contingency planning for specific high risk activities

Risk area	Risk description	Risk management
Resources and Sustainability		
<p>Increasing financial pressures</p>	<p>The University faces multiple financial pressures which could reduce the ability to generate cash and deliver its current priorities as well as invest in and implement new initiatives.</p> <p>Ongoing inflationary cost pressures impact on the University's operations, capital investment and create pressures on pay.</p> <p>Recent market turmoil has further increased risks around financial planning, impacting on interest rates and exchange rates.</p> <p>Furthermore, as confirmed in the Augar response there will be no real terms increase in Home Full Time Undergraduate (FTUG) fees.</p> <p>This risk is heightened given our current size and shape of provision which places a high degree of reliance on UK FTUG fee income.</p>	<ul style="list-style-type: none"> • Income diversification through postgraduate taught, international and degree apprenticeships • Annual planning and budget round to ensure robust financial planning • Proactive management of energy and other major costs • 'Deep dive' exploration into inflationary risk to capital programmes • Attractive and competitive portfolio and fee offer • Emphasis on increased staff productivity
<p>Pension scheme costs continue to rise disproportionately</p>	<p>The actuarial valuation of any of the three main pension schemes deteriorates such that significant increases are required to employers' and / or employees' contributions.</p> <p>Risk in relation to both USS and GMPF has reduced but increased significantly on TPS.</p>	<ul style="list-style-type: none"> • Involvement in the valuation process • Explore other pension options for our staff to spread risk away from the three main funds
<p>The University fails to implement the Student Journey Transformation Project (SJTP) in timely or effective way</p>	<p>As planning for Go Live 4 progresses and the threshold on quality is kept high, there is reducing risk around the delivery of system functionality and business readiness.</p> <p>However, several potential risks still remain, especially of operational disruption in the period immediately after Go Live, change fatigue and failure to realise longer term process improvements and financial benefits.</p>	<ul style="list-style-type: none"> • Robust project governance structure and oversight, including cost and quality control through IT and Digital • Active vendor management • Proactive engagement on business readiness and benefits realisation • Emphasis on organisational design and clear accountabilities • Significant planning around GL4 to identify clear decision points and any potential resource constraints • Development of Business Continuity Plans
<p>Space constraints</p>	<p>Space constraints on the Manchester campus restrict the University's ability to deliver its academic vision, limiting the ability to respond quickly to areas of student growth, research opportunities and proposed new initiatives, potentially compromising the student and staff experience.</p>	<ul style="list-style-type: none"> • Space Management Group • Space management policy, guidelines and audit • Smarter Working Project • 5-year strategic plan to address space utilisation • New approaches to space utilisation
<p>Estate disruption</p>	<p>Delays to major estates projects or a building unexpectedly out of commission leading to significant disruption, negative impact on the student experience and financial loss.</p> <p>Ongoing construction works hamper access to spaces across the campus and could have a negative impact on the on-campus experience for students and staff.</p> <p>Ongoing supply chain problems and inflationary pressures will continue to cause challenges to timing and costs for building projects.</p>	<ul style="list-style-type: none"> • Estates project management structure • Established business continuity plans • Installation of standby generators approved by the board • Contingency plans for Science and Engineering build • Business continuity plans for contractors going into administration

Risk area	Risk description	Risk management
Compliance and Reputation		
Failure to improve student outcomes	<p>There has been strong performance in the National Student Survey, a notable improvement in Graduate Outcomes metrics for our main UKFTFD cohort and generally robust performance on other outcomes measures and it is unlikely we will be subject to regulatory action. However, there needs to be continued focus on improving student outcomes, especially around pockets of provision which are below Office for Students (OfS) threshold and pull down institutional performance. Of greater risk is an inability to sustain and build on improvements to student outcomes required to deliver our ambitions within future Teaching Excellence Framework (TEF) and league table rankings.</p>	<ul style="list-style-type: none"> • Continued investment in student success, including health and wellbeing support • Education Annual Review process to support focus on quality • Semesterisation of the academic year • Enhanced early career graduate support for 2022 graduates • Renewed emphasis on student attendance and engagement • Measurement of education gain • Embedding of new Education Strategy
Regulatory Framework	<p>The external regulatory framework continues to evolve resulting in new and changing requirements for providers, for example around compliance with 'B' conditions, Access & Participation, sexual misconduct, management and governance, and protecting students.</p> <p>Failure to meet these requirements raises the risk of regulatory action, including fines, clauses being added to the conditions of registration and ultimately loss of university status.</p>	<ul style="list-style-type: none"> • Effective governance and management • Establishment of OfS Compliance Group • Access and Participation Plan outcomes embedded in Education Strategy • Assurance processes for OfS B conditions being developed • TEF Review Working group established
Information security incident	<p>An information security incident could result in loss of confidentiality, possibly leading to reputational damage, regulatory involvement and fines. This risk is exacerbated by over-retention of information, including sensitive personal information.</p> <p>Of greater impact, an incident such as a ransomware attack could result in data and/or systems becoming unavailable at a critical time and throughout an extended recovery period (most likely to be measured in months rather than days or weeks) which will impact on operational activity.</p> <p>This risk has increased since the start of 2020 due to our increased reliance on digital systems for core activity and explicit targeting of HEIs by attackers.</p>	<ul style="list-style-type: none"> • Information Governance Board and investment in IT • Security and Risk Committee, and security-informed prioritisation of IT resources • Ongoing training and awareness-raising activity on information security • Ongoing internal and external testing for vulnerabilities • Workstreams to review backup and resilience, network access control and mobile device management • Proactive deployment of multi-factor authentication and other controls (including student authentications -in progress) • Migration of data storage away from network drives • Work to replace legacy software systems • Work to baseline and then enhance our IT Disaster Recovery plans to bring them in line with business requirements
Student wellbeing	<p>There are increasing demands for student support services, particularly counselling and mental health, where both the number and complexity of cases are growing. Issues around student wellbeing are increasingly visible, as are expectations from students, Government, and other stakeholders on levels of student support universities provide. There is a risk that one or more areas of student support fails to deliver to the expected standards, leading to reputational damage and dissatisfied students.</p> <p>The cost of living crisis is impacting students adding financial stress and further pressures to mental health and wellbeing as well as potentially impacting on wider issues around experience and retention</p>	<ul style="list-style-type: none"> • Students At Risk panel (action plan for at risk students) meets weekly • Safeguarding Policy and Guidance in place • Mental Health and Wellbeing Strategy Board established • Substance Use Group established • Cost of Living Working Group established • Continued investment in GMMH and Togetherall • Monitoring of activity and wait times via CMHWP Dashboard

Corporate Governance

Constitution and Charitable Status

Manchester Metropolitan University is a Higher Education Corporation (HEC) established under the provisions of the Education Reform Act 1988. The powers of the HEC are defined in section 124 of the 1988 Act as amended by the Further and Higher Education Act 1992. These powers include the power to provide higher education and to carry out research and to publish the results of such research.

The University is also an exempt charity as defined in the Charities Act 2011, with the Office for Students acting as its principal regulator.

The charitable purpose of the University, as defined in the Charities Act 2011, is the advancement of education for the public benefit. Members of the University's Board of Governors are the Charity Trustees and are responsible for ensuring compliance with charity legislation. The University's Trustees/Governors have regard to and comply with the Charity Commission's general and supplementary guidance on the public benefit in exercising their powers and duties.

This Corporate Governance Statement relates to the financial year ended 31 July 2023 and is current until the date of approval of these audited financial statements.

Our Approach to Corporate Governance

The University's framework of governance is established in the Instrument and Articles of Government. The University is committed to exhibiting best practice in all aspects of corporate governance. It aims to conduct its business in a responsible and transparent way, and in accordance with:

- The principles identified by the Committee on Standards in Public Life, the Nolan Principles, (selflessness, integrity, objectivity, accountability, openness, honesty and leadership).
- The University's governing documents, the Instrument and Articles of Government.
- The requirements of the higher education (HE) regulator, the Office for Students (OfS).
- The Committee of University Chairs (CUC) *Higher Education Code of Governance* and other relevant guidance.
- Charity Commission Guidance.

In adopting the *HE Code of Governance*, which was updated in September 2020, the University has reviewed its governance practices and is satisfied that it complies with the Code. An external Board Effectiveness Review in 2021 also confirmed that the University demonstrated good governance in line with the Code's principles.

The University is committed to the principles of academic freedom and equality of opportunity. The University also has a Code of Practice on Freedom of Speech to help ensure that freedom of speech within the law is secured.

The University has systems in place to ensure compliance with regulatory requirements. The University's Audit and Risk Committee assures itself of compliance with the ongoing conditions of registration with the Office for Students (OfS) through the receipt of an annual report from the University's OfS Compliance Group and the internal audit programme undertaken by the internal auditors.

Summary of the University's Structure of Corporate Governance

The Board of Governors is the governing body of the University and therefore has ultimate responsibility for the University's overall strategic direction. The Board's responsibilities are set out in the University's Articles of Government, the Scheme of Delegation and in guidance from the Office for Students. The Board's responsibilities include determining the educational character and mission of the University, approving annual estimates of income and expenditure, ensuring the solvency of the University, safeguarding the University's assets, appointing the Vice-Chancellor, Clerk to the Board and external auditor and for putting in place effective systems of control and accountability.

In accordance with the University's Instrument of Government, the Board of Governors comprises predominantly independent members, together with the Vice-Chancellor and members of the staff and student bodies. The roles of Chair and Deputy Chair are separated from the role of the University's Chief Executive, the Vice-Chancellor.

The Vice-Chancellor has responsibility to the Board of Governors for the organisation, direction and management of the University. He is also the designated Accountable Officer for the purposes of the OfS terms and conditions of funding. The Vice-Chancellor is supported by a University Executive Group comprising the Provost and Deputy Vice-Chancellor, the Chief Operating Officer and Clerk to the Board of Governors, Pro-Vice-Chancellors, the Chief Information Officer, Chief People Officer, Chief Financial Officer and the Director of Strategic Planning and Operations.

Conduct of Business

The Board of Governors has four Board meetings per year and a two-day Strategy Meeting to consider long-term planning. The formal meetings of the Board are supplemented by informal briefing sessions on relevant issues, and attendance at key

Corporate Governance *continued*

University events. This helps to ensure that Governors are part of the wider community of the University and that they are fully briefed on the activities of and challenges and opportunities facing the University.

The Board has a number of Committees to help it to discharge its business effectively. These are as follows:

- Audit and Risk Committee
- People, Finance and Resources Committee
- Nominations and Governance Committee
- Remuneration Committee

These Committees meet regularly and have clearly defined, delegated responsibilities. All of the Board's Committees regularly report to the Board, making recommendations as appropriate. In addition, the Audit and Risk Committee produces an annual report for the Board of Governors and the Vice-Chancellor providing an opinion on the adequacy and effectiveness of the University's arrangements for the following:

- Risk management, control and governance.
- Sustainability, economy, efficiency and effectiveness.
- The management and quality assurance of data submitted to regulatory bodies.

The Vice-Chancellor provides an update on University business and sector issues at each Board meeting and members of the



University Executive Group also attend Board meetings as required to provide updates and to answer any questions that may arise.

Audit and Risk Committee

The Audit and Risk Committee is responsible for:

- reviewing the audit issues relating to the draft annual financial statements prior to submission to the Board of Governors, monitoring compliance with statutory requirements, accounting standards and best practices for financial reporting;
- agreeing with the internal and external auditors the range of the respective audits and reviews and discussing with the auditors and with management any matters arising from the audits and agreeing appropriate action;
- monitoring the adequacy and effectiveness of the accounting, internal control, governance and risk management systems;
- advising the Board of Governors about the adequacy and effectiveness of the University's arrangements for:
 - risk management, control and governance
 - sustainability, economy, efficiency and effectiveness (value for money)
 - the management and quality assurance of data submitted to regulatory bodies.

The Audit and Risk Committee operates in accordance with OfS requirements and with best governance practice such as the *HE Audit Committees Code of Practice* produced by the CUC. Members of the Audit and Risk Committee do not have executive authority and are not also members of the People, Finance and Resources Committee to help to ensure that any potential conflicts of interest are avoided.

The Vice-Chancellor, the Chief Operating Officer and the Chief Financial Officer regularly attend Audit and Risk Committee meetings although they are not members of the Committee. The internal and external auditors also meet with the Audit and Risk Committee for independent discussions without any of the University's management being present.

The Audit and Risk Committee met four times during 2022/23 and membership of the Committee is as follows:

Miles Rothbury (Chair)

Dr David Birch

Mohammad Habeebullah (to 30 June 2023)

Shrutisha Morris (to 31 October 2022)



Richard Paver (to 28 February 2023)

Simon Rutter (from 1 December 2022)

Jill McCormack (from 1 September 2023)

People, Finance and Resources Committee

The People, Finance and Resources Committee (formerly Finance and Resources Committee to 24 March 2023) is responsible for:

- considering, advising or determining, as appropriate, the strategies and policies for the effective and efficient use of the University's people, financial and physical resources;
- keeping the University's financial position under review, making recommendations to the Board concerning the University's annual budget and financial forecasts, ensuring the solvency of the University and the safeguarding of its assets;
- reviewing policies and practices concerned with staffing issues such as annual pay awards; staff appraisal; staff development; discipline and grievance; health and safety and equality, diversity and inclusion.

Some minor amendments to the Committee's terms of reference were approved following the change of its title, to refine the People section of the terms of reference.

The People, Finance and Resources Committee met four times during 2022/23 and membership of the Committee is as follows:

Sean Anstee (Chair)

Philippa Anderson

Janet Dawson (to 31 July 2023)

Andy Forbes

Carlo Frondaroli

Andrew Heyn

Malcolm Press

Andrew Watson (Co-opted member, to 30 November 2022)

Nominations and Governance Committee

The Nominations and Governance Committee is responsible for:

- overseeing corporate governance arrangements to ensure that the University is following best practice and adhering to regulatory requirements;
- advising the Board on the appointment and reappointment of Governors, ensuring compliance with the OfS 'fit and proper' public interest principle;
- ensuring arrangements are in place for the induction and ongoing development of Governors; and for monitoring the effectiveness of the Board.

The Nominations and Governance Committee met three times during 2022/23 and membership of the Committee is as follows:

Simon Duffy (Chair)

Sean Anstee

Evelyn Asante-Mensah (to 31 March 2023)

Janet Dawson (to 31 July 2023)

Bridget Lea (from 1 July 2023)

Malcolm Press

Miles Rothbury

Karen Varty

Remuneration Committee

The Remuneration Committee is responsible for:

- making decisions on behalf of the Board on the remuneration for the Vice-Chancellor, the Clerk to the Board of Governors, and other members of the University Executive Group;
- approving performance related pay schemes for members of the University Executive Group and any payments made under such schemes;
- Ensuring that severance terms on exit, for any member of the University Executive Group comply with best practice, are fair

Corporate Governance *continued*

to the individual, fair to the University, do not reward failure and recognise the duty to mitigate loss.

Further information about the Remuneration Committee is shown in the Remuneration Report on page 51.

Board Effectiveness

In accordance with good practice/CUC guidance, the Board of Governors periodically reviews its own effectiveness. The University's Board Effectiveness Framework comprises the following:

- External Board Effectiveness Reviews, which take place at least every three years.
- An annual online board effectiveness survey.
- Chair 1:1 meetings with Governors.
- Meeting Effectiveness Questionnaires, which are completed by a small number of Governors after each Board meeting to gather more immediate feedback.

The last external review, which was undertaken in 2021 by an external assessor, concluded that the University's standard of governance was good and that the University had in place a comprehensive framework and structure of governance that conformed to sector best practice.

Governor Training and Development

Newly appointed Governors and co-opted Committee members participate in an individual induction programme, tailored to their specific needs and experience. In addition, all Governors are invited to attend conferences and events for Governors offered by organisations such as Advance HE.

Register of Interest

As part of the commitment to good governance and conducting its affairs in a responsible and transparent way, all members of the Board and its Committees are required to exercise independent judgement at all times in the best interests of the University. This includes fully disclosing any actual, perceived or potential conflicts of interests as these arise and, if necessary, abstaining from any involvement in the decision-making process, including withdrawing from a meeting. The University's systems for managing any actual or perceived conflicts of interest are outlined in a Conflict of Interest Policy.

The University maintains a Register of Interests of Governors and senior managers, which is available on the University's website. A list of Governors and senior managers who served during the financial year, and until the date the financial statements were formally approved, can be found on pages 104 to 106.

Academic Governance

In accordance with the University's Articles of Government, the University has an Academic Board that advises the Vice-Chancellor on the University's academic and related activities. In particular, it considers and advises on matters relating to awarding taught and research degrees.

Academic Board is chaired by the Vice-Chancellor and its membership includes the Provost and Deputy Vice-Chancellor, the Chief Operating Officer and Clerk to the Board of Governors, Pro-Vice-Chancellors, members of the Professoriate and representatives from each Faculty, as well as the Students' Union President and the Students' Union Education Officer. There is also some cross representation on the membership of Academic Board and Board of Governors. This includes an Independent Governor attending Academic Board meetings to help to enhance the link between the two Boards. In addition, all Governors are given the opportunity to observe an Academic Board meeting.

The Academic Board assists the Board of Governors in discharging its responsibility for ensuring that the University's academic governance arrangements are effective. In addition to receiving reports of the Academic Board meetings, the Board of Governors also receives reports relating to the student academic experience, student outcomes and the setting and maintenance of academic standards.

Internal Control

The University's Governing Body has responsibility for maintaining a sound system of internal control that supports the achievement of strategic aims and objectives whilst safeguarding the public and other funds and assets for which it is responsible, in accordance with the responsibilities assigned to the Governing Body in the Instrument and Articles and the regulatory requirements of the OfS.

The University's governing body, both directly and through its Audit and Risk Committee and People, Finance and Resources Committee, ensures that the University uses public funds only for the purposes for which they were provided and that the University complies with the terms and conditions of funding.

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

The system of internal control is based on an ongoing process designed to identify the principal risks to the achievement of the University's aims and objectives, to evaluate the nature and

extent of those risks and to manage them efficiently, effectively and economically. This process has been in place during the year ended 31 July 2023 and up to the date of approval of the financial statements, and accords with OfS guidance.

The University's internal control system is supported by a number of policies, regulations and schemes that have been approved by the Governing Body to help to prevent and detect corruption, fraud, bribery and other irregularities. These include:

- Financial Regulations
- Scheme of Delegation
- Risk Management Policy
- Anti-Fraud and Corruption Response Plan
- Anti-Money Laundering Policy
- Bribery Act Compliance Statement
- Criminal Finances Act Statement
- Theft, Fraud and Corruption Policy Statement.

The Governing Body has responsibility for reviewing the effectiveness of the system of internal control. The following processes have been established:

- The Board meets formally five times during the year to consider the plans, strategic direction and performance of the University as well as the risks facing the University and the mitigating actions that are put in place.
- A member of the Executive has responsibility for the promotion and co-ordination of risk management processes and reporting, ensuring it is embedded in ongoing operations.
- A University-wide Risk Register is maintained and reviewed regularly by the University Executive Group, Audit and Risk Committee and Board of Governors.
- The University's risk management process ensures that the University's Risk Register is fully aligned to the strategic goals set out in the University's Strategic Framework.
- A robust risk prioritisation methodology has been established which ensures that all risks are identified across the University and held in local registers with the Corporate Risk Register focusing on the most important risks facing the University.
- All risks, including academic, business, operational, compliance and financial, are evaluated to consider their likelihood and impact and to ensure that appropriate mitigating actions are put into place on an ongoing basis.
- The Board receives regular reports from the Chair of the Audit and Risk Committee concerning internal control, and from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key strategies and projects.

- The Audit and Risk Committee receives regular reports from Internal Audit, which includes Internal Audit's independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement. The programme of internal audit is shaped with reference to the University's Risk Register and the audit landscape.

The Governing Body's review of the effectiveness of the system of internal control is informed by Internal Audit. The services provided by the internal audit consortium are also kept under review by a Board composed of senior staff from member institutions.

The most recent Internal Audit Annual Report concluded that the University's internal controls and arrangements for governance, risk management and securing value for money were effective.

The Governing Body's review of the effectiveness of the system of internal control is also informed by the work of the executive managers within the University who have responsibility for the development and maintenance of the internal control framework, and by comments made by the external auditors in their management letter and other reports.

By order of the Board of Governors



S Duffy

Pro-Chancellor and Chair of the Board of Governors

24 November 2023

Responsibilities of the Board of Governors

The Board of Governors is responsible for preparing the Annual Report and the Financial Statements in accordance with the requirements of the Office for Students' terms and conditions of funding for higher education institutions and Research England's terms and conditions of Research England grant and applicable law and regulations.

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

In preparing each of the group and parent University financial statements, the Board of Governors is required to:

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

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

The Board of Governors is also responsible for ensuring that:

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

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

By order of the Board of Governors



S Duffy

Pro-Chancellor and
Chair of the Board of Governors

24 November 2023

Remuneration Report

Remuneration Committee

Responsibilities of the Remuneration Committee

The Remuneration Committee is responsible for agreeing the pay and conditions for the Vice-Chancellor, the Clerk to the Board of Governors, and other members of the University Executive Group. The University Executive Group comprises:

- Vice-Chancellor
- Provost and Deputy Vice-Chancellor
- Chief Operating Officer and Clerk to the Board of Governors
- Chief Financial Officer
- Pro-Vice-Chancellor Culture and Community
- Pro-Vice-Chancellor Education
- Pro-Vice-Chancellor International
- Pro-Vice-Chancellor Research
- Faculty Pro-Vice-Chancellor, Arts and Humanities
- Faculty Pro-Vice-Chancellor, Business and Law
- Faculty Pro-Vice-Chancellor, Health and Education
- Faculty Pro-Vice-Chancellor, Science and Engineering
- Chief Information Officer
- Chief People Officer
- Director of Strategic Planning and Operations

The Committee's terms of reference, which have been approved by the Board of Governors, are attached.

Membership of the Remuneration Committee

The Remuneration Committee comprised five Independent Governors and for the majority of the reporting period was chaired by the Deputy Chair of the Board. The membership of the Remuneration Committee was as follows:

Name	Role
Philippa Anderson	Independent Governor
Janet Dawson	Remuneration Committee Chair Deputy Chair of the Board of Governors Independent Governor (until 31 July 2023)
Simon Duffy	Chair of the Board of Governors Independent Governor
Kate Green	Co-opted Governor (from September 2022)
Andrew Heyn	Independent Governor (Chair from 1 August 2023)
Catherine Ward	Co-opted Member of the Remuneration Committee (from 1 September 2023)

All appointments to the Committee, other than the Chair of the Board, who is an ex-officio member, are approved by the Board of Governors.

The Remuneration Committee is always chaired by an Independent Governor, and steps are taken to ensure the person with responsibility for appraising the performance of the Vice-Chancellor does not chair the Committee for consideration of this item. The Vice-Chancellor is not a member of the Committee.

Operation of the Remuneration Committee

The University complies with the *CUC Higher Education Senior Staff Remuneration Code* and operates in accordance with best practice as recommended in the Higher Education Code of Governance and other relevant guidance, focusing on:

- A fair, appropriate and justifiable level of remuneration.
- Procedural fairness.
- Transparency and accountability

The governance arrangements and the processes that underpin the determination of Vice-Chancellor and senior staff pay are kept under review to ensure that the Committee operates in line with best practice.

Frequency of Remuneration Committee Meetings

The Remuneration Committee usually meets twice in each academic year and attendance at meetings since the start of the 2022/23 academic year has been as follows:

Name	22 Sept 2022	24 May 2023	22 Sept 2023
Philippa Anderson	✓	X	✓
Janet Dawson	✓	✓	
Simon Duffy	✓	X	✓
Kate Green	✓	✓	✓
Andrew Heyn	✓	✓	✓
Catherine Ward			✓

Approach to Remuneration

In relation to the remuneration of the Vice-Chancellor and other members of the University Executive Group, the Remuneration Committee considers:

- The need to balance the current challenging external environment, the external perception of senior salaries in higher education, the University's financial position and the need to recruit, recognise and reward the contribution and performance of individuals and retain excellent staff.
- The size and complexity of the role – Manchester Metropolitan University is a large complex organisation with over 5,100 staff and 43,000 students.
- Performance against agreed objectives.

Membership of the Remuneration Committee *continued*

- Benchmark data, such as that provided by the Universities and Colleges Employer Association (UCEA) and the Committee of University Chairs' (CUC) Vice-Chancellors' Salary Survey. To help to inform its decision-making, the Remuneration Committee uses data from the following 27 comparator institutions:
 - Cardiff University
 - Coventry University
 - Durham University
 - Imperial College London
 - King's College London
 - London School of Economics and Political Science
 - Newcastle University
 - Nottingham Trent University
 - Open University
 - Queen Mary University of London
 - Queen's University Belfast
 - University College London
 - University of Birmingham
 - University of Bristol
 - University of Edinburgh
 - University of Exeter
 - University of Glasgow
 - University of Hertfordshire
 - University of Huddersfield
 - University of Leeds
 - University of Liverpool
 - University of Manchester
 - University of Nottingham
 - University of Sheffield
 - University of Southampton
 - University of Warwick
 - University of York
- The comparator group comprises a number of institutions that generate over £400m of income, and includes two institutions with a total income of between £200m and £400m, reflecting institutions with a similar profile to Manchester Met.
- Pay increases for other staff in the institution.
- Regional, national and international market conditions.

Approach to Vice-Chancellor Remuneration

The Vice-Chancellor has an annual Performance Development Review meeting with the Chair of the Board of Governors to review performance against objectives and to discuss objectives for the next academic year. The Vice-Chancellor's objectives are recommended by the Chair of the Board, approved by the Remuneration Committee and shared with the Board of Governors. A report on the Vice-Chancellor's performance against agreed objectives is completed by the Chair of the Board and then considered by the Remuneration Committee. The size of any possible bonus is based on performance against objectives and is approved by the Remuneration Committee. Bonus payments are not consolidated. An annual remuneration report is produced for consideration by the Board of Governors.

Approach to UEG Remuneration

Members of the University Executive Group have a Performance Development Review meeting with their line manager to review performance against objectives and to agree objectives for the next academic year. A recommendation on base pay and bonus, based on benchmark data and evidenced achievement against objectives, is made to the Remuneration Committee by the Vice-Chancellor. The national pay award is discretionary and not automatically awarded for members of the University Executive Group and bonus payments are not consolidated.

Vice-Chancellor Remuneration

The current Vice-Chancellor, Professor Malcolm Press, took up the post at Manchester Metropolitan University on 1 June 2015. The Vice-Chancellor's salary reflects the following:

- The University is one of the largest in the country.
- The scale and complexity of the job.
- Comparisons with benchmark.
- Performance as measured against robust objectives set by the Chair of the Board of Governors.

The Vice-Chancellor's remuneration includes the following elements:

- Salary.
- Performance-related pay.
- Benefits.
- Pension opt-out payment

A summary of the Vice-Chancellor's remuneration over the past two years is shown below:

Emoluments of the Vice-Chancellor	2022/23 £' 000	2021/22 £' 000
Basic salary	281	272
Performance related pay	32	30
Payment in lieu of pension contribution	36	35
Death in service and incapacity cover (USS Enhanced Opt Out)	8	17
Corporate Health Insurance	1	1
Total	358	355

Relationship between the Vice Chancellor's remuneration and all other employees, expressed as a pay multiple of the median pay at the University:

Pay multiple	2022/23 £' 000	2021/22 £' 000
Basic salary	7.5	7.7
Total remuneration	8.2	8.3

Other Benefits

The Vice-Chancellor had previously elected for a USS Enhanced Opt Out to retain death in service and incapacity cover in USS. This ended in December 2022 when the Vice-Chancellor retired from the pension scheme.

The Vice-Chancellor does not have a company car, loans of any description, including mortgage subsidies, or accommodation. As part of the University's commitment to environmental sustainability, the Vice-Chancellor shares a fully electric pool car with other members of the senior team.

External Appointments

The Vice-Chancellor and senior staff contracts include a requirement for exclusivity of service which means that staff are not permitted to take on work with or for any organisation other than the University without permission.

To ensure transparency, any external appointments are recorded on the University's Register of Interests.

The Vice-Chancellor currently receives £15k per annum for a Non-Executive Director role on the Board for the Institute of Apprenticeships and Technical Education.

The University also has a Consultancy Policy, which provides a framework for staff who engage in approved consultancy work and confirms the University's position in regard to any income generated by an individual from external bodies in a personal capacity.

Expenses

Details of expenditure associated with the Vice-Chancellor's role are published on the University's website at: [Vice-Chancellor's Pay | Manchester Metropolitan University \(mmu.ac.uk\)](https://www.mmu.ac.uk/vice-chancellor-pay). This includes details of travel, accommodation and hospitality costs incurred by and on behalf of the Vice Chancellor in the course of performing his duties for the University.

All expenditure for and by the Vice-Chancellor is wholly and exclusively for approved University business with the aim of enhancing the outcomes for students and staff (for example, industry or overseas placements, First Generation campaign, or facilitating grants and contracts). Services are procured in accordance with the University's Financial Regulations. Delivering a return on this expenditure and ensuring value for money is ultimately overseen by the Board of Governors.

Pay gap

A gender pay gap is the percentage difference between the average pay of male employees and female employees. From 2017, employers are required to publish the results of their gender pay analysis using prescribed calculations.

Further information on the University's Gender Pay Gap reporting can be found at: [mmu.ac.uk/about-us/equality-and-diversity](https://www.mmu.ac.uk/about-us/equality-and-diversity)

Independent Auditor's Report

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the University's affairs as at 31 July 2023 and of the Group's and the University's income and expenditure, gains and losses, changes in reserves and of the Group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

We have audited the financial statements of Manchester Metropolitan University ("the University") and its subsidiaries ("the Group") for the year ended 31 July 2023 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, the Consolidated and University Statement of Changes in Reserves, the Consolidated and University Balance Sheet, the Consolidated Statement of Cash Flows and notes to the accounts, including a Statement of Accounting Policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the University in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the board members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions

that, individually or collectively, may cast significant doubt on the Group and the University's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the board members with respect to going concern are described in the relevant sections of this report.

Other information

The Board of Governors is responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters required by the Office for Students ("OfS"), UK Research and Innovation (including Research England), Department for Education and Education and Skills Funding Agency

In our opinion, in all material respects:

- Funds from whatever source administered by the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- Funds provided by the OfS, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.
- The requirements of the OfS's Accounts Direction (OfS 2019.41) have been met.

We have nothing to report in respect of the following matters in relation to which the OfS requires us to report to you if, in our opinion:

- The University's grant and fee income, as disclosed in note 6 to the accounts, has been materially misstated.
- The University's expenditure on access and participation activities for the financial year, as has been disclosed in note 9b to the accounts, has been materially misstated.

Responsibilities of the Board of Governors

As explained more fully in the Responsibilities of the Board of Governors statement, the Board of Governors is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group and the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Governors either intends to liquidate the Group or the University or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed as follows:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management, the Legal & Governance team, those charged with governance and the Audit and Risk Committee;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Direct representation from the Accountable Officer.

We considered the significant laws and regulations to be the Financial Reporting Standard 102, the Statement of Recommended Practice: Accounting for Further Education and Higher Education (FEHE SORP 2019), the OfS' Accounts Direction (OfS 2019.41) and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be registration with the Office for Students and their ongoing conditions of registration.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.

- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override including the posting of inappropriate journals to manipulate financial results and management bias in accounting estimates. In addition, we considered revenue recognition an area to be susceptible to fraud, particularly in relation to the recognition of tuition fee revenue in line with course dates, the posting of manual journals to material revenue streams and the recognition of research grant income in line with performance conditions.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias, including bad debt provision, useful economic lives of both intangible and tangible fixed assets, other provisions and assumptions applied in defined benefit pension calculations.
- Testing a sample of research grant contracts to ensure appropriate recognition during the year, including correct treatment of any accrued or deferred income;
- Comparing the level of deferred tuition fee income to expectations and testing a sample of deferrals to ensure correct treatment at the balance sheet date; and

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the governors, as a body, in accordance with Section 75 of the Higher Education Research Act 2017 and the charters and statutes of the University. Our audit work has been undertaken so that we might state to the University's Board of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the governors as a body, for our audit work, for this report, or for the opinions we have formed.



Samantha Lifford (Senior Statutory Auditor)
 For and on behalf of BDO LLP, Statutory Auditor
 Birmingham, UK
 Date: 28 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Consolidated and University Statement of Comprehensive Income and Expenditure

Year ended 31 July 2023

	Notes	2022/23		2021/22	
		Consolidated £' 000	University £' 000	Consolidated £' 000	University £' 000
Income					
Tuition fees and education contracts	1	327,928	327,928	310,798	310,798
Funding body grants	2	34,357	34,357	27,262	27,262
Research grants and contracts	3	14,890	14,890	13,890	13,890
Other income	4	39,287	39,287	39,796	39,796
Investment income	5	4,740	4,740	275	275
Donations and endowments	6	844	844	986	986
Total income		422,046	422,046	393,007	393,007
Expenditure					
Staff costs	7	236,956	236,768	240,747	240,577
Other operating expenses		148,966	149,288	116,510	116,767
Depreciation	12	18,776	18,710	18,153	18,108
Amortisation	11	723	723	1,325	1,325
Interest and other finance costs	8	769	767	5,723	5,723
Total expenditure	9a	406,190	406,256	382,458	382,500
Surplus before other gains/(losses)		15,856	15,790	10,549	10,507
Profit/(loss) on disposal of assets		3	3	(52)	(52)
Loss on investments		(50)	(100)	(33)	(33)
Share of operating surplus/(deficit) in associate	15	31	-	(19)	-
Surplus before tax		15,840	15,693	10,445	10,422
Taxation	10	(39)	(37)	(35)	(34)
Surplus for the year		15,801	15,656	10,410	10,388
Other comprehensive (expenditure)/income for the year					
Exchange losses		(34)	-	(5)	-
Actuarial gain in respect of pension schemes	20	4,178	4,178	272,913	272,913
Total comprehensive income for the year		19,945	19,834	283,318	283,301
Represented by:					
Endowment comprehensive income or the year		146	146	58	58
Restricted comprehensive income for the year		124	124	477	477
Unrestricted comprehensive income for the year		19,675	19,564	282,783	282,766
		19,945	19,834	283,318	283,301

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

Year ended 31 July 2023

	Income and expenditure reserves			Revaluation reserve	Total
	Endowment £' 000	Restricted £' 000	Unrestricted £' 000		
Consolidated					
Balance at 1 August 2021	1,498	121	307,445	66,343	375,407
Surplus for the year	58	682	9,670	–	10,410
Other comprehensive income	–	–	272,908	–	272,908
Transfers between revaluation and income and expenditure reserve	–	–	1,232	(1,232)	–
Release of endowment and restricted funds spent in year	–	(205)	205	–	–
Total comprehensive income for the year	58	477	284,015	(1,232)	283,318
Balance at 1 August 2022	1,556	598	591,460	65,111	658,725
Surplus for the year	146	460	15,195	–	15,801
Other comprehensive income	–	–	4,144	–	4,144
Transfers between revaluation and income and expenditure reserve	–	–	1,232	(1,232)	–
Release of endowment and restricted funds spent in year	–	(336)	336	–	–
Total comprehensive income for the year	146	124	20,907	(1,232)	19,945
Balance at 31 July 2023	1,702	722	612,367	63,879	678,670
University					
Balance at 1 August 2021	1,498	121	307,384	66,343	375,346
Surplus for the year	58	682	9,648	–	10,388
Other comprehensive income	–	–	272,913	–	272,913
Transfers between revaluation and income and expenditure reserve	–	–	1,232	(1,232)	–
Release of endowment and restricted funds spent in year	–	(205)	205	–	–
Total comprehensive income for the year	58	477	283,998	(1,232)	283,301
Balance at 1 August 2022	1,556	598	591,382	65,111	658,647
Surplus for the year	146	460	15,050	–	15,656
Other comprehensive income	–	–	4,178	–	4,178
Transfers between revaluation and income and expenditure reserve	–	–	1,232	(1,232)	–
Release of endowment and restricted funds spent in year	–	(336)	336	–	–
Total comprehensive income for the year	146	124	20,796	(1,232)	19,834
Balance at 31 July 2023	1,702	722	612,178	63,879	678,481

Consolidated and University

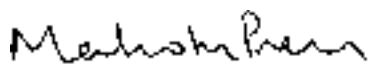
Balance Sheet

At 31 July 2023

	Notes	2023		2022	
		Consolidated £' 000	University £' 000	Consolidated £' 000	University £' 000
Non-current assets					
Intangible assets	11	17,199	17,199	17,922	17,922
Fixed assets	12	618,992	618,979	576,141	576,072
Heritage assets	13	4,305	4,305	4,305	4,305
Non-current investments	14	1,043	1,123	1,122	1,202
Investments in associates	15	57	-	26	-
		641,596	641,606	599,516	599,501
Current assets					
Stock		129	129	151	151
Trade and other receivables	16	32,942	32,878	30,484	30,432
Current investments	17	65,376	65,376	102,282	102,282
Cash and cash equivalents	23	61,419	61,273	54,950	54,878
		159,866	159,656	187,867	187,743
Less: Creditors: amounts falling due within one year	18	(94,305)	(94,294)	(87,796)	(87,735)
Net current assets		65,561	65,362	100,071	100,008
Total assets less current liabilities		707,157	706,968	699,587	699,509
Creditors: amounts falling due after more than one year	19	-	-	(21,700)	(21,700)
Provisions					
Pension provisions	20	(12,536)	(12,536)	(15,814)	(15,814)
Other provisions	20	(15,951)	(15,951)	(3,348)	(3,348)
Total net assets		678,670	678,481	658,725	658,647

	Notes	2023		2022	
		Consolidated £' 000	University £' 000	Consolidated £' 000	University £' 000
Restricted reserves					
Income and expenditure reserve - endowment reserve	21	1,702	1,702	1,556	1,556
Income and expenditure reserve - restricted reserve	22	722	722	598	598
Unrestricted reserves					
Income and expenditure reserve - unrestricted		612,367	612,178	591,460	591,382
Revaluation reserve		63,879	63,879	65,111	65,111
Total reserves		678,670	678,481	658,725	658,647

The financial statements were approved by the Governing Body on 24 November 2023 and were signed on its behalf on that date by:



Professor Malcolm Press, Vice-Chancellor



Simon Duffy, Pro-Chancellor



Andrew Hewett, Chief Financial Officer

Consolidated Statement of Cash Flows

Year ending 31 July 2023

	Notes	2022/23 £' 000	2021/22 £' 000
Cash flow from/(used in) operating activities			
Surplus for the year		15,840	10,445
Adjustment for non-cash items			
Depreciation	12	18,776	18,153
Amortisation	11	723	1,325
Decrease/(increase) in stock		22	(41)
Increase in debtors		(3,664)	(4,833)
Increase in creditors		12,289	15,251
Increase in pension provision		900	34,853
Increase/(decrease) in other provisions	20	12,603	(5,136)
Share of operating (surplus)/deficit in associate	15	(31)	19
Adjustment for investing or financing activities			
Investment income	5	(4,740)	(275)
Interest payable		1,324	1,339
Endowment income	6	(310)	(299)
(Profit)/loss on the sale of tangible assets		(3)	52
Loss on investments		50	33
Capital grant income		(1,958)	(3,821)
Cash flows from operating activities		51,821	67,065
Taxation		(39)	(35)
Net cash inflow from operating activities		51,782	67,030

	Notes	2022/23 £' 000	2021/22 £' 000
Cash flows from/(used in) investing activities			
Proceeds from sales of fixed assets		1,518	847
Capital grant receipts		1,200	703
Withdrawal of deposits		63,242	55,000
Investment income		3,394	464
Payments made to acquire tangible assets		(65,554)	(45,350)
New non-current asset investments		-	(90)
Non-current investment disposal		40	40
New deposits		(25,000)	(52,488)
Net cash outflow from investing activities		(21,160)	(40,874)
Cash flows from/(used in) financing activities			
Interest paid		(1,324)	(1,338)
Interest element of finance lease		-	(1)
Endowment cash received		310	299
Repayments of amounts borrowed		(23,100)	(1,400)
Capital element of finance lease		-	(98)
Net cash outflow from financing activities		(24,114)	(2,538)
Increase in cash and cash equivalents in the year		6,508	23,618
Cash and cash equivalents at beginning of the year	23	54,950	31,337
Exchange losses on cash and cash equivalents	23	(39)	(5)
Cash and cash equivalents at end of the year	23	61,419	54,950

Statement of Accounting Policies

i) General information

The Institution of The Manchester Metropolitan University is registered with the Office for Students in England. The address of the registered office is:

All Saints
Manchester
M15 6BH

ii) Basis of preparation

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

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

The Consolidated and University financial statements have been prepared under the historical cost convention (except in the case of fixed assets which are held at deemed cost).

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

iii) Going concern

The University's activities, together with the factors likely to affect its future development, performance and position, are set out in the Corporate Governance and Risks and Opportunities section which form part of the Annual Report. The Annual Report also describes the financial position of the University, its cash flows, liquidity position and borrowing facilities. The University conducted a going concern review for the period from 1 August 2023 to 31 December 2024 (more than 12 months after the signing of the accounts). Scenario modelling shows that, even with significant reductions in income, the University will retain sufficient cash to meet its liabilities as they fall due over this period.

The vast majority of tuition fee and residence income is

invoiced in the first quarter of the financial year, therefore the University is able to forecast income to a high level of accuracy for the next financial year, reducing the uncertainty within the forecast figures.

The University also modelled reverse stress testing on income, which indicated that for the University not to meet its working capital requirements, total cash inflow would need to reduce by over 10%. Such a scenario, and the sequence of events which could lead to it, is considered to be extremely remote.

At the date of approval of these financial statements, the Board has prepared cash flow forecasts to 31 December 2024 and performed an assessment which considers a period of at least 12 months from this date of approval. Given the difficulty of forecasting future performance the actual results will undoubtedly be different to the scenarios modelled. In the event that the actual position is worse than that modelled in the forecasts, the Board of Governors has a reasonable expectation that the University's current liquidity and the further mitigation actions available would enable the University to respond to such circumstances. As such, the Board of Governors acknowledge that uncertainty exists but do not consider this to be material uncertainty in relation to going concern.

Having taken into account all of the aforementioned comments, actions and factors in relation to Going Concern, and in light of the University meeting working capital requirements under various scenarios, the Board of Governors consider that the University has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the signing of these accounts. Thus it continues to adopt the going concern basis in preparing the annual financial statements.

iv) Basis of consolidation

The consolidated financial statements include the financial statements of the University and all its subsidiaries together with the share of associates for the financial year to 31 July 2023.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

Gains or losses on any intra-group transactions are eliminated in full. Amounts in relation to debts and claims between undertakings included in the consolidation are also eliminated. Balances between the University and its associates are not eliminated. Normal trading transactions that are not settled by the balance sheet date are included as current assets or liabilities. Any gains or losses are included in the carrying

amount of assets of either entity, the part relating to the University's share is eliminated.

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

Associated companies and joint ventures are accounted for using the equity method.

v) Income recognition

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

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced by a discount for prompt payment or fee waiver allocated from the student support package, income receivable is shown net of the discount. Bursaries and Scholarships are accounted for gross as expenditure and not deducted from income. Education contracts are recognised when the University is entitled to the income, which is the period in which students are studying, or where relevant, when performance conditions have been met.

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

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

Grant funding

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

Donations and endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and

endowments with donor imposed restrictions are recognised in income when the University is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

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

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

There are four main types of donations and endowments identified within reserves:

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

Capital grants

Capital grants are recognised in income when the University is entitled to the funds subject to any performance related conditions being met.

vi) Accounting for retirement benefits

(a) Teachers' Pension Scheme ('TPS') and the Greater Manchester Local Government Pension Fund ('GMPF')

Two of the principal pension schemes which the University's staff are members of are the TPS and the GMPF. These are externally funded and contracted out of the State Second Pension (S2P). A small number of staff remain in other pension schemes.

The GMPF is a defined benefit scheme which is valued, by qualified actuaries, on a triennial basis.

The TPS is a statutory, unfunded defined benefit scheme and

vi) Accounting for retirement benefits *continued*

as such it is not possible to identify any assets or liabilities. Therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

The contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the University, so that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of quinquennial valuations using a prospective benefit method.

(b) Enhanced pensions

The University continues to make a diminishing number of pension enhancement payments to retired employees or their dependents. The value of this liability is reflected as part of the pension provision on the balance sheet and is reviewed by qualified actuaries every three years. Each year there is a charge against the provision for payments to the pensioners and a credit to the provision for a notional interest charge.

Defined contribution plan

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

Defined benefit plan

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

The net liability is recognised in the balance sheet in respect of each scheme and is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The group should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of

the asset is limited from the plan. Annually the University engages independent actuaries to calculate the obligation for each scheme. The present value is determined by discounting the estimated future payments at a discount rate based on market yields on high quality corporate bonds denominated in sterling with terms approximating to the estimated period of the future payments.

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

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

Further detail is provided on the specific pension schemes in note 29 to the accounts.

(c) Universities Superannuation Scheme

The University participates in the Universities Superannuation Scheme (USS). This is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of USS are held in a separate trustee-administered fund. Due to the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme. Since the University has entered into an agreement (The Recovery Plan) that determines how each employer within USS will fund the overall deficit, the University recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

vii) Employment benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the

year in which the employees render service to the University. Any unused benefits are accrued and measured as the additional amount the University expects to pay as a result of the unused entitlement.

viii) Finance leases

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

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

ix) Operating leases

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

Conversely, where the university acts as a lessor, income is recognised on a straight line basis over the lease term.

x) Foreign currency

Transactions in foreign currencies are translated into sterling using the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in Surplus. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the group's presentational currency, Sterling, at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of Other Comprehensive Income.

xi) Fixed assets

Fixed assets are capitalised where they are capable of being used for a period that exceeds one year and which:

- individually have a cost equal to, or greater than £25,000, or;
- collectively have a cost equal to or greater than £25,000 where the assets are functionally interdependent or are purchased together and intended to be used as a group under common management control;

Any asset costs not meeting the above criteria are expensed in the year of acquisition.

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Certain items of freehold land and buildings that had been revalued prior to the date of transition to FRS 102 on 31 July 2014, are measured on the basis of deemed cost, as a proxy for cost, being the revalued amount at the date of that transition.

Costs incurred in relation to major enhancements of existing buildings are capitalised to the extent that they increase the expected future benefits from the existing fixed asset beyond its previously assessed standard of performance. The cost of any such enhancements are added to the gross carrying amount of the fixed asset concerned.

Freehold land is not depreciated as it is considered to have an indefinite useful life and no depreciation is charged on assets in the course of construction.

Other fixed assets are depreciated on a straight line basis over their expected useful lives as follows:

Freehold Buildings	50 years
Subsequent additions	10 years
Plant and Machinery	4 years
Fixtures and fittings and equipment (excluding computer equipment and 70 Oxford Street)	10 years
Computer equipment	5 years
70 Oxford Street fixtures and fittings	Life of the lease

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

xi) Fixed assets *continued*

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

Assets held for sale are held at the lower of deemed cost or net realisable value and are not depreciated.

xii) Major software costs (intangible asset)

Major software costs associated with the application development and implementation phases are capitalised. This may include the acquisition of computer equipment or third party software.

Costs in respect of major upgrades and enhancements will be capitalised only if the expenditure results in additional functionality with future economic benefits expected.

Training costs are not implementation costs and are expensed as incurred.

Major software costs are amortised over their remaining useful economic life, which is 7 years for current intangible assets held.

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period, previous estimates shall be reviewed. If current expectations differ, the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

xiii) Heritage assets

Works of art and other valuable artefacts valued at over £25,000 have been capitalised and recognised at their value based on a valuation carried out by Bonhams during the financial year 2012/13.

Heritage assets are not depreciated as their long economic life and high residual value mean that any depreciation would not be material. Assets will be held at initial valuation in the year of capitalisation with no subsequent revaluations performed.

The assets are subject to an annual impairment review in accordance with applicable accounting standards.

xiv) Investments

Non current asset investments are held on the Consolidated and University Statement of Financial Position at amortised cost less impairment.

xv) Stock

Stock is held at the lower of cost or net realisable value. It consists of solely cleaning materials, consumables, food and bar stocks.

xvi) Cash and cash equivalents

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

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

xvii) Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

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

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

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

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

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the Notes to the Accounts.

xviii) Accounting for jointly controlled operations

The University accounts for its share of subsidiaries using the equity method.

The University recognises in the accounts with respect to jointly controlled assets its share of the joint assets, any liabilities that it has incurred directly and its share of any liabilities incurred jointly with the other venturers, income from the sale or use of its share of the output of the joint venture, its share of expenses incurred by the joint venture and expenses incurred directly in respect of its interest in the joint venture.

xix) Taxation

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

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

The University's subsidiary companies are subject to Corporation Tax and VAT in the same way as any commercial organisation.

xx) Reserves

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

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

xxi) Financial instruments

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

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

(a) Financial assets

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

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

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

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

(b) Financial liabilities

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

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

Notes to The Accounts

Year ended 31 July 2023

Notes	2022/23 Consolidated and University £' 000	2021/22 University £' 000
1 Tuition fees and education contracts		
Full-time home and EU students	249,146	251,788
Full-time international students	50,566	30,261
Part-time students	10,175	11,390
Short course fees	455	401
Education contracts - NHS	2,359	3,470
Education contracts - Other	15,227	13,488
	327,928	310,798
2 Funding body grants		
Recurrent grant		
Office for Students	13,543	13,242
Research England	14,180	8,022
Education and Skills Funding Agency	1,926	1,642
Capital grant	100	30
Specific grants		
Office for Students	1,829	2,335
Higher Education Innovation Fund	1,471	1,364
Department for Education	8	204
Other	500	–
Capital grant	800	423
	34,357	27,262
3 Research grants and contracts		
Research councils	5,460	4,514
Charities	1,983	1,366
Government (UK and overseas)	5,308	5,691
Industry and commerce	1,808	1,789
Other	331	530
	14,890	13,890
4 Other income		
Residences, catering and conferences	22,822	22,047
Other services rendered	10,131	11,113
Other capital grants	1,058	3,368
Other income	5,276	3,268
	39,287	39,796

Notes to The Accounts

7 Staff costs continued

Emoluments of the Vice-Chancellor	2022/23 £' 000	2021/22 £' 000
Professor M Press		
Basic salary	281	272
Performance related pay	32	30
Payment in lieu of pension contribution	36	35
Death in service and incapacity cover (USS Enhanced Opt Out)	8	17
Corporate Health Insurance	1	1
Total excluding pension	358	355
Pension contributions	-	-
Total including pension	358	355

Other benefits

The Vice-Chancellor does not have a company car, loans of any description, including mortgage subsidies, or accommodation. As part of the University's commitment to environmental sustainability, the Vice-Chancellor shares a fully electric pool car with other members of the senior team.

Further information on the Vice-Chancellor's remuneration package can be found at: mmu.ac.uk/about-us/our-people/vice-chancellor/pay

How the Vice-Chancellor's remuneration package is determined

The remuneration package for the Vice-Chancellor is decided by the University's Remuneration Committee. The Committee is chaired by a Senior Independent Governor other than the Chair of the Board of Governors. This means that the person with responsibility for appraising the performance of the Vice-Chancellor does not also chair the Committee which has oversight for senior staff remuneration. The Vice-Chancellor is not a member of the Remuneration Committee. Further details can be found on pages 51 to 53.

When considering the appropriate salary for the Vice-Chancellor, the Remuneration Committee gives due regard to the size and complexity of the role and benchmark data, such as that provided by UCEA. If an increase in salary is considered appropriate, pay increases awarded to other staff in the University are taken into account.

The Vice-Chancellor's objectives are recommended by the Chair of the Board, approved by Remuneration Committee and shared with the Governing Body. The size of any performance-related bonus is determined in line with agreed criteria and is approved by the Remuneration Committee.

The Committee operates in accordance with best practice as recommended in the Higher Education Code of Governance and other guidance produced by the Committee of University Chairs and the Office for Students.

Relationship between the Vice Chancellor's remuneration and all other employees, expressed as a pay multiple of the median pay at the University:

	2022/23	2021/22
Basic salary	7.5	7.7
Total remuneration	8.2	8.3

The multiples outlined above are based upon the median pay for all employees (on a full-time equivalent basis) at the balance sheet date.

Remuneration of higher paid staff, excluding employer's pension contributions:

Basic salary per annum	2022/23 Number	2021/22 Number
£100,000 to £104,999	10	2
£105,000 to £109,999	2	2
£110,000 to £114,999	4	3
£115,000 to £119,999	3	-
£120,000 to £124,999	1	4
£125,000 to £129,999	3	2
£130,000 to £134,999	4	2
£135,000 to £139,999	1	2
£140,000 to £144,999	4	3
£145,000 to £149,999	1	1
£150,000 to £154,999	1	-
£165,000 to £169,999	-	1
£170,000 to £174,999	-	1
£185,000 to £189,999	1	-
£190,000 to £194,999	1	-
£270,000 to £275,000	-	1
£280,000 to £285,000	1	-
	37	24

	2022/23 £' 000	2021/22 £' 000
Severance payments		
Compensation for loss of office paid	730	2,288
Number of staff in receipt of compensation for loss of office	53	200

Notes to The Accounts

7 Staff costs *continued*

	2022/23	2021/22
Average staff numbers by major category		
Academic	1,960	1,911
Support staff	2,072	1,976
	4,032	3,887

Key management personnel

Key management personnel are the members of staff having authority and responsibility for planning, directing and controlling the activities of the University. Key management personnel are therefore considered to be members of the University Executive Group (UEG). There are 15 positions within the group and in 2022/23, 16 people held these roles at some point during the year (2021/22: 15 positions, 18 people). Staff costs includes compensation paid to key management personnel.

	2022/23 £' 000	2021/22 £' 000
Key management personnel compensation	3,276	3,076

Details on members of the University Executive Group can be found on the following website:
mmu.ac.uk/about-us/our-people/university-executive-group

Board of Governors

The University's Board of Governors are the trustees for charitable law purposes. Due to the nature of the University's operations and the compositions of the Board of Governors, being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of Board of Governors may have an interest, including those identified below, are conducted at arm's length and in accordance with the University's Financial Regulations and usual procurement procedures.

No governor (all of whom are trustees to the University's charitable status) has received any remuneration from the group during the year (2021/22: £ nil)

The total expenses paid to or on behalf of 12 trustees was £16,570 (2021/22: £8,837 to 10 trustees). This represents travel and subsistence expenses incurred in attending Board of Governors meetings, Committee meetings and Charity events in their official capacity.

	Consolidated 2022/23 £' 000	Consolidated 2021/22 £' 000	University 2022/23 £' 000	University 2021/22 £' 000
8 Interest and other finance costs				
Loan interest	1,496	1,465	1,496	1,465
Finance lease interest	2	1	-	1
Net (gain)/charge on pension schemes	(729)	4,257	(729)	4,257
	769	5,723	767	5,723

9a Analysis of total expenditure by activity

	Consolidated 2022/23 £' 000	Consolidated 2021/22 £' 000	University 2022/23 £' 000	University 2021/22 £' 000
Academic and related expenditure	215,843	195,743	215,911	195,743
Administration and central services	108,113	86,499	108,111	86,541
Premises (including service concession cost)	46,265	40,128	46,265	40,128
Residences, catering and conferences	11,070	11,312	11,070	11,312
Research grants and contracts	11,660	13,109	11,660	13,109
Other expenses	13,239	35,667	13,239	35,667
	406,190	382,458	406,256	382,500

Other operating expenses include:

	2022/23 £' 000	2021/22 £' 000
Operating lease rentals		
Land and buildings	9,707	7,988
Other	15	5
External auditors remuneration in respect of audit services		
Fees payable to the auditor for the audit of the University's Financial Statements	165	117
Audit related assurance services	17	19
Taxation services	-	-
Other services	-	-
Total non-audit services	-	-

9b Access and Participation

	2022/23 £' 000	2021/22 £' 000
Access investment	2,879	2,677
Financial support	10,790	9,195
Disability support	2,042	1,854
Research and evaluation	188	132
	15,899	13,858

£5.0m (2021/22: £3.6m) of access and participation expenditure relates to staff costs.

The total of the approved expenditure in our access and participation plan for the year ended 31 July 2023 was £9.95m (2021/22: £10.07m).

Details of the approved plan can be found at mmu.ac.uk/media/mmuacuk/content/documents/students/ManchesterMetropolitanUniversity_APP_2020-21_V1_10004180.pdf

Notes to The Accounts

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
10 Taxation				
Foreign tax	(39)	37	35	34
	(39)	37	35	34
11 Intangible assets				
Cost				
At 1 August	19,247	19,247	19,247	19,247
Additions	-	-	-	-
At 31 July	19,247	19,247	19,247	19,247
Amortisation				
At 1 August	1,325	1,325	-	-
Additions	723	723	1,325	1,325
At 31 July 2023	2,048	2,048	1,325	1,325
Net book value				
At 31 July 2023	17,199	17,199	17,922	17,922
At 31 July 2022	17,922	17,922	19,247	19,247

The intangible asset relates to the development of software.

	Freehold land and buildings £' 000	Leasehold land and buildings £' 000	Plant and machinery £' 000	Fixtures, fittings and equipment £' 000	Assets in the course of construction £' 000	Total £' 000
12 Fixed Assets - Consolidated						
Cost or deemed cost						
At 1 August 2022	577,583	9,608	2,064	60,738	48,924	698,917
Additions	547	–	–	3,243	57,840	61,630
Transfers	–	–	2,212	–	(2,212)	–
Disposals	(7,447)	–	(224)	(690)	(3)	(8,364)
At 31 July 2023	570,683	9,608	4,052	63,291	104,549	752,183
Depreciation						
At 1 August 2022	86,687	–	1,714	34,375	–	122,776
Charge for the year	13,708	–	152	4,916	–	18,776
Impairment	–	–	–	–	–	–
Disposals	(7,447)	–	(224)	(690)	–	(8,361)
At 31 July 2023	92,948	–	1,642	38,601	–	133,191
Net book value						
At 31 July 2023	477,735	9,608	2,410	24,690	104,549	618,992
At 31 July 2022	490,896	9,608	350	26,363	48,924	576,141

At 31 July 2023, freehold and leasehold land and buildings included £27.8m (2022: £27.8m) in respect of freehold land which is not depreciated.

Notes to The Accounts

12 Fixed Assets *continued*

	Freehold land and buildings £' 000	Leasehold land and buildings £' 000	Plant and machinery £' 000	Fixtures, fittings and equipment £' 000	Assets in the course of construction £' 000	Total £' 000
12 Fixed Assets - University						
Cost or deemed cost						
At 1 August 2022	577,583	9,608	2,062	60,608	48,924	698,785
Additions	547	–	–	3,233	57,840	61,620
Transfers	–	–	2,212	–	(2,212)	–
Disposals	(7,447)	–	(224)	(690)	(3)	(8,364)
At 31 July 2023	570,683	9,608	4,050	63,151	104,549	752,041
Depreciation						
At 1 August 2022	86,687	–	1,713	34,313	–	122,713
Charge for the year	13,708	–	151	4,851	–	18,710
Impairment	–	–	–	–	–	–
Disposals	(7,447)	–	(224)	(690)	–	(8,361)
At 31 July 2023	92,948	–	1,640	38,474	–	133,062
Net book value						
At 31 July 2023	477,735	9,608	2,410	24,677	104,549	618,979
At 31 July 2022	490,896	9,608	349	26,295	48,924	576,072

At 31 July 2023, freehold and leasehold land and buildings included £27.8m (2022: £27.8m) in respect of freehold land which is not depreciated.

Leased assets included above:

Net book value

At 31 July 2023	–	–	–	–	–	–
At 31 July 2022	–	–	–	53	–	53

Fixtures, fittings and equipment include assets held under finance leases as follows:

	2023 Consolidated and University £' 000	2022 Consolidated and University £' 000
Cost	690	690
Additions	78	78
Disposals	-	-
Accumulated depreciation	(715)	(614)
Charge for the year	(53)	(101)
Net book value	-	53

The University applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain freehold properties. The properties are being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

	2023 £' 000	2022 £' 000	2021 £' 000	2020 £' 000	2019 £' 000
13 Heritage assets					
Cost or deemed cost					
At 1 August	4,305	4,305	4,305	4,305	4,305
Revaluation	-	-	-	-	-
At 31 July	4,305	4,305	4,305	4,305	4,305
Proceeds from disposals	-	-	-	-	-

A valuation was undertaken by Bonham's in 2012/13 which valued the books at £2,346,000 and chattels at £1,959,000.

Notes to The Accounts

13 Heritage Assets *continued*

Nature of assets held

The Manchester Metropolitan University collections are central to the artistic culture and teaching of the University and have been since its foundation. The collections include:

- Artists' books: a great range of creative experimentations with the book form
- 20th Century international poster collections
- The Manchester School of Art Collection including fine and decorative art
- The Schmoller Collection of Decorated Papers
- Children's Book Collection: featuring 19th and 20th Century children's book illustration
- Book collections exploring aspects of the book as an artefact
- Archive collections including artists working drawings and correspondence
- Manchester Society of Architects' Library
- Victorian ephemera featuring 19th Century albums and scrapbooks
- Mary Butcher collection of Baxter prints

Policy for management, preservation, acquisition and disposal of assets

The use of Special Collections is supported by a conservation team who are responsible for the long-term preservation of the collections. This team works to conserve the collections so that they are available for display and study without placing the objects in danger of further deterioration.

The Book Design, Artists' Books and Children's Book collections can be accessed without an appointment and can be searched on the Library catalogue.

The Manchester School of Art collection, the Archive collections, the Schmoller Collection of Decorated Papers and the Poster collections can be searched on the Special Collections catalogue. Please contact us to make an appointment to view material from these collections.

Further information on the University's policies regarding, conservation, preservation, management and disposal of heritage assets can be found on the University's website: specialcollections.mmu.ac.uk

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
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14 Non-current investments

Analysis of closing balance

Investment in subsidiaries (a)	-	80	-	80
Other investments (b)	1,043	1,043	1,122	1,122
	1,043	1,123	1,122	1,202

(a) Investment in subsidiary undertakings

At cost less impairment:

At 1 August	-	80	-	80
Additions	-	50	-	-
Disposals	-	-	-	-
Impairment	-	(50)	-	-
At 31 July	-	80	-	80

(b) Other investments

Other investments consists of investments in shares other than investments in subsidiaries, associates and joint ventures.

At 1 August	1,122	1,122	1,098	1,098
Additions	-	-	90	90
Disposals	(40)	(40)	(40)	(40)
Impairment	-	-	-	-
Fair value adjustment	(39)	(39)	(26)	(26)
At 31 July	1,043	1,043	1,122	1,122

Other investments consist of:

At fair value:

Market securities	965	965	1,044	1,044
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At cost less impairment:

Group investments in spinouts	78	78	78	78
	1,043	1,043	1,122	1,122

Details of investments in which the Group and University (unless indicated) hold 20% or more of the nominal value of any class of share capital are as follows:

Company	Class of share capital held	Group holding	Principal activity	2023 £
Manmet Limited	£1 ordinary	100% owned	Not trading	100
MMU Enterprises Limited	£1 ordinary	100% owned	Holding company	79,930
Manchester Law School Limited	£1 ordinary	100% owned	Not trading	2
MMU Overseas Study Consulting (Wuhan) Limited Company	USD 100,000	100% owned	Consultancy	79,820
MMU Hong Kong Alumni Chapter	Limited by guarantee	100% owned	Consultancy	-

Notes to The Accounts

14 Non-current investments *continued*

Where applicable, the 'group holding' is equivalent to the proportion of voting rights and shares held.

All the investments are held by the group and the University, with the exception of MMU Overseas Study Consulting (Wuhan) Limited Company which is held by MMU Enterprises.

All the subsidiary undertakings are incorporated in England and Wales, with the exception of MMU Overseas Study Consulting (Wuhan) Limited Company.

Manmet Ltd and MMU Enterprises Ltd have the same reporting date as the University. MMU Overseas Study Consulting (Wuhan) Limited has a reporting date of 31 December and The Manchester Law School Ltd has a reporting date of 30 September.

Manmet Limited and Manchester Law School Limited have been excluded from consolidation as they are not deemed material.

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
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15 Investment in associates

Analysis of closing balance

At 1 August 2022	26	-	45	-
Share of profit/(loss) retained	31	-	(19)	-
At 31 July 2023	57	-	26	-

The Group had the following associated undertakings as at 31 July 2023:

Name of associate	Class of share capital held	Group holding	Principal activity	Share of net assets 2023 £' 000	Share of net assets 2022 £' 000
Oxford Road Corridor Financial year end 31 March	Limited by guarantee	20.0%	To maximise the economic potential of the city south area by harnessing the ongoing investment being made key institutions (Universities; the Health Trust and the Private Sector).	57	26

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
16 Trade and other receivables				
Amounts falling due within one year:				
Trade receivables	12,475	12,475	12,320	12,320
Other receivables	111	17	100	17
Amounts due from associate companies	–	34	–	34
Prepayments and accrued income	20,356	20,352	18,064	18,061
	32,942	32,878	30,484	30,432

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
17 Current investments				
Short term bonds	8,844	8,844	24,832	24,832
Short term deposits	56,532	56,532	77,450	77,450
	65,376	65,376	102,282	102,282

Deposits are held with banks and building societies operating in the London market and licensed by the Financial Services Authority with more than three months maturity at the investment date. The interest rates for these deposits are fixed for the duration of the deposit at time of placement.

	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
18 Creditors: amounts falling due within one year				
Unsecured loans	–	–	1,400	1,400
Obligations under finance leases	–	–	47	–
Trade payables	23,815	23,807	25,265	25,257
Social security and other taxation payable	5,240	5,237	4,880	4,874
Accruals and deferred income	65,250	65,250	56,204	56,204
	94,305	94,294	87,796	87,735

Notes to The Accounts

18 Creditors : amounts falling due within one year *continued*

Deferred income

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

	Consolidated and University	
	2023	2022
	£' 000	£' 000
Research grants received on account	6,701	4,964
Grant income	2,598	3,038
Other income	31,929	19,442
	41,228	27,444

19 Creditors: amounts falling due after more than one year

	Consolidated and University	
	2023	2022
	£' 000	£' 000
Unsecured loans	-	21,700
	-	21,700
Analysis of secured and unsecured loans:		
<i>Due within one year or on demand (Note 18)</i>	-	1,400
Due between one and two years	-	1,400
Due between two and five years	-	4,200
Due in five years or more	-	16,100
Due after more than one year	-	21,700
Total secured and unsecured loans	-	23,100
Unsecured loans summary:		
Barclays Bank PLC	-	23,100
	-	23,100

In September 2011 the University acquired an unsecured loan from Barclays Bank plc of £35,000,000 as part of the funding arrangements for the capital programme. The final instalment was due in December 2038 but the University repaid the balance in full in June 2023.

In September 2022 the University finalised a £50m unsecured Revolving Credit Facility (RCF) with Barclays Bank plc. At the 31 July 2023, the University was yet to drawdown any part of the loan facility.

Consolidated and University	Obligation to fund deficit on USS pension	Pension enhancements on termination	Defined benefit obligations (Note 29)	Total pensions provisions	Other provisions	Total provisions
	£' 000	£' 000	£' 000	£' 000	£' 000	£' 000
20 Provisions for liabilities						
At 1 August 2022	6,823	8,991	–	15,814	3,348	19,162
Movement in the Year:						
Additions in 2022/23	–	–	–	–	14,614	14,614
Service cost	–	–	21,754	21,754	–	21,754
Employer's contributions	(407)	–	(16,693)	(17,100)	–	(17,100)
Payments to pensioners	–	(921)	–	(921)	–	(921)
Actuarial gain	–	(369)	(3,809)	(4,178)	–	(4,178)
Interest charge	226	297	(1,252)	(729)	173	(556)
Change in expected contributions	(2,104)	–	–	(2,104)	–	(2,104)
Utilisation of provision	–	–	–	–	(2,184)	(2,184)
At 31 July 2023	4,538	7,998	–	12,536	15,951	28,487

Notes to The Accounts

20 Provisions for liabilities *continued*

Defined Benefit Obligations

The defined benefit obligations relate to staff who are members of the Greater Manchester Pension Fund (see note 29).

Pension enhancements on termination

The University continues to make a diminishing number of pension enhancement payments to retired employees or their dependants. The value of this liability is reflected as a provision in the balance sheet. Each year there is a charge against the provision for payments to pensioners and credit to the provision for net return on assets. Any enhancement is recognised as part of operating surplus.

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

	31 July 2023	31 July 2022
Discount rate	5.0%	3.3%
Pension increase rate (CPI)	2.8%	2.9%

Obligation to fund deficit on USS Pension

The obligation to fund the past deficit on USS arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. Management has assessed future employees within the USS scheme and salary payment over the period of the contracted obligation in assessing the value of this provision.

Other provisions

Other provisions relate to an onerous lease provision (£15.5m), a redundancy provision (£0.1m) and a dilapidations provision (£0.3m).

See note 30 for further details on the accounting estimates and judgements.

	Restricted permanent endowments	Expendable endowments	2023 Consolidated and University	2022 University
	£' 000	£' 000	Total £' 000	Total £' 000
21 Endowment reserves				
Restricted net assets relating to endowments are as follows:				
Balances at 1 August 2022				
Capital	92	1,471	1,563	1,498
Accumulated income	(7)	-	(7)	-
	85	1,471	1,556	1,498
New endowments	23	287	310	299
Investment income	-	21	21	1
Expenditure	-	(146)	(146)	(205)
Decrease in market value of investments	(3)	(36)	(39)	(37)
	20	126	146	58
At 31 July 2023	105	1,597	1,702	1,556
Represented by:				
Capital	114	1,597	1,711	1,563
Accumulated income	(9)	-	(9)	(7)
	105	1,597	1,702	1,556
Analysis by type of purpose:				
Scholarship	103	1,578	1,681	1,511
Research support	-	13	13	36
Prize funds	2	6	8	9
	105	1,597	1,702	1,556
Analysis by asset:				
Cash and cash equivalents			1,702	1,556
			1,702	1,556

Notes to The Accounts

	Donations	2023 Consolidated and University	2022	
	£' 000	Total £' 000	Total £' 000	
22 Restricted reserves				
Reserves with restrictions are as follows:				
Balances at 1 August 2022	598	598	121	
New donations	460	460	682	
Expenditure	(336)	(336)	(205)	
At 31 July 2023	722	722	598	
Analysis of other restricted funds/donations by type of purpose:				
Prize funds		99	99	
General		39	6	
Scholarship		584	493	
		722	598	
	Consolidated 2023 £' 000	University 2023 £' 000	Consolidated 2022 £' 000	University 2022 £' 000
23 Cash and cash equivalents				
At 1 August	54,950	54,878	31,337	31,250
Cash flows	6,503	6,395	23,618	23,628
Exchange differences	(34)	-	(5)	-
At 31 July	61,419	61,273	54,950	54,878

	31 July 2023 £' 000	
24 Consolidated reconciliation of net debt		
Net (funds)/debt at 1 August	(31,803)	
Movement in cash and cash equivalents	6,469	
Other non-cash changes	(36,085)	
Net (funds)/debt 31 July	(61,419)	
Decrease in net (funds) / debt	(29,616)	
	31 July 2023 £' 000	31 July 2022 £' 000
Analysis of net debt:		
Cash and cash equivalents	(61,419)	(54,950)
Borrowings: amounts falling due within one year		
Unsecured loans	–	1,400
Obligations under finance leases	–	47
	–	1,447
Borrowings: amounts falling due after more than one year		
Unsecured loans	–	21,700
	–	21,700
Net (funds)/debt	(61,419)	(31,803)
	2023 £' 000	2022 £' 000
25 Capital and other commitments		
Provision has not been made for the following capital commitments at 31 July:		
Commitments contracted at 31 July	40,275	84,064
Authorised but not contracted at 31 July	23,070	28,087
	63,345	112,151

Notes to The Accounts

	Land and buildings £' 000	Plant and machinery £' 000	2023 Total £' 000	2022 Total £' 000
26 Obligations/receipts under operating leases				
Total rentals payable under operating leases:				
Payable during the year	9,707	15	9,722	7,993
Future minimum lease payments due				
Not later than 1 year	10,130	15	10,145	8,279
Later than 1 year and not later than 5 years	26,945	9	26,954	27,798
Later than 5 years	70,851	–	70,851	45,354
Total lease payments due	107,926	24	107,950	81,431
Total rentals receivable under operating leases:				
Receivable during the year	1,978	–	1,978	1,617
Future minimum lease payments receivable				
Not later than 1 year	2,466	–	2,466	1,933
Later than 1 year and not later than 5 years	1,260	–	1,260	3,447
Later than 5 years	242	–	242	279
Total lease payments receivable	3,968	–	3,968	5,659
			2023 £' 000	2022 £' 000
27 Obligations under finance leases				
The future minimum finance lease payments are as follows:				
Due within one year			–	47
Due between one and two years			–	–
Due between two and five years			–	–
Total gross payments			–	47
Less: finance charges			–	–
Carrying amount of liability			–	47

28 Financial instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability in another entity. The carrying value of the Group and University's financial assets and liabilities are summarised by category below:

	Notes	Consolidated £' 000	2022/23 University £' 000	Consolidated £' 000	2021/22 University £' 000
Financial assets measured at amortised cost:					
Trade receivables	16	12,475	12,475	12,320	12,320
Other receivables	16	111	17	100	17
Investments (current)	17	40,376	40,376	102,282	102,282
Financial assets measured at fair value through Statement of Comprehensive income:					
Investments (non - current)	14	965	965	1,044	1,044
Financial assets measured at cost less impairment:					
Cash and cash equivalents	23	61,419	61,273	54,950	54,878
Investments (non - current)	14/15	135	158	104	158
Trade and other receivables	16	8,947	8,981	9,863	9,897
		124,428	124,245	180,663	180,596
Financial liabilities measured at amortised cost:					
Loans	19	-	-	23,100	23,100
Trade and other payables		-	-	47	-
Financial liabilities measured at cost less impairment:					
Trade and other payables	18	47,838	47,830	53,916	53,908
		47,838	47,830	77,063	77,008

The Group's and University's income and expenses in respect of financial instruments are summarised below:

Total interest income for financial assets at amortised cost	1,496	1,496	1,466	1,466
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The University enters into predominantly non-complex, short term transactions resulting in basic financial instruments. As such the risk associated with the assets and liabilities outlined above is deemed by the University to be low. The vast majority of the financial assets outlined are in the form of cash, cash equivalent or current investments held with financial institutions on deposit. The value of these assets alone cover the outstanding debt.

For further details on terms and conditions associated with loans refer to note 19.

Notes to The Accounts

29 Pension schemes

The principal pension schemes for the University's staff are the Greater Manchester Pension Fund ('GMPF') which is administered by Tameside Metropolitan Borough Council in accordance with the Local Government Pension Scheme Regulations 2013, the Teachers' Pension Scheme ('TPS') which is administered by the Teachers' Pension Agency and the Universities Superannuation Scheme ('USS') which is administered by the trustee, the Universities Superannuation Scheme Limited. The schemes are defined benefit schemes and are contracted out of the State Earnings-Related Pension Scheme. The GMPF and USS are valued every three years with the TPS being valued every five years. This is completed by actuaries using a prospective benefits valuation method with the rates of contribution payable being determined by the pension fund on the advice of the actuaries.

The USS and the GMPF are multi-employer defined benefit pension schemes. In the case of the GMPF the actuary of the scheme has identified the University's share of its assets and liabilities as at 31 July 2023. For the USS a liability has been recognised on the balance sheet as at 31 July 2023.

Greater Manchester Pension Fund

The last formal valuation of the scheme was performed at 31 March 2022 by a professionally qualified actuary with subsequent valuations taking place every three years. The major assumptions utilised in calculating the year end valuation have been detailed below:

	2023 % pa	2022 % pa
Pension increase rate	3.00	2.70
Rate of increase in salaries	3.80	3.45
Discount rate / expected return on assets	5.05	3.50
Contribution rates are as follows: %		
From 1 April 2023 to 31 March 2024	20.4	
From 1 April 2024 to 31 March 2025	19.4	
From 1 April 2025 to 31 March 2026	18.9	

The increases in contribution rates may reduce the deficit.

The most significant non-financial assumption is the assumed level of longevity. The assumed life expectancies on retirement age at 65 are:

	Pensioner	Males Future pensioner	Pensioner	Females Future pensioner
At 31 July 2022	20.3	21.6	23.2	25.1
At 31 July 2023	20.4	21.4	23.6	25.0

The expected return on assets has been derived as the weighted average of the expected returns from each of the main asset classes (i.e. equities and bonds). The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations.

The assets in the scheme were:

Scheme assets	Fair value as at	
	2023 £' 000	2022 £' 000
Equity securities	204,355	208,487
Debt securities	51,080	46,619
Private equity	37,977	38,445
Real estate	22,302	23,830
Investment funds and unit trusts	208,926	190,750
Derivatives	–	(2,922)
Cash and cash equivalents	9,482	20,344
Total	534,122	525,553

Notes to The Accounts

29 Pension schemes *continued*

	2023 £' 000	2022 £' 000
Analysis of the amount shown in the balance sheet		
Scheme assets	534,122	525,553
Scheme liabilities	(421,240)	(487,254)
Surplus in the scheme	112,882	38,299
Restrictions to limit assets recognised	(112,882)	(38,299)
	-	-
Analysis of amount charged to staff costs		
Current service cost	(21,373)	(40,977)
Past service costs	(381)	(1,678)
Total operating charge	(21,754)	(42,655)
Analysis of the amount charged to interest payable/credited to other finance income		
Interest cost	(17,288)	(11,795)
Expected return on assets	18,540	7,727
Net charge to interest payable	1,252	(4,068)
Analysis of other comprehensive income		
Return on assets excluding amounts included in net interest	(12,511)	30,655
Other experience	(55,969)	(1,761)
Past service credit arising on change of pension increase assumption in the financial year	146,872	281,757
Movement on restriction to limit asset recognised	(74,583)	(38,299)
Total other comprehensive income	3,809	272,352

	2022/23 £' 000	2021/22 £' 000
Analysis of movement in deficit		
Deficit at beginning of year	–	240,776
Contributions or benefits paid by the University	(16,693)	(15,147)
Current service cost	21,373	40,977
Past service cost	381	1,678
Other finance charge	(1,252)	4,068
Gain recognised in other comprehensive income	(3,809)	(272,352)
Deficit at end of year	–	–
Analysis of movement in the present value of scheme liabilities		
Present value of scheme liabilities at the start of the year	487,254	720,129
Current service cost	21,373	40,977
Past service cost	381	1,678
Interest cost	17,288	11,795
Actual member contributions	5,440	4,697
Estimated benefits paid	(12,988)	(12,026)
Changes in financial and demographic assumptions	(146,872)	(281,757)
Other experience	49,364	1,761
Present value at the end of the year	421,240	487,254
Analysis of movement in the fair value of scheme assets		
Fair value of assets at the start of the year	525,553	479,353
Expected return on assets	18,540	7,727
Actuarial gain on assets	(12,511)	30,655
Actual contributions paid by University	16,693	15,147
Actual member contributions	5,440	4,697
Estimated benefits paid	(12,988)	(12,026)
Other experience	(6,605)	–
Fair value of scheme assets at the end of the year	534,122	525,553

Notes to The Accounts

29 Pension schemes *continued*

Defined benefit scheme assets do not include any of the University's own financial instruments or any properties occupied by the University.

The estimate for contribution for the defined benefit scheme for the year to 31 July 2024 will be approximately £15,655,000.

The actual return on scheme assets for the year was a £6,029,000 gain (2022: £14,713,000 gain).

The Universities Superannuation Scheme

The University participates in Universities Superannuation Scheme. The scheme is a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund.

USS is a multi-employer scheme and is accounted for as set out in the accounting policies.

The total gain charged to the Consolidated Statement of Comprehensive Income account is £2,285,000 (2022: £4,022,000 cost) as shown in note 20.

Deficit recovery contributions due within one year for the institution are £390,205 (2022: £390,315).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2020 ("the valuation date"), which was carried out using the projected unit method.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles)

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	2020 valuation 101% of S2PMA "light" for males and 95% of S3PFA for females.
Future improvements to mortality	CMI_2019 with a smoothing parameter of 7.5, an initial addition of 0.5% pa and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

	2023 valuation	2022 valuation
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024 at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	5.52%	3.31%
Pensionable salary growth	3.00%	5.00%

The employers' contribution rates are as follows:

Effective date	Rate
1 October 2019 to 30 September 2021	21.10%
1 October 2021 to 31 March 2022	21.40%
1 April 2022 to 31 March 2024	21.60%
1 April 2024 to 30 April 2038	21.40%

Notes to The Accounts

29 Pension schemes *continued*

The Teachers' Pension Scheme

The University is a member of the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff.

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every four years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.6% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year to 31 July 2023 amounted to £18,943,000 (2021/22: £17,235,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The University has accounted for its contributions to the scheme as if it were a defined contribution scheme. The University has set out above the information available on the scheme.

Contributions amounting to £2,247,000 were payable to the scheme at 31 July 2023 (31 July 2022: £2,070,000) and are included within creditors..

Cheshire Pension Fund

A number of former employees 11 (2022: 13) receive retirement benefits from the Cheshire Pension Fund. The related asset is not material to the University's accounts.

Total pension cost

The total pension cost for the University and its subsidiaries is:

	2022/23 £' 000	2021/22 £' 000
Teachers' Pension Scheme: contributions paid	18,943	17,235
Local Government Pension Scheme: charge	21,887	42,729
USS Pension Scheme	(1,129)	5,396
Other pension schemes	17	(7)
	39,718	65,353

At 31 July 2023 there was a total pension creditor of £2,277,000 (2022: £3,886,000) which was paid by 18 August 2023.

30 Accounting estimates and judgements

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

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

Recoverability of debtors

The provision for doubtful debts is based on our estimate of the expected recoverability of those debts. Assumptions are made based on the level of debtors which have defaulted historically, coupled with current economic knowledge. The provision is based on the current situation of the customer, the age profile of the debt and the nature of the amount due.

Notes to The Accounts

30 Accounting estimates and judgements *continued*

Valuation of fixed assets

Management make judgements as to whether the estate is appropriately valued at each balance sheet date and whether any indicators of impairment exist. As our estate forms an estimated 79% of our asset base, an incorrect assessment of asset value could influence the readers understanding of the accounts and position of the University. Discussions are held prior to year end to assess market movements, planned changes to the estate and any other indicators which might warrant a change in the carrying value of an asset. Should an impairment be indicated, a third party valuer would be contracted to estimate the change in carrying value at the balance sheet date.

Valuation of intangible assets

Management also make judgements on whether intangible assets are appropriately valued. This assessment considers the intangible assets value in use, assessing current and future benefits derived from intangibles and the expected useful economic life of the assets.

Useful economic lives of fixed assets

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives of the assets so these are re-assessed annually and amended when necessary to reflect current estimates. See Note 12 for the carrying amount of fixed assets, and the fixed assets accounting policy for the useful economic lives for each class of assets.

Provisions

Management apply judgment to arrive at the best estimate for any obligation required. The amount recognised as a provision is management's best estimate of the present value of the amount required to settle the obligation. To arrive at this amount management assess the likelihood and extent of any future settlement and make judgments based on these. In the context of our accounts the carrying value of other provisions includes amounts for onerous leases, dilapidations provisions and redundancy provisions. Onerous lease provisions are calculated as the present value of future lease payments less cash inflow from any sub letting arrangements. Any cash inflows from existing sub-letting arrangements are calculated with reference to current contracts. Post this period, management engaged with an independent adviser with expertise in the education and property sectors to prepare forecasts using the current rental markets to estimate the potential cash inflows from sub-letting arrangements to the end of the onerous lease period. Dilapidations provisions are calculated by external surveyors. Refer to note 20 for further details.

Retirement benefit obligations

The cost of defined benefit pension plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 29.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

31 Related party transactions

Members of the Board of Governors are required to declare any outside interests. When an item arises in which a member has a pecuniary, business, family or other personal interest, it must be declared and the member concerned may not take part in the consideration of the matter nor vote on it. The Board of Governors has considered the financial effect of all transactions involving organisations in which a member of the Board of Governors may have an interest. It is confirmed that these are conducted at arm's length and in accordance with the University's Financial Regulations. Significant transactions were:

	2022/23 Income £' 000	2022/23 Expenditure £' 000	2022/23 Debtor £' 000	2022/23 Creditor £' 000
Oxford Road Corridor Manchester	-	56	56	301

Related Party	Nature of the relationship
Oxford Road Corridor Manchester	Oxford Road Corridor Manchester is an associate of Manchester Metropolitan University

The University also acts as an agent for UNIAC providing payroll services. At the year end £20,000 was outstanding in respect of these services.

Notes to The Accounts

32 US Loan supplementary schedule

In satisfaction of its obligations to facilitate students' access to US financial aid, the University is required, by the US Department of Education, to present the following Supplemental Schedule in a prescribed format.

The amounts presented within the schedules have been:

- prepared under the historical cost convention, subject to the revaluation of certain fixed assets;
- prepared using United Kingdom generally accepted accounting practice, in accordance with Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice: Accounting for Further and Higher Education (2019 edition);
- presented in pounds sterling.

The schedules set out how each amount disclosed has been extracted from the financial statements. As set out above, the accounting policies used in determining the amounts disclosed are not intended to and do not comply with the requirements of accounting principles generally accepted in the United States of America.

Page	Expendable Net Assets	2022/23		2021/22		
		£'000	£'000	£'000	£'000	
61	Consolidated and University Balance sheet - Unrestricted reserves	Net assets without donor restrictions	-	676,246	-	656,571
61	Consolidated and University Balance sheet - Restricted reserves	Net assets with donor restrictions	-	2,424	-	2,154
101	Note 31 - Related party transactions	Secured and Unsecured related party receivable	56	-	-	-
101	Note 31 - Related party transactions	Unsecured related party receivable	-	56	-	-
77 – 79	Note 12 - Fixed assets less note 12 leased assets plus note 13 Heritage assets	Property, plant and equipment, net (includes Construction in progress)	623,297	-	580,393	-
77 – 79	Note 12 - Fixed assets net book value plus Note 13 heritage assets less additions in year	Property, plant and equipment - pre-implementation	-	561,667	-	526,222
77 – 79	Note 12- Fixed asset additions excluding assets in the course of construction	Property, plant and equipment - post-implementation without outstanding debt for original purchase	-	3,790	-	9,366
77 – 79	Note 12 -Assets in the course of construction additions	Construction in progress	-	57,840	-	44,805
79	Note 12 - Leased assets net book value	Lease right-of-use asset, net	-	-	53	-
79	Note 12 - Leased assets net book value	Lease right-of-use asset pre-implementation	-	-	-	53
60	Consolidated and University Balance sheet - Intangible assets	Intangible assets	-	17,199	-	17,922
60	Consolidated and University Balance sheet - Pension provisions	Post-employment and pension liabilities	-	12,536	-	15,814
84	Note 19 - Analysis of secured and unsecured loans	Long-term debt - for long term purposes	-	-	23,100	-
84	Note 19 - Analysis of secured and unsecured loans	Long-term debt - for long term purposes pre-implementation	-	-	-	23,100
83	Note 16 - Obligations under finance leases	Lease right-of-use asset liability	-	-	47	-
83	Note 16 - Obligations under finance leases	Pre-implementation right-of-use leases	-	-	-	47
61	Consolidated and University Balance sheet - Restricted reserves	Net assets with donor restrictions: restricted in perpetuity	-	2,424	-	2,154

Page	Total Expenses and Losses		2022/23		2021/22	
			£'000	£'000	£'000	£'000
58	Consolidated and University Statement of Comprehensive Income and Expenditure - Total expenditure	Total expenses without donor restrictions - taken directly from Statement of Activities	-	406,190	-	382,458
58	Consolidated and University Statement of Comprehensive Income and Expenditure - Investment income less loss on investments, less deficit in associate, plus actuarial gain in respect of pension schemes	Non-Operating and Net Investment (loss)	-	(8,868)	-	(273,131)
58	Consolidated and University Statement of Comprehensive Income and Expenditure - Investment income less loss on investments	Net investment losses	-	(4,690)	-	(242)

Page	Modified Assets		£'000	£' 000	£' 000	£' 000
60	Consolidated and University Balance sheet - Non-current assets less Current assets	Total Assets	-	801,462	-	787,383
77 – 78	Note 12 - Leased assets net book value	Lease right-of-use asset pre-implementation	-	-	-	53
83	Note 16 - Obligations under finance leases	Pre-implementation right-of-use leases	-	-	-	47
60	Consolidated and University Balance sheet - Intangible assets	Intangible assets	-	17,199	-	17,922
101	Note 31 - Related party transactions	Secured and Unsecured related party receivable	56	-	-	-
101	Note 31 - Related party transactions	Unsecured related party receivable	-	56	-	-

Page	Modified Net Assets		£'000	£' 000	£' 000	£' 000
61	Consolidated and University Balance sheet - Unrestricted reserves	Net assets without donor restrictions	-	676,246	-	656,571
61	Consolidated and University Balance sheet - Restricted reserves	Net assets with donor restrictions	-	2,424	-	2,154
60	Consolidated and University Balance sheet - Intangible assets	Intangible assets	-	17,199	-	17,922
101	Note 31 - Related party transactions	Secured and Unsecured related party receivable	56	-	-	-
101	Note 31 - Related party transactions	Unsecured related party receivable	-	56	-	-

Page	Net Income Ratio		£'000	£' 000	£' 000	£' 000
58	Consolidated and University Statement of Comprehensive Income and Expenditure - Unrestricted comprehensive income for the year	Change in Net Assets Without Donor Restrictions	-	19,675	-	282,783
58	Consolidated and University Statement of Comprehensive Income and Expenditure - Total income less Investment income, less loss on disposal of assets	Total Revenue and Gains	-	417,309	-	392,680
60	Consolidated and University Balance sheet - Intangible assets	Intangible assets	-	17,199	-	17,922

Senior Officers

Chancellor

The Rt Hon Lord Mandelson PC

Pro-Chancellor

Simon Duffy

Vice-Chancellor

Professor Malcolm Press BSc PhD CBE

Provost and Deputy Vice-Chancellor

Professor Steve Decent BSc PhD FIMA *(to 31 December 2022)*

Professor Steve Rothberg BSc PhD CEng FIMechE *(from 1 January 2023)*

Chief Operating Officer

Professor Karen Moore BSc PhD

Pro-Vice-Chancellor Culture and Community

Professor Sharon Handley BA PhD *(to 30 September 2023)*

Pro-Vice-Chancellor for Education

Professor Andy Dainty BSc PhD PGCE FCIIOB

Pro-Vice-Chancellor for International

Professor Jenny Watling BSc PhD

Pro-Vice-Chancellor for Research

Professor Tim Cable PhD FECSS FHEA NTF *(Interim to 4 September 2022)*

Professor Nick Brook BSc (Hons) Dip Adv Stnd Sci (Phys) PhD *(from 5 September 2022)*

Chief Financial Officer

Andrew Hewett BCom FCA

Chief People Officer

Pamela Flynn

Director of Strategic Planning and Operations

Helen Barton BA MA

Chief Information Officer

Chris Robinson

Faculty Pro-Vice-Chancellors

Arts and Humanities

Professor Martyn Evans BA MA PhD

Business and Law

Professor Dominic Medway BA PhD FRGS SFIPM

Health and Education

Professor Jenny Watling BSc PhD

(Interim to 28 February 2023)

Professor Saul Becker BA, MA, PhD, COSW, RSW, FRSA, FaCSS

(from 1 March 2023)

Science and Engineering

Professor Andy Gibson MEng PhD DSc FIET FIMechE CEng



Board of Governors

2022/23

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Sean Anstee CBE

(Deputy Chair from 1 August 2023)

Philippa Anderson

Evelyn Asante-Mensah OBE

(to 31 March 2023)

Dr David Birch

Professor Tim Brennan

(to 31 August 2023)

Professor Darren Dancey

Janet Dawson

(to 31 July 2023)

Andy Forbes

Carlo Frondaroli

Kate Green OBE

Mohammad Habeebullah OBE

(to 30 June 2023)

Andrew Heyn OBE

Professor Hannah Holmes

Stella Ibifunmilola

(to 30 June 2023)

Letitia Nicole Jones

(to 30 June 2023)

Bridget Lea

Jill McCormack

(from 1 April 2023)

Shrutisha Morris

(to 31 October 2022)

Professor Malcolm Press CBE

Sandesh Punhani

(from 1 July 2023)

Nick Read

(from 1 April 2023)

Ethan Romer

(from 1 July 2023)

Miles Rothbury

Simon Rutter

(from 1 October 2022)

Professor Julie Scott Jones

(from 1 September 2023)

Karen Varty





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