



THE
CONNECTED
UNIVERSITY

2019-20

ANNUAL REPORT

ANNUAL REVIEW AND
FINANCIAL STATEMENTS



SHORTLISTED FOR
**UNIVERSITY
OF THE YEAR***



*Times Higher Education Awards 2020



2019-20 ANNUAL REPORT

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CHAIR'S FOREWORD THE YEAR IN REVIEW



Colin Hughes

Chair of the Board of Governors

Few would deny that this has been a tumultuous period for the UK's higher education sector and while Staffordshire University is by no means immune to the challenges posed by the global coronavirus pandemic, the 2019/20 academic year has been one of continued learning and positive momentum for our institution. Indeed, much of the progress achieved by our Connected University during the past 12 months has resulted either directly or indirectly from innovation driven by the outbreak.

Our transition to remote teaching and learning in March 2020, our combined efforts to prepare a COVID-secure environment ahead of the new academic year, and our return to campus in September 2020 all served to inform our new 'blended' approach. Through a combination of virtual and on-campus delivery this model is not only offering a greater range of learning opportunities and increased flexibility to our students, but it is also aligned with our commitment to become the UK's foremost Digital University.

On behalf of my fellow Governors, I would like to thank colleagues from across our Schools and Services for their professionalism, dedication and commitment during the past 12 months. Their ability to remain flexible amidst a rapidly evolving landscape, and capacity to drive the student experience forward through innovation, have proved invaluable to our University's ongoing success. I am also immensely grateful to our Students' Union and the wider student body for their continued collaboration and support during what has been an incredibly challenging time for all.

Despite the obstacles we have faced we have pressed on with our 2030 Strategy, preparing the way for next-generation courses, next-generation learning environments and, most importantly, a next-generation student experience. As we move towards a more agile, innovative and lean operating model that leverages data and cutting-edge automation to enable us to adapt quickly to market demand, the future of our institution looks extremely bright.

We have also proceeded apace with our commitments as a Civic University, developing a framework to provide the foundations for our Civic University Agreement and Civic Engagement Plan. Staff from across our institution have continued to embed and enhance public and community engagement within their activities, helping us to better understand the impact of our work as a Civic University and share good practice, while supporting our local communities' response to and recovery from COVID-19.

Development of The Catalyst, a £40 million apprenticeships and digital skills hub located at our Stoke-on-Trent campus, is also making rapid progress with construction now in full swing. Scheduled to complete in autumn 2021, this ambitious project will support the growth of local businesses while facilitating our University's aim to deliver 6,500 new apprenticeships to our region by 2030.

We were unable to host any physical Awards Ceremonies in 2020 due to national restrictions. Our summer and autumn events are among the highlights of our academic calendar, so it was a great shame that external circumstances prevented us from gathering this year. Nevertheless, we must continue to prioritise the health, safety and wellbeing of our community, which is why my fellow Governors and I look forward to celebrating the achievements of our graduates in person once it is safe to do so.

I was, however, delighted to see the messages of encouragement and congratulations recorded by our staff, Students' Union, honorary graduates and others as part of our Class of 2020

online celebrations. Although these virtual events were not intended as replacements for our physical Awards Ceremonies, I felt they represented an innovative way to recognise the many achievements of this year's graduates, who have succeeded despite all the challenges posed by a global pandemic.

As I reflect on my first year as Chair of Staffordshire University's Board of Governors, I feel proud of our progress and optimistic about our long-term prospects. This has been a year like no other and despite the many hurdles we have faced, I take heart from the fact that we have a passionate and dedicated team that is willing to go the extra mile to help not only each other but also those beyond our campuses.

Finally, I would like to thank my Board colleagues, our Vice-Chancellor Professor Liz Barnes CBE DL, and the Executive and Senior Leadership Teams for their tireless efforts. Together, our institution has achieved a great deal over the past 12 months and I am confident that Staffordshire University will continue to go from strength to strength over the coming years.

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VICE-CHANCELLOR'S REPORT



Professor Liz Barnes CBE DL

Vice-Chancellor and Chief Executive

Our students, staff and external partners have gone above and beyond in delivering an excellent student experience, adapting to new ways of working whilst juggling their existing responsibilities and – in many cases – increased family commitments. What I have found truly inspirational is the sheer number of people from our University who have also found time to help out in their communities – or in their fields of academic expertise – giving up their valuable time to contribute to the fight against COVID-19.

All the while competition within the higher education sector has continued to increase, compounded by uncertainty on both the national and global stage. That we have succeeded in maintaining our standards and honouring our commitments, as well as building on progress made during recent years, is testament to the passion and determination of our brilliant and friendly University community.

If I had to choose one word to describe the past 12 months, it would be 'transformative'. In addition to The Catalyst in Stoke-on-Trent, mentioned by the Chair of our Board of Governors in his foreword, we have also made significant inroads elsewhere across our campuses.

Earlier this year our £5.8 million Health Innovation Centre secured £2.89 million as part of the UK Government's 'Getting Building Fund'. Located at our Centre of Excellence in Healthcare Education, Stafford, this project will comprise sector-leading clinical simulation and immersion suites that will enable both students and regional healthcare professionals to hone their skills whilst exploring and developing new patient-safety techniques.

The UK's higher education landscape has shifted dramatically over the past 12 months and whilst the global COVID-19 pandemic has posed significant challenges for our sector, the progress we have made in realising our vision of becoming a truly Connected University has been incredible to witness.

EXCITING PROJECTS ON THE HORIZON

With several other exciting projects on the horizon, such as our Nursery and Forest School and the Centre for Crime, Justice and Security, our efforts to create a next-generation learning environment that befits the vision set out in our 2030 Strategy are now well underway, and we can expect to see significant progress in this regard during the coming year.

Nursery and Forest School

Centre for Crime, Justice and Security

Next-generation learning environment

September marked the first anniversary since the opening of the Staffordshire University London Digital Institute, and what a year it has been for our London-based team. In the past 12 months we have forged strong links with industry leaders and employers, creating an Advisory Board with representation from a plethora of sector's biggest names. Our Digital Institute has also continued to expand its offering of future-focused courses, which now include Concept Art for Games and Film; Computer Science; Computer Games Design; Cyber Security; Esports; and Games PR and Community Management.

Perhaps the most significant transformation achieved by our University during the past year, however, concerns the development of our blended models for teaching, learning and working. The innovations pioneered during our period of remote working provided the foundations for our new blended offering, which is enabling us to continue our operations and drive standards through a combination of virtual and on-campus delivery. Aside from the obvious advantages this strategy offers in enabling us to remain flexible amidst an ever-changing external landscape, we are also confident that our blended approach will prove invaluable in allowing us to push forward with our digitally enabled 2030 Strategy.

Our approach to teaching and learning has also helped to inform our University's broader direction through a selection of supplementary initiatives designed to support our students, staff and local communities. During the past 12 months, for example, we have developed and enhanced our careers support offering with Unibuddy-powered chat functionality for students; new mentoring initiatives for prospective and existing students; and the implementation of video interviewing software to help prepare our graduates for an evolving jobs market.

We have fostered new collaboration with Staffordshire County Council's Redundancy Taskforce, extending our 'Step Up to HE' programme to individuals facing redundancy as a result of the coronavirus crisis; expanding the remit of our Careers Centre to include individuals and businesses in our local communities affected by COVID-19; and developing 'Thrive and Survive' webinars and resources to support businesses across Staffordshire and the surrounding region.

Add to this a host of virtual initiatives such as our #WednesdayWisdom webinars; digital editions of GradEX20 and the Art and Design Degree Show; and an array of student-focused competitions and showcases, and it is clear to see how the transformative power of higher education is not only alive and well at Staffordshire University, but that it has continued to grow exponentially

over the past year. The positive impact of our Civic University on our local communities has never been so pronounced.

I am also delighted with the recognition we have received as part of the Times Higher Education Awards 2020. Not only has our colleague Matt Lewis been selected as one of the 'Outstanding Technician of the Year' finalists, but we have also been shortlisted for the 'Outstanding Contribution to the Local Community' and 'Outstanding Marketing and Communications Team' awards.

Perhaps most encouraging, however, is the fact that we have been shortlisted in the prestigious 'University of the Year' category. I would like to congratulate our entire University community on achieving this well-deserved recognition, and I wish everyone the very best of luck for the grand finale.

Finally, I would like to give my personal thanks to Colin Hughes for his tireless efforts during his first year as Chair of our Board of Governors. This has been an unprecedented year for our institution and there is little doubt we will have to navigate yet more uncertain waters over the coming months and years. However, I feel confident that Staffordshire University will continue to make sustained progress thanks to the guidance, expertise and support provided by Colin and his fellow Governors.

KEY HIGHLIGHTS



RATED GOLD FOR TEACHING EXCELLENCE

Teaching Excellence Framework (TEF)

SHORTLISTED FOR UNIVERSITY OF THE YEAR

Times Higher Education Awards 2020

TOP 15 FOR SOCIAL INCLUSION

The Times and The Sunday Times
Good University Guide 2021

TOP 15 FOR TEACHING QUALITY

The Times and The Sunday Times
Good University Guide 2021

TOP 250 YOUNG UNIVERSITY

Times Higher Education Young
University Rankings 2020

MIDLANDS UNIVERSITY OF THE YEAR

Midlands Business Awards 2020





CONNECTED STRATEGY

We have achieved all of our key performance indicators 2 years early:

IN THE **TOP 50%** IN THE UK LEAGUE TABLES

GOLD STANDARD IN THE TEACHING EXCELLENCE FRAMEWORK

FINANCIALLY SUSTAINABLE IN ACCORDANCE WITH OUR STRATEGIC FINANCIAL PLAN

In 2016 the new Strategic Plan to 2020 was approved **'The Connected University'**

The plan is supported by three core strategies:

- INNOVATIVE AND APPLIED LEARNING**
- CONNECTING COMMUNITIES**
- TALENTED PEOPLE**

These in turn are underpinned by four resource strategies:

- FINANCE**
- DIGITAL**
- HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT**
- ESTATES**

The values of the University are central to the way that we work.

PROUD TO BE STAFFS - THE PROFESSIONALS

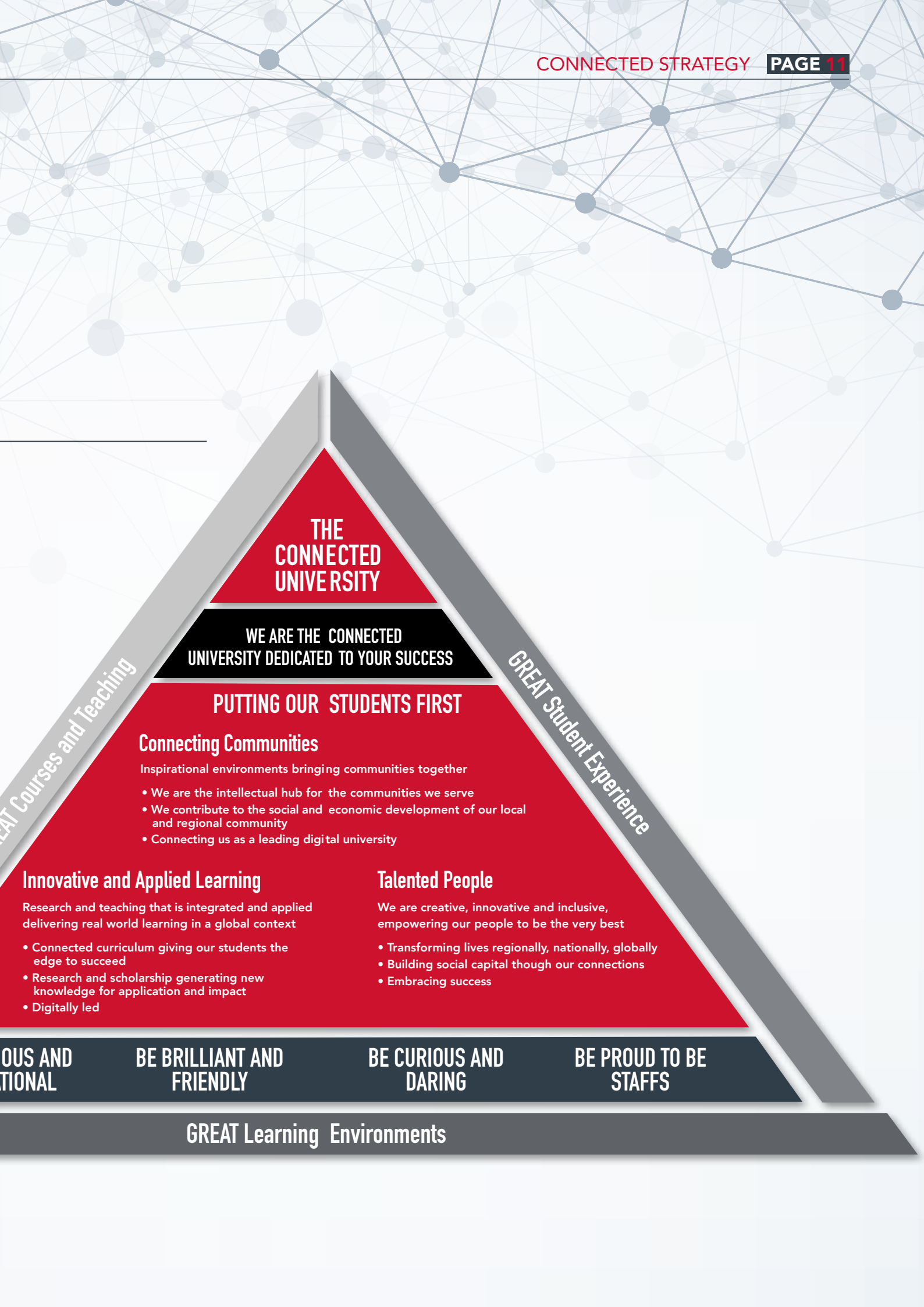
AMBITIOUS AND INSPIRATIONAL - THE GLOBAL VISIONARIES

CURIOUS AND DARING - THE INNOVATORS

BRILLIANT AND FRIENDLY - THE CHANGE MAKERS

These help define how we work, ensuring that our culture develops and facilitates the delivery of the strategic plan.





**THE
CONNECTED
UNIVERSITY**

**WE ARE THE CONNECTED
UNIVERSITY DEDICATED TO YOUR SUCCESS**

PUTTING OUR STUDENTS FIRST

Connecting Communities

Inspirational environments bringing communities together

- We are the intellectual hub for the communities we serve
- We contribute to the social and economic development of our local and regional community
- Connecting us as a leading digital university

Innovative and Applied Learning

Research and teaching that is integrated and applied delivering real world learning in a global context

- Connected curriculum giving our students the edge to succeed
- Research and scholarship generating new knowledge for application and impact
- Digitally led

Talented People

We are creative, innovative and inclusive, empowering our people to be the very best

- Transforming lives regionally, nationally, globally
- Building social capital through our connections
- Embracing success

**BE
COURAGEOUS AND
AMBITION**

**BE BRILLIANT AND
FRIENDLY**

**BE CURIOUS AND
DARING**

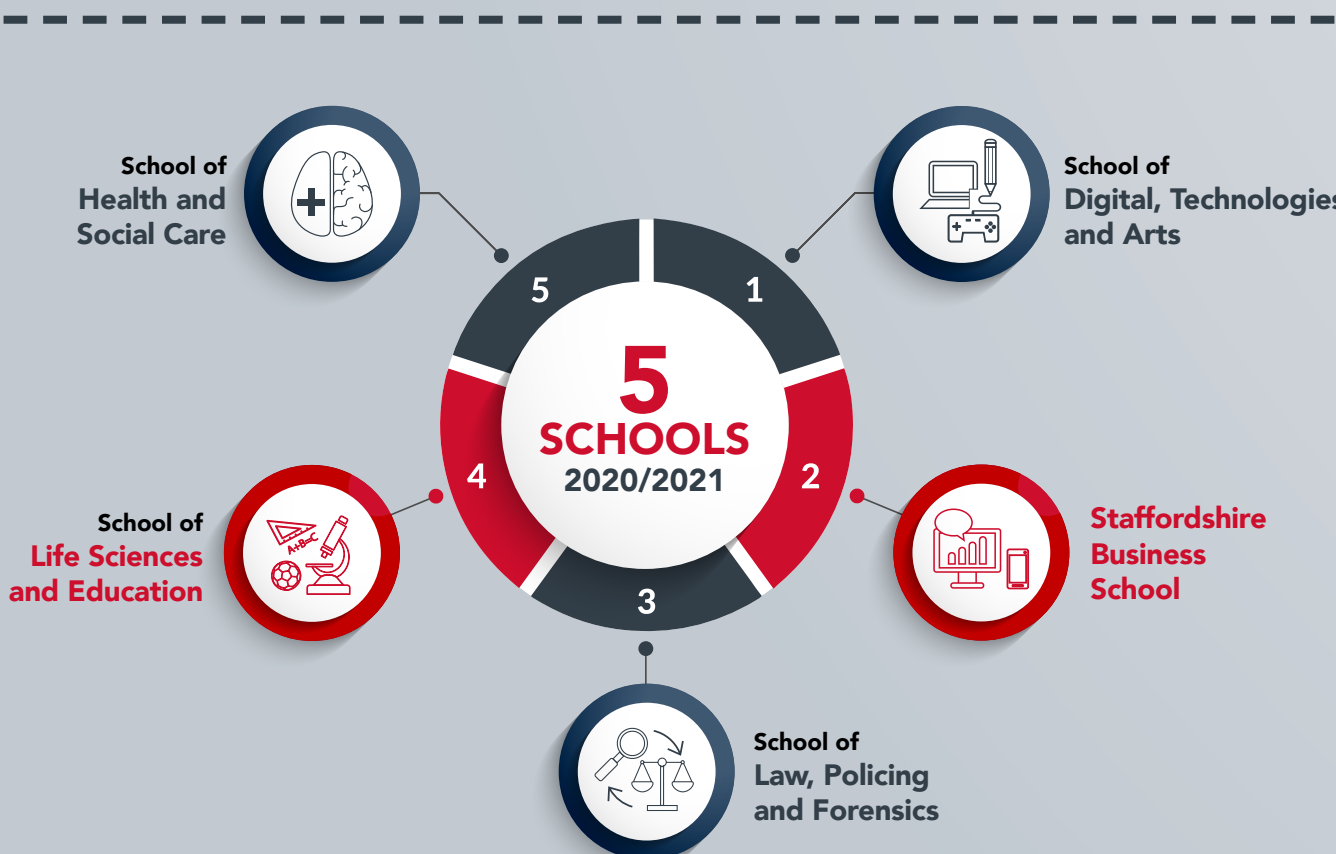
**BE PROUD TO BE
STAFFS**

GREAT Learning Environments

GREAT Courses and Teaching

GREAT Student Experience

THE EVOLUTION OF OUR ACADEMIC SCHOOLS



Moving forward into the next academic year, the structure of the Staffordshire University Academic Schools has evolved to benefit business, operations and outreach.

All academic schools contribute to University strategies equally, sharing facilities, connections and professional expertise to bring a great advantage to the Staffordshire University community.



STAFFORDSHIRE BUSINESS SCHOOL

Staffordshire Business School is evolving and introducing a new curriculum for both undergraduate and postgraduate programmes in 2021, as well as continuing to develop its apprenticeship offering. The school also continues to work with partners in the UK and overseas. Upon completion of construction, Staffordshire Business School will be housed in the Catalyst, a brand-new teaching and development building designed to take advantage of networking opportunities and give students the chance to develop skills which will enhance their employability.



SCHOOL OF LIFE SCIENCES AND EDUCATION

The School of Life Sciences and Education has been adaptable to the challenges of 2020 – developing apprenticeships and opportunities in Biomedical Science. While continuing to offer courses that focus on the delivery of a critical generation of scientists and educators into tomorrow's career marketplace, the school has made significant contributions to research, bringing the Staffordshire Conference onto a virtual platform and attracting 250 delegates from 22 countries to focus on problems affecting our musculoskeletal system and advances in assistive devices and technologies.



SCHOOL OF HEALTH AND SOCIAL CARE

The school of Health and Social Care continues to evolve its resource and development opportunities. As well as its ongoing success in the field of undergraduate and postgraduate programmes, the school has offered unique learning and training resources to adapt to the changing demands of the year. The emphasis remains on providing students with a blend of real world and simulated experience. We have recently opened a new simulation suite on the Stoke-on-Trent campus and will be opening a brand-new Health and Innovation Centre in 2021, located at our Stafford Centre of Excellence.



SCHOOL OF DIGITAL, TECHNOLOGIES AND ARTS

The former Schools of Creative Arts and Engineering, and Computing and Digital Technologies have merged to form the School of Digital, Technologies and Arts. The new school combines a diverse course offering, from craft-based art and design courses, to celebrated computing, games and esports courses. This merger has brought together two of the largest academic offerings and research-rich areas of the University, unlocking the future the potential to forge new connections and break boundaries in the coming years.



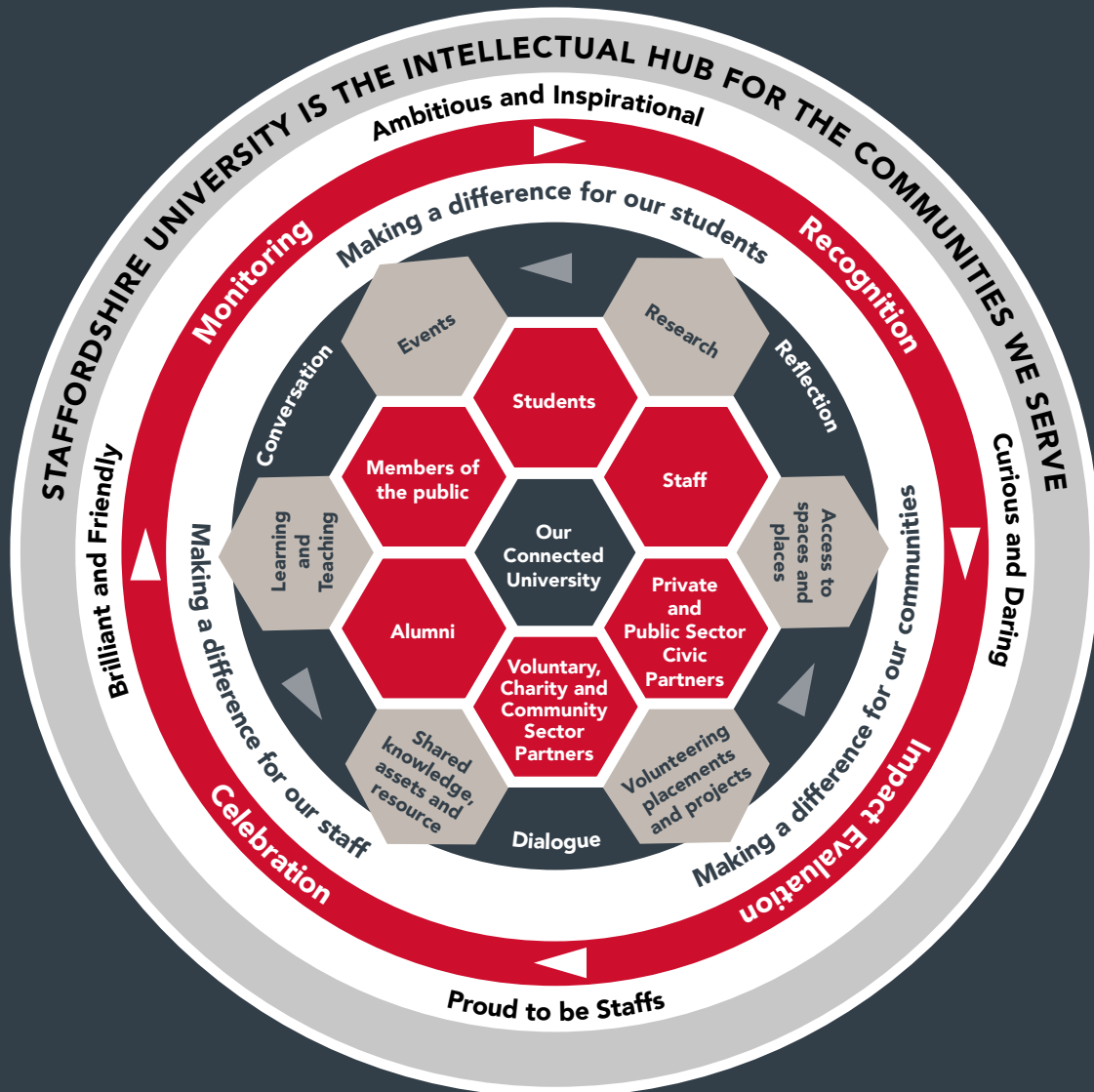
SCHOOL OF LAW, POLICING AND FORENSICS

The School of Law, Policing and Forensics continues its work to bring exciting and flexible opportunities surrounding the law enforcement and justice sectors. Courses accredited by the Law Society, the Chartered Society of Forensic Science and Skills for Justice are developing students for the next stages of their careers, both at postgraduate and undergraduate level. The School has also played a key role in Staffordshire University's partnership with the College of Policing to reshape the education and apprenticeship opportunities of future police officers.

OUR CONNECTED COMMUNITIES

Staffordshire University has a long and proud history of delivering highly participatory and inclusive projects that make a real social, economic, cultural and environmental difference for surrounding communities. In addition to our main campus in Stoke-on-Trent we also have campuses in Stafford, Shrewsbury, Lichfield and London, offering significant potential to engage local stakeholders and make positive contributions to their lives.

Launched in 2019, our Connected Communities Framework outlines our vision to become a truly Civic University and formally articulates our community-focused engagement and impacts. Developed in consultation with our University community, this framework sets out plans to strengthen our connected activities – especially within the context of public engagement – for the benefit of our students, staff and local stakeholders.



ALIGNED WITH OUR COMMUNITIES

Our approach to community engagement has been shaped by a number of local strategies and priorities, including the Stoke on Trent Local Educational Opportunity area and the Stoke and Staffordshire Strategic Economic Plan and Local Industrial Strategy.

The importance of our commitment to improving outcomes and engagement for children and young people, increasing the proportion of individuals from Stoke-on-Trent, and our other local communities, progressing into further education or skilled work, has been further enhanced through our ongoing contributions to working in partnership with our local communities in the wake of the coronavirus pandemic. For example, 75 of our Healthcare Science apprenticeship students supported clinical services across the country undertaking COVID-19 testing in hospital pathology laboratories, as part of the team of scientists responding to the pandemic.

COVID-19 has had a significant impact on our local communities, and challenges related to the crisis look set to persist over the longer term. Whilst Staffordshire University has

already played a significant role in supporting our region through the pandemic, we are determined to redouble our support efforts in the months and years to come. Against this backdrop, our Civic University vision has never been so important.

COMMITTED TO SOCIAL MOBILITY

Staffordshire University's educational heritage and ongoing commitment to civic responsibility are firmly rooted in Stoke-on-Trent – a city that is dealing with a broad range of social problems. Ranked 298th out of 324 local authorities in England, Stoke-on-Trent is a social mobility 'cold spot'. Life expectancy in the city is significantly below the national average, nearly a quarter of its children live in poverty, and a third of its workforce is employed in low-skilled jobs.

In terms of education – a key determinant of social mobility – participation rates in higher education are between 16 and 28 percent in Stoke-on-Trent, compared to more than 50 percent nationally. The proportion of Staffordshire

University's undergraduates who are first-generation entrants to higher education is 60 percent, compared to 45 percent across the wider sector. In 2019/20, Staffordshire University signed the Social mobility Pledge. Founded by former UK Cabinet Minister, Rt Hon. Justine Greening, and UK entrepreneur David Harrison, this initiative represents a powerful and pioneering shift towards being a truly purpose-led organisation committed to social mobility.

Our participation in the Social Mobility Pledge reflects our status as a champion of – and contributor to – social mobility. We have an Access and Participation Plan which contains specific goals around improving the educational outcomes of all of our students. We also work closely with local schools and colleges to build a sense of 'aspiration' around higher education amongst their communities.

As part of our commitments as a Civic University we aim to act as a 'place shaper' for our local communities, with a focus on early intervention. Encouraging our students to develop their confidence, resilience and expectations is central to our approach, and we have continued to create opportunities that promote social mobility throughout the 2019/20 academic year.



DEDICATED TO KNOWLEDGE EXCHANGE

Effective knowledge exchange forms a cornerstone of our mission and vision as a Civic University. As the largest higher education institution in Staffordshire by student numbers, our Connected University acts as an intellectual hub for our region. For example, we are supporting employer partners to innovate and grow through collaborative research and development, playing a leading role in increasing higher-level skills amongst local populations and workplaces, and driving growth within our region's digital economy.

In 2020 we established the University Enterprise Zone which offers opportunities to local businesses to interact with technology and to learn how it can enhance their businesses, as well

as giving them the chance to work with our academics and students on specific projects. In turn this also provides our students with opportunities to learn essential real world skills and bring further opportunities for employment after graduation.

By prioritising knowledge exchange, Staffordshire University is supporting innovation, enterprise and investments among local SMEs; helping to upskill the regional workforce with higher skills at Level 4 and above; driving productivity gains; and empowering start-ups through our venture-nurturing environment.

TOWARDS OUR CIVIC UNIVERSITY AGREEMENT

We plan to launch our Civic University Agreement during the 2020/21 academic year. Co-signed by local partners, this document

represents a public declaration of our civic priorities, stipulating how we intend to deliver on our commitments in partnership with others.

Significant progress has been made in developing our Civic University Agreement during the 2019/20 academic year. Underpinned by the principles of inclusion, partnership, place, environmental responsibility, and learning and continuous improvement, this agreement will outline our promise to collaborate with local stakeholders to make positive and measurable social, cultural, economic and environmental contributions to our surrounding areas.

We will achieve these goals by creating an environment in which it is easy for external stakeholders to partner with our Civic University – at both individual and institutional levels – on a wide range of projects and initiatives.



GET TALKING HARDSHIP

With financial backing from Voices and the Big Lottery Fund, Staffordshire University was commissioned by the Hardship Commission to conduct a participatory action research project on hardship. The aim of the Get Talking Hardship initiative was to understand the impact of hardship and poverty in Stoke-on-Trent and make recommendations for actions that would drive positive change.

To this end we recruited a team of Community Researchers - a group of frontline service staff from local organisations, students, residents and individuals who had experienced hardship personally. The research was supported by the Hardship Commission in Stoke-on-Trent, an independent group of decision-makers and leaders who believe that poverty will only be addressed when the local people who experience it are placed at the heart of the change process.

In addition to informing the Hardship Commission's five-year plan, findings from this research provided a model for how local people can get involved in combatting hardship in our surrounding areas. Get Talking Hardship also resulted in our ongoing Keep Talking project, which is being conducted thanks to funding from UKRI's Enhancing place-based partnerships for public Engagement (EPPE) fund in partnership with Expert Citizens and the Hardship Commission.

In recognition of their success to date and ongoing contribution to our surrounding areas, Get Talking Hardship and Keep Talking have been shortlisted in the 'Outstanding Contribution to the Local Community' category at the Times Higher Education Awards 2020.



Nicola Gratton (centre) with community researchers from the Get Talking Hardship project.

STAFFS WELCOMES ITS FIRST CIVIC FELLOWS

In March 2020 we launched a new scheme to recognise members of the public who work with our University to make a positive difference in their communities.

Six people (Tim Bailey, Roy Cheeseman, Teri Elder, Chloe Harris, Jennifer Spice, and Monienne Stone) were selected to receive Civic Fellowships, our University's newest honour which is designed to recognise both the contribution recipients make and their status as members of our Connected University community.

Civic Fellowships are awarded for an initial period of two years. Recipients will work with our University in an ambassadorial capacity, collaborating with staff to deliver shared outputs. As part of the award Civic Fellows receive significant benefits including access to all our library and IT facilities as well as our staff intranet and Employee Assistance Programme.

Speaking at the time, Professor Ieuan Ellis, Pro Vice-Chancellor – Place and Engagement, said: "Our University has a proud history of community and public engagement with our partners voluntarily supporting a broad range of activities.

"We are therefore delighted to welcome our first Civic Fellows to our Connected University community. This title recognises members of the public and community partners as key stakeholders of Staffordshire University who are helping us to deliver on our civic mission."



(L-R) Professor Ieuan Ellis, Tim Bailey, Teri Elder, Chloe Harris (front), Jennifer Spice, Monienne Stone, Romy Cheeseman and Nicola Gratton.

CONNECT U – YOUR PASSPORT TO UNIVERSITY

Developed to give school and college students the opportunity to feel part of our community long before they enrol, Connect U focuses on activity that has the greatest impact on progression to higher education whilst helping schools and colleges meet Gatsby Career benchmarks.

Connect U epitomises Staffordshire University's civic commitment to early intervention. The initiative is designed to inspire students and get them thinking about their future, introducing them to the world of higher education in an engaging and supportive manner.

Underpinned by a framework that offers sustained academic outreach and information, activities conducted as part of Connect U are currently being delivered virtually in order to ensure that students do not miss out on opportunities in Higher Education in the future.

REGIONAL POLICE PARTNERSHIP

2019/2020 saw the launch of our Institute of Policing (IoP). To connect students and study at both degree apprenticeship and degree level within local and wider law enforcement and provide dedicated expertise to Student Officers, we have formed a partnership with Staffordshire, Warwickshire, West Mercia, and West Midlands police forces.

The IoP team, a mixture of highly experienced former police professionals and academics, have worked with police colleagues to deliver digital and flexible teaching, ensuring that Student Officers can fit their studies around their frontline work.

More than 600 Student Officers have been recruited since the partnership began in April 2019.



PROJECTS THAT MAKE A COMMUNITY IMPACT



SCHOOL OF LAW, POLICING AND FORENSICS

The School of Law, Policing and Forensics demonstrate our commitment to local community integration with the Staffordshire University Legal Advice Clinic (SULAC), which runs clinics in locations in Stoke-on-Trent and Stafford. In 2020, the service was 'highly commended' at the LawWorks Pro Bono awards held in London.

Having helped 270 clients since its launch in October 2018, both the school and the students running SULAC are bracing themselves for increased demand for legal advice.



Tracy Horton (back centre) with student advisors from SULAC

Senior lecturer and solicitor
Tracey Horton said:

"The clinic was set up as a direct response to the difficulties faced by the most vulnerable in our society and the people needing this advice are ordinary people dealing with every day issues such as divorce, access to children, loss of jobs and personal injury.

"Although the aim is to provide the law students with real life experience advising on the law, it is effectively giving back to the community and fits with our responsibilities as a Civic University."

LED BY TEACHING AND LEARNING

Here at Staffordshire University, we are firm believers in the transformative power of higher education, which is why the student experience lies at the heart of everything we do. All our University's activities – from our digitally enabled curriculum to our commitments as a Civic University, and everything in between – are therefore informed, first and foremost, by our academic approach to teaching and learning.

In 2016 Staffordshire University unveiled its five-year strategic plan in the form of our Connected University Strategy, which outlined our shared vision as well as the steps we would take to make this vision a reality. In addition to setting out a series of goals for 2021, this plan clearly defined our criteria for success and how we would measure our progress.

Our targets, which included cementing financial sustainability and breaking into the top 50 percent of all UK league tables, were extremely ambitious – especially considering the position of our University prior to the arrival of our current Vice-Chancellor and Chief Executive, Professor Liz Barnes CBE DL.

Nevertheless, our team identified a number of key pathways to success, such as redefining our organisational structure; reviewing and reshaping our finances; partnering with industry leaders; investing in our research and development capabilities; becoming first to market with innovative, future-focused courses; and reimagining our Estates masterplan.





At the centre of these efforts was the development of an academic strategy and pedagogy, supplemented by a sector-leading digital agenda.

Thanks to the expertise, dedication and passion of our Connected University community, we not only achieved the key goals set out in our five-year plan more than a year ahead of schedule, but we also secured a 'Gold' rating as part of the Teaching Excellence and Student Outcomes Framework (TEF). During the 2018/19 academic year, we also moved into the top 50 percent of universities in the three key UK league tables and secured a sustainable financial footing.

Despite these achievements we understand that if we are to realise our long-term vision, this is only the beginning of our journey.

A NEW ACADEMIC STRATEGY

The development of our new academic strategy continued apace during the 2019/20 academic year, with a core focus on shaping methodologies that will benefit students both during their studies and after they graduate.

Phenomenon-based learning sits at the core of this strategy. By enabling students and staff to work both within their own disciplines and interdepartmentally to address important, real-world issues, we aim to expand upon the traditional subject-focused approach to teaching and learning, encouraging holistic and pragmatic thinking around contemporary topics and concepts.

Put simply, our new academic strategy is designed to empower our students to learn through problem-solving. For instance, an interdisciplinary group may be presented with a plastic water bottle and tasked with improving its design. Learners might be invited to address questions such as the advantages and disadvantages of using a different material in the object's production. Would this increase the cost? Would it make it more difficult to manufacture? Is the manufacturing process sustainable?

In turn, students' conclusions will be challenged both by their peers and academics, and they will go on to create 'learning artifices' that evidence what they have achieved, or which extend their learning to other related purposes.

By adopting a phenomenon-based approach to teaching and learning, we aim to shift the focus of students' efforts from subject-specific content to the central challenge, thus increasing their capacity to deal with volatility, uncertainty, complexity and ambiguity. It also prepares our students for the lifelong learning which will be a key component of their lives after graduation. In addition to a more exciting student experience, this approach will enable our University to further personalise delivery whilst giving students the skills and confidence necessary to develop their own 'learning game'.



STAFFORDSHIRE CENTRE OF LEARNING AND PEDAGOGIC PRACTICE (SCOLPP)

If our new academic strategy and Connected Curriculum Continuum set out Staffordshire University's ambitions and future direction within the arena of teaching and learning, the Staffordshire Centre of Learning and Pedagogic Practice (SCoLPP) is the entity that will help us to realise our vision.

This new centre, located in the Catalyst Building, will build on our academic strategy to develop an evaluative mindset within our University community. Informed by our commitment to social mobility, SCoLPP will provide an environment in which students, academics and professional services staff can come together and conduct both conventional and non-traditional research.

Through its disruptive and sector-leading approach, SCoLPP will enable Staffordshire University to break down historical barriers within academia, blurring the lines between who should conduct research and harnessing the collective skills and experiences of our entire University community.

CONNECTED CURRICULUM CONTINUUM (C3)

Our Connected Curriculum Continuum (C3) is designed to help our students become the leaders and disruptors of tomorrow. Through C3, we aim to skill, enable and empower our students to pursue their own path to learning and development, providing them with the tools they need to operate autonomously as independent thinkers.

This approach recognises that students bring different skills and experiences into higher education, and it is vital we capitalise on our students' backgrounds to help them achieve their full potential. C3 also allows us to cultivate high-quality enquiry, research and dissemination to bring talented graduates into our workforce where appropriate.

This approach is in keeping with our commitments as the Civic University, focusing on how we can use people, place and society to make positive contributions to our local communities. It will enable us to identify the skills our students bring with them and how they can better connect with other members of society. C3 allows us to focus on the fundamentals that need to be in place for our students to build networks beyond our campuses, engage with local stakeholders and change our communities for the better.



ADAPT. CHANGE. THRIVE.

This has been a year like no other, not least because of the impact of the global coronavirus pandemic. Whilst a rapidly evolving external landscape has posed multiple challenges for our University – and the higher education sector as a whole – it has also demonstrated our ability to adapt to, and embrace, change.

To ensure the health, safety and wellbeing of our students, staff and local communities, we transitioned to remote working in March 2020. Building on our capabilities as the Connected University, our institution swiftly implemented cutting-edge tools and innovative ways of working to enable our academics to deliver first-class educational experiences to students through virtual platforms.

We moved quickly to put in place a set of exceptional regulations, adopting a 'no disadvantage' approach to protect the quality and standards of our awards. Many of the assessments that would have otherwise taken place over the summer period – particularly where these were examinations, laboratory work, performances or exhibitions – were replaced with alternative assessments that could be completed online.

A BLENDED APPROACH

We have continued to do everything in our power to support students through the COVID-19 pandemic, and blended teaching and learning sit at the core of our approach.

In line with guidance from the UK Government and other relevant authorities, our University is using a combination of virtual and face-to-face delivery to provide the best possible student experience within a COVID-secure environment.

With blended teaching and learning implemented from September 2020, we introduced a range of social distancing measures across our campuses to facilitate a safe learning environment. Our blended approach means that students are benefitting from face-to-face teaching on campus in smaller groups, supported by online sessions for larger cohorts.

All students have classes delivered on campus as part of a more intensive study pattern, receiving regular academic mentoring – plus access to support services across our University – either online or in person where necessary.



CONNECTED TO SUCCESS

The health and wellbeing of our students and their supports continues to be a top priority for us. We have as such been thrilled to see the impact that the 'Start to Success' project is beginning to have to increase opportunities and improve experiences for those in our community who are experiencing mental health challenges.

'Start to Success' is a two-year project which aims to develop a whole community approach to support the mental health and wellbeing of students, led by Staffordshire University and Keele University. The project aims to develop a whole community approach to supporting student mental health and wellbeing. It has seen the region's universities, colleges, local authorities, police and NHS providers come together with a common purpose to remove barriers, improve support and services, and enable student success.

The partnership was awarded funding of £750,000 by the Office for Students, as part of a major new programme to find innovative ways to combat a sharp rise in student mental health issues and spark a step-change in student support across the country. This funding has been match-funded by Keele and Staffordshire universities, and financial support from other partners has taken to the project total to £2.2million. The project is supporting the development of new approaches that can be applied nationally in order to positively impact on student mental health. Work and research undertaken encompasses all aspects of the student journey to support effective transitions into, through and out of higher education, with three areas of focus; student transitions, early intervention and step change in support through partnership working with the NHS.

A series of resources have been (and continue to be) developed by the Start To Success Project Officers covering a wide-range of topics aimed at key demographics such as foundation year students, first-year students, PhD students as well as guides for staff holding student support orientated roles.



EVOLVING ACADEMIC DELIVERY



STAFFORDSHIRE BUSINESS SCHOOL

We are currently developing a suite of courses within Staffordshire Business School, based on our new Academic Strategy. Our brand-new business degrees will be delivered from 2021 through a 'modular learning' method. This method provides the opportunity study modules independently, allowing students to focus on learning and problem-solving within specific subjects, which will culminate in numerous levels of expertise across a broad range of topics.

This high intensity learning method will adapt well to the blended and connected strategies moving forward with students expected to complete two full days of study, whether through on-campus or blended delivery, over five-week periods.

The method also empowers students to 'find themselves' within a connected first-year curriculum. Following the C3 approach, it allows students from all educational backgrounds to access different specialisms. This method allows an individual to explore different aspects of future study, allowing them to tailor their degree and fulfil their potential and enhance their future employability.

The new teaching method is initially being utilised in four courses within Staffordshire Business School, all of which have been designed to focus on the industry needs of today and tomorrow.

FOCUSED ON EMPLOYABILITY

Staffordshire University has always been focussed on the need to prepare its students for the workplace. We believe that by encouraging our graduates to take risks, make mistakes and learn from their experiences, we can help them to develop the skills and attributes they need to become truly curious and daring individuals.

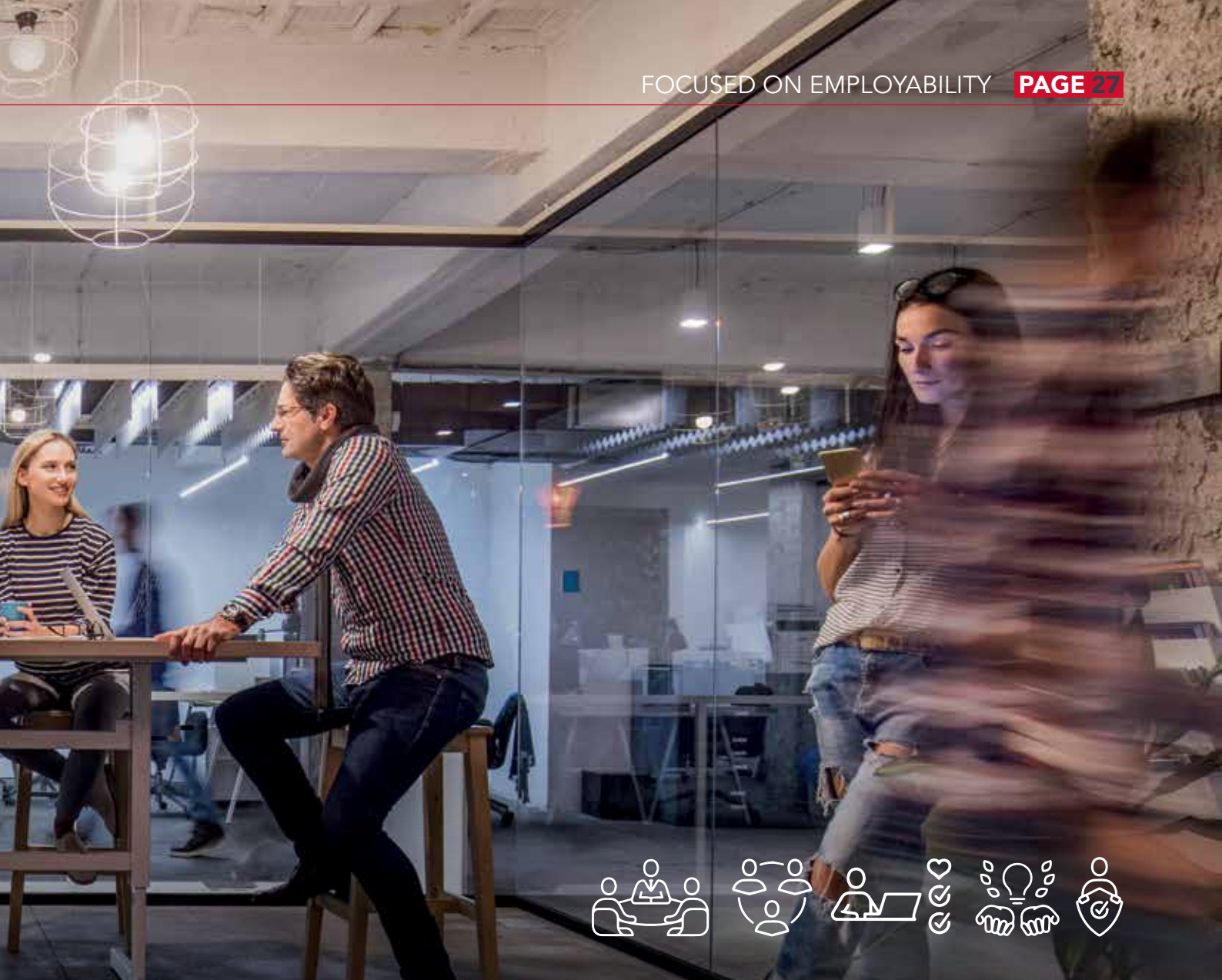
In doing so, we are not only preparing our graduates for careers of the future, but we are also helping to give them a competitive edge in the jobs market.

Our University has achieved significant improvements in the area of graduate employability during recent years, with an overall increase from 57.3 percent in 2016 to 81.5 percent in 2018. Our alumni now rank above the national average for sustained employment at one, three and five years after graduation, and we outperform the sector in terms of participation rates for students from disadvantaged communities.

RAISING ASPIRATIONS

Encouraging students to develop their confidence, resilience and expectations is central to our approach to employability. Prior to the recent pandemic, and when circumstances allowed, students on every course were encouraged to spend time overseas, even if only for a week. Initiatives such as our international placement programme have paid dividends for our students. A quarter of the workforce at Airbus's helicopter division in Germany, for example, are Staffordshire University alumni.

To overcome the challenges precipitated by the global coronavirus pandemic, our University has developed a host of innovative ways to offer students similar exposure and experiences using cutting-edge virtual tools. For example, we have continued to implement digital technologies to help students visualise their academic and career journeys, making it easier for them to articulate how far they have come and where they want to go.



CREATING OPPORTUNITIES

Historically, students at Staffordshire University tended to engage with careers advice towards the end of their studies. Our institution also found that many students felt more comfortable discussing their hopes, aspirations and problems with their peers, which is why we altered our one-to-one careers provision to encourage early engagement and to make it more accessible.

We now employ 12 Careers Coaches, all of whom are current students contracted for 10 hours per week to fit around their studies. Engagement rates in our activities have increased dramatically as a result.

Two years ago, we introduced 'Get Ahead' – a compulsory four-week programme that takes place at the end of the second semester of teaching. This initiative encourages students to undertake projects that are not related to assessments, empowering them to develop skills that will prove beneficial during their future careers.

COMMUNITY OUTREACH

In preparation for the economic and redundancy-related challenges anticipated as a result of coronavirus, Staffordshire University's in-house Careers Centre also set about expanding its services to support members of our local communities in the short, medium and long term.

Our Careers Centre was originally established to provide information and guidance for our students and alumni but, in the wake of the pandemic, our team expanded its remit by identifying individuals and businesses affected by COVID-19, offering support and guidance to those facing redundancy.

ENHANCING OUR SERVICE

Over the past 12 months, the importance of the careers support we offer has come into even sharper focus – not only for our students but also for members of our local communities. The economic impact of the COVID-19 crisis is making an already-competitive jobs market even more challenging, both for students graduating from university and individuals facing redundancy as a result of the pandemic.

For these reasons, Staffordshire University has taken a series of measures to strengthen and extend its careers provision for students. We enhanced our 'Unibuddy' platform to enable students, both on and off campus, to message Careers Coaches directly. In fact, we were the first UK university to utilise this chat functionality in a career-related setting, allowing our students to receive email, SMS and instant messaging notifications as soon as they received a response.

In summer 2020, we launched two mentoring schemes for our students. The first comprises a peer-to-peer scheme to help support applicants during their transition into higher education. Individuals participating in this initiative are mentored by like-minded but more experienced students who support and coach them in a variety of fields associated with becoming an independent learner, thus empowering new starters to embrace their university journey from the outset.

The second scheme offers professional mentoring to existing students, utilising the expertise and experience of the institution's employer partners and alumni. Industry mentors work with Staffordshire University students to help them prepare for the rapidly evolving workplace, supporting them to develop key skills, self-awareness, resilience and confidence.

We are also making innovative software available to all our students to enable them to practise articulating their skills and experience in a broad variety of video interview scenarios. The system uses AI technology to track the pace of students' speech and their use of filler words, delivering feedback and overall scores to help enhance their interview techniques. This data-driven and tailored feedback helps students to improve and perfect all aspects of their interview technique.

WORKING WITH LOCAL AUTHORITIES

We joined forces with Staffordshire County Council's Redundancy Taskforce, spearheading and extending numerous initiatives to help those facing redundancy to enter higher education and upskill in preparation for their future careers.

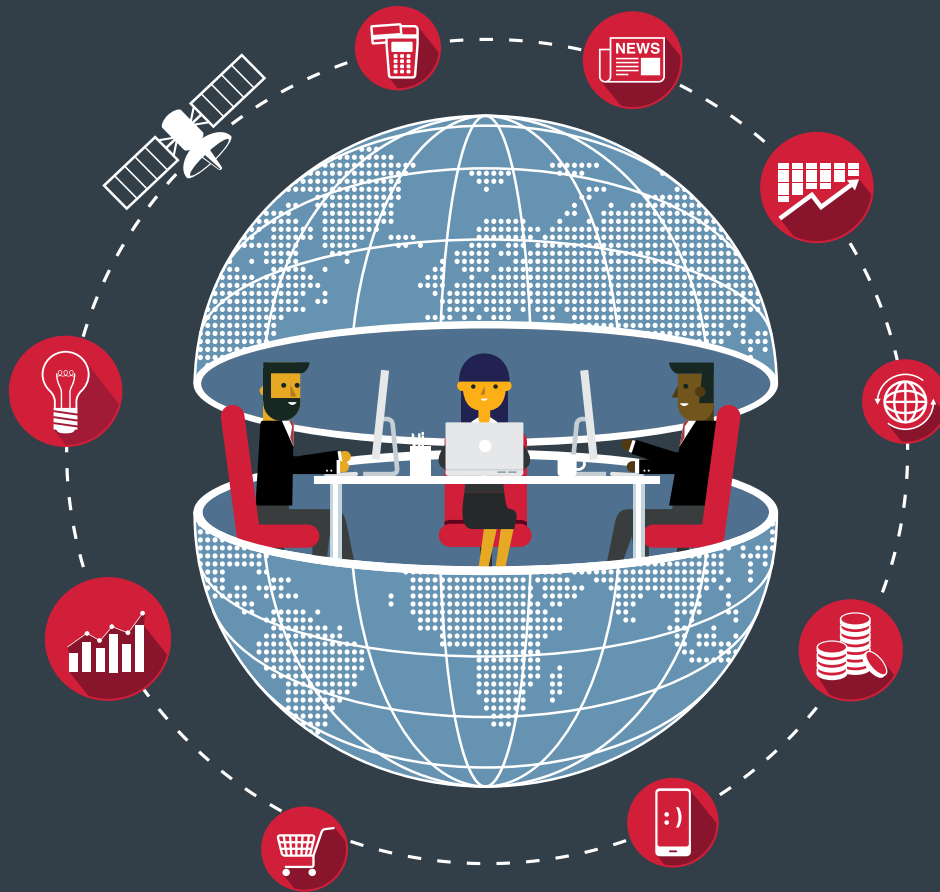
In collaboration with Staffordshire County Council, we expanded the remit of our long-running 'Step Up to HE' programme, which is designed to help bridge the educational gap for individuals considering higher education. We offered places on a complimentary course that ran during summer 2020, comprising a series of four-hour sessions that took place over the course of 10 weeks. This edition of 'Step Up to HE' was aimed specifically at individuals facing redundancy as a result of the COVID-19 crisis.

We also worked together to produce a pre-recorded webinar, providing additional details of the course and how members of our local communities stood to benefit. Staffordshire County Council shared the webinar with more than 300 companies from its database, all of which employed individuals affected by the pandemic. In addition, this resource was distributed to the Staffordshire Chamber of Commerce and a range of government agencies, helping to bring together the taskforce's business elements.

LONG-TERM VISION

All signs point to sustained competition within the regional, national and global jobs markets, which is why employability – both for our students and local communities – will remain a key priority for Staffordshire University.

By collaborating with industry leaders to develop courses tailored to meeting the requirements of employers, and adapting our careers provision to mirror the rapidly evolving jobs market, we are confident that our graduates and external stakeholders will continue have the best possible chance of securing employment in their chosen professions after their time at Staffs.



IMAGINING A WORLD BEYOND COVID-19

In June 2020, students from our former School of Creative Arts and Engineering took part in a virtual five-day challenge set by Andrew Lawrence, Executive Creative Director at global brand consultancy Elmwood, and Visiting Professor in Innovation at Staffordshire University.

Students were tasked with imagining a world beyond COVID-19 by envisioning a design, brand, product or piece of innovation that didn't exist before. The competition connected students from both Engineering and Design courses as part of our University's 'Get Ahead' programme and the 'Creative Connection' project, which is funded by the Royal Academy of Engineering (RAEng). Students from different subject areas worked together virtually using Microsoft Teams, supported by Professor Lawrence and Professor Jess Power - Associate Dean.

Prizes from £300, £200 and £100 were awarded to the first, second and third-place concepts, respectively. First prize was secured by money-management app Florin, which is designed to help the elderly to manage their money on-line with confidence.

THRIVE AND SURVIVE

In May 2020, Staffordshire Business School ran a project named 'Thrive and Survive', which was designed to support businesses across Staffordshire and the surrounding region.

The initiative comprised two parts: the first involved a series of webinars covering a range of topics, such as relationship building, business assessment and audience engagement; while the second featured one-to-one business support delivered by the School's experts.

The interactive 'Thrive and Survive' webinars were supplemented by a range of downloadable resources, which were made available to support participants over the longer term. Following the conclusion of the series in its live environment, the Staffordshire Business School team made these recordings available to replay online, free of charge.

INTERNATIONAL TECH COMPANY CHAMPIONS STUDENT DESIGNERS

In June 2020, 16 students from our School of Creative Arts and Engineering (now part of the School of Digital, Technologies and Arts) took part in a five-day virtual design challenge set by Swedish technology company, VX Fiber. This competition brought together students from both Engineering and Design courses as part of our 'Get Ahead' and 'Creative Connection' projects.

As part of the competition, students were tasked with creating street-side furniture to house fibre-optic cables, which would complement or even improve their surroundings.

VX Fiber, which is working closely with Stoke-on-Trent City Council to roll out full fibre-gigabit connectivity to homes and businesses across the city, was so impressed with the creative confidence and quality of the submissions produced by our students that it plans to work with our University to bring a combination of their concepts to life.

GAMES AND VISUAL EFFECTS SUMMER SHOWCASE 2020

In June 2020, our Department of Games and Visual Effects (GVE) launched the GVE Summer Showcase 2020, a virtual exhibition open to all students at all levels that also offered final-year students an opportunity to exhibit their work publicly.

Part of our University's 'Get Ahead' initiative, the online exhibition secured industry collaboration and engagement from some of the biggest names in the games industry, including Codemasters, Playground Games, Ubisoft UK, Sumo Digital, Creative Assembly, Rebellion, Radical Forge, Flix Interactive, Second Home Studios, Hipster Films, Bigtooth Studios, and Mackinnon & Saunders.

Our panel of industry judges selected first-, second- and third-place entries from 13 categories, which included Animation; Character Art; Concept Art; Games Culture and Production; Environment Art; Games Animation; Games Programming; Level Design; Vehicle Art; VFX; Weapon Art; Games Design; and Game of the Year.



GRADEX20 AND THE ART AND DESIGN DEGREE SHOW



SCHOOL OF DIGITAL, TECHNOLOGIES AND ARTS

GradEX and the Art and Design Degree Show, co-located events hosted annually by our University, offer an opportunity for our Digital, Technologies and Art final-year students to exhibit their exciting and innovative work to a diverse audience.

These events give our students the chance to explain their work to prospective employers, playing an important and formative role in their ongoing development. Every year, the interactions that take place between students and key industry figures result in job offers and career opportunities for our future graduates.

Since we were unable to host physical editions of these exhibitions in 2020, we developed an innovative online platform to enable students to showcase their talents and expertise in a virtual space, while forging connections with prospective employers.

We also seized the opportunity to enhance the functionality of our online portal, allowing students to showcase their project work alongside links to their LinkedIn profiles, portfolios and CVs. We also made this improved platform accessible to our industry partners throughout the summer months.

As of August 2020, GradEX20's online portal had garnered almost 45,000 unique page views and more than 127,000 total page views. These figures represent 173 percent and 193 percent year-on-year increases, respectively, compared to 2019.



MA Surface Pattern Design student Claire Edwards' collection 'Alcyoneum Oceanus'.

BRINGING SUSTAINABILITY TO LIFE

If our Connected University's commitments as a student-focused, digital-led and civic-minded institution are to establish roots and bear fruit in the longer term, it is essential we start from a solid base. In order to create sufficiently strong foundations, it is not enough to view sustainability as an adjunct to our existing activities. Instead, sustainability must represent the cornerstone of our operations, informing all of the decisions we make and the direction we take from the ground up.

ENVIRONMENTAL SUSTAINABILITY STRATEGY

It is for these reasons we have developed Staffordshire University's Environmental Sustainability Strategy, which forms part of our institution's broader Social Responsibility Policy. Guided by the principles set out in the UN's Sustainable Development Goals (SDGs), this strategy embraces our responsibility as both a guardian of both our own environment but also an organisation with the ability to have influence way beyond its own geographical boundaries.

Our Environmental Sustainability Strategy goes far beyond green initiatives by proactively acknowledging and evaluating the impact of our ongoing operations, such as teaching, research and commercial activities. Neither is its focus limited to the environmental ramifications of future developments as it also accounts for the effects of physical locations within our existing portfolio, including their energy consumption and carbon emissions.



CARBON NET ZERO BY 2030

For any environmental strategy to achieve a meaningful impact, it must extend beyond loosely defined ambitions. We know that accountability will be crucial in gauging our success, which is why we signed up to the One Planet Pledge – the sister pledge to the Social Mobility Pledge. In doing so, we have made a commitment to becoming a Carbon Net-Zero organisation by 2030 (scope 1 and 2 emissions). This means that within the space of 10 years, Staffordshire University aims to achieve an overall balance between the emissions it produces and those it removes from the atmosphere. By working with its staff and suppliers, it also aims to dramatically reduce its scope 3 emissions.

CHANGING THE WORLD

We will embed the UN Sustainable Development Goals into our academic strategy including our research and innovation strategy. Our academics already carry out research which supports those goals, including understanding climate change and environmental damage and responding to the challenges presented by these. Other academics work on solutions which will create a more sustainable future including green energy projects. Through our students, we have the greatest opportunity to influence society. In order to help equip our students with the tools required to create a more sustainable world, we are working to embed sustainability into all of our academic programmes through our Connected Curriculum Continuum. We also have exciting plans to launch new programmes within the fields of climate change and sustainability at the beginning of the 2021/22 academic year.



A SUSTAINABLE PLACE-SHAPER

In line with our commitment to drive positive change beyond our campuses, Staffordshire University will be working to actively encourage our students, staff and members of our communities to consider small changes they can introduce to become more sustainable in their own day-to-day lives.

We have already started doing this and scientists from across our institution hosted a number of free virtual events to coincide with World Environment Day 2020, offering practical advice on small things we can all do to contribute to nature and biodiversity, and help look after our environment. These online sessions sought to highlight the environmental benefits that emerged during the national lockdown, inviting attendees to explore the ways in which they could modify their behaviour to capitalise on this positive momentum.

In addition to a public lecture hosted as part of our #WednesdayWisdom webinar series, Staffordshire University chose June 2020 to host the Great Green Gathering – an interactive talk show aimed at all ages, with expert advice and fun activities such as how to build a hedgehog home, make your own pollution monitors and draw insects. Experts from across Staffordshire University, plus community groups including Staffordshire Wildlife Trust and Staffordshire Bat Group, attended the event to answer questions and share details of what was happening in our local areas. Attendees also had the opportunity to participate in quizzes, competitions, interactive polls and more.

All activities that took place during the Great Green Gathering were streamed free of charge on YouTube, enabling members of the public to join in and find out more about how they too could act as guardians of our surrounding areas.

SUSTAINSTAFFS

For an organisation to be truly sustainable, its environmental, economic and social thinking must extend beyond policy to the behaviour and impact of its community. Launched in November 2020, our SustainStaffs campaign is designed to promote this type of community-level thinking by supporting students, employees, partners and local stakeholders to consider the sustainability of all their actions and decisions – whether they are operating in a personal or organisational capacity.

Based on the idea that small changes can make a big difference, SustainStaffs will promote sustainable behaviour across all areas of our University community. For example, all Staffs-branded clothing is acquired via sustainable sources, all drinks sold through our on-site catering facilities are Fair Trade and our catering outlets ensure that there are always plant based alternatives on offer.

Our Estates and Commercial Services team is changing the way our campuses are maintained and developed, ensuring the maximum possible proportion of furniture, fixtures and fittings are reused and recycled every time we upgrade our facilities. All recycled items will proudly display a patch or tag to let everyone know that they are also doing their bit!

By encouraging informed, positive and innovative behaviour from the ground up – both in terms of individual and University-wide actions and decisions – the SustainStaffs initiative will help to create an organisational mindset wherein sustainability is considered and prioritised from the outset.

LONGER-TERM DIRECTION

Over the coming years Staffordshire University has exciting plans to replace many of its older buildings with more sustainable facilities, and to improve those which remain, helping to shape the next-generation environments set out in our 2030 Strategy whilst reducing energy consumption and emissions. We will reduce our reliance on gas and increase the proportion of electricity from renewable sources including generating electricity on our own campuses.

We are also rethinking our approach to the spaces between our buildings – improving the biodiversity of the campuses to create greener spaces. We have also revived the nature reserve and are working with Staffordshire Wildlife Trust to return a stretch of the River Trent to a more natural state. In 2021 we will also be opening a Forest School facility which will allow local school children to explore and enjoy the outdoors in a safe and informative way.

Ultimately, we believe that our Environmental Sustainability Strategy will provide a framework within which Staffordshire University's students, staff, partners and local communities are empowered to adjust their behaviours and decisions at both an individual and organisational level, acting as guardians of both our institutional and surrounding environments.



REDUCE, REUSE, REFILL: STUDENTS' UNION

In line with its aim to help students minimise their environmental impact when shopping, while introducing new and exciting ways to eat well while studying, Staffordshire University's Students' Union has introduced a 'zero waste' section at its shop on College Road, Stoke-on-Trent.

The Union's easy-to-understand system enables students, staff and other customers to reduce waste by buying only the food and goods they need; reuse old containers, cups or any refillable vessels to carry purchases; and refill containers from home to reduce the need for packaging.

The Union shop on College Road now offers more than 50 products, ranging from fresh fruit and pasta to household items such as washing-up liquid. Students are also able to suggest new products to be added to the range via the Students' Union website.



CHANGE AGENT: DR ELEANOR ATKINS



SCHOOL OF LIFE SCIENCES AND EDUCATION

Dr Eleanor Atkins, Lecturer in Biological and Biomedical Sciences at Staffordshire University's School of Life Sciences and Education, was instrumental in planning and implementing activities connected to World Environment Day 2020. In addition to delivering 'A Greener Future?', a public lecture hosted as part of our #WednesdayWisdom webinar series, Dr Atkins also organised our Great Green Gathering.

Commenting at the time, Dr Atkins explained that the restrictions introduced in response to the global coronavirus pandemic provided an unforeseen opportunity to shift our collective focus towards issues such as nature and biodiversity.



"Because of lockdown we are seeing the value of nature and appreciating our green spaces more than even a few months ago," she explained ahead of the online events. "Pollution has reduced, climate change has slowed down and wildlife has flourished since the outbreak began.

"At Staffordshire University we are passionate about the world around us and educating others. Engaging with wildlife and green spaces can have huge benefits for our physical and mental wellbeing and we hope this event will help to inspire a love of nature in the next generation."

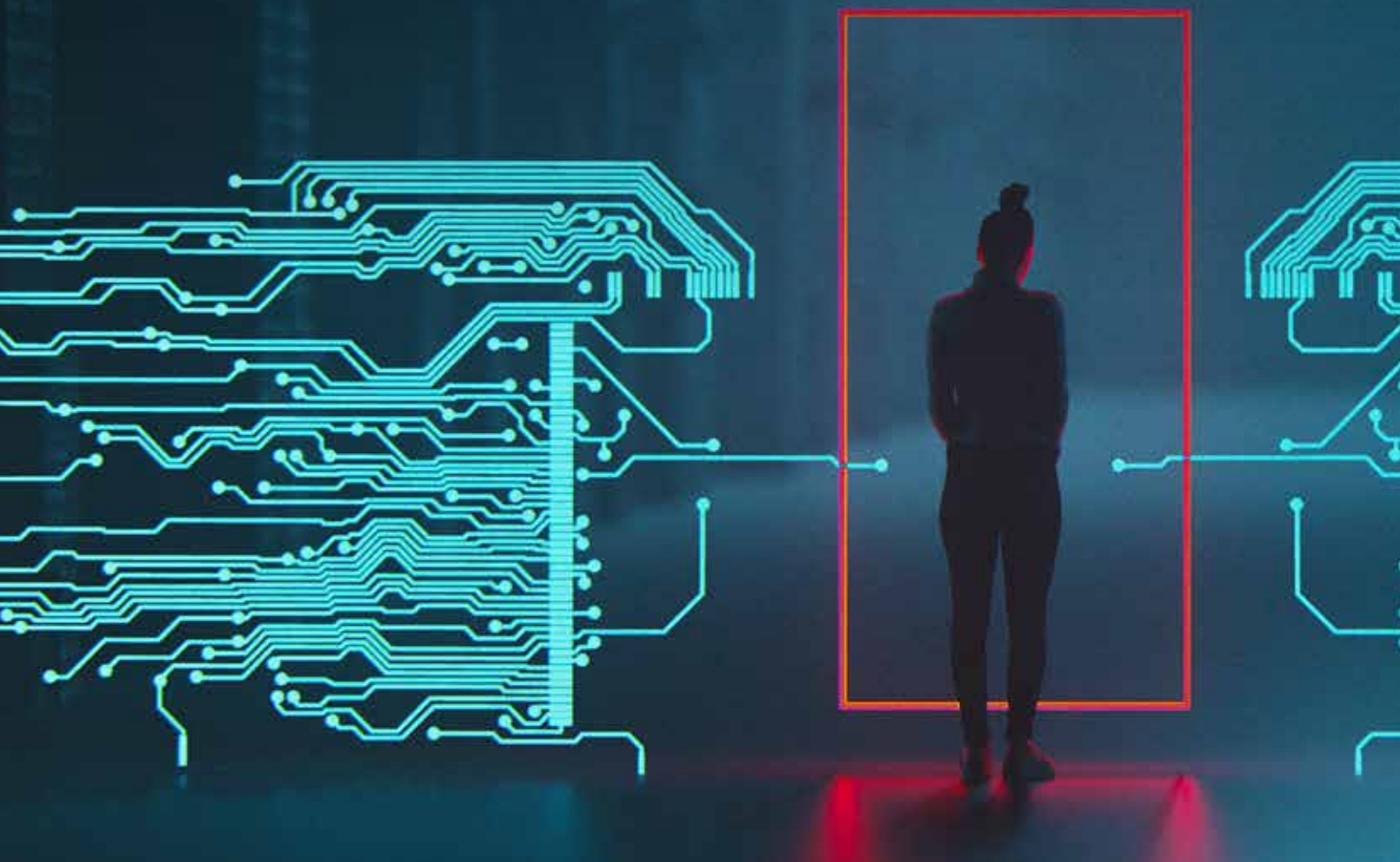
DIGITAL AT OUR CORE

When we hear the word 'digital', we tend to think of technologies at the leading edge of what is possible. Nowhere is this truer than at Staffordshire University, where we are continuously exploring, shaping and implementing new innovations to enhance the student experience.

Perhaps more surprising, however, is the fact that 'digital' has been part of our institution's DNA for more than half a century. We were the first UK university to launch a computing degree in the 1960s and we have never looked back.

More recently, we became the first UK university to move to the cloud, we were the first to introduce a digital assistant for our students in the form of Beacon, and we were first to market with both undergraduate and postgraduate Esports courses. Inaugurated at the beginning of the 2019/20 academic year, the Staffordshire University London Digital Institute has further strengthened our digitally enabled Estates masterplan, representing the latest in a long list of milestones on our journey to becoming the foremost Digital University.

Whilst our Connected Curriculum places digital skills front and centre, our commitment in this area goes beyond traditional education. It would be more accurate to describe 'digital' as a way of life for Staffordshire University. From our day-to-day operations to our state-of-the-art facilities and everything in between, our entire organisation is underpinned and empowered by our transformative digital agenda.





DEVELOPING OUR DIGITAL WORKFORCE

During the 2019/20 academic year, Staffordshire University made considerable progress in its aim to drive efficiencies and enhance the student experience through the deployment of intelligent automation. As part of our digital transformation strategy we commenced the implementation of Blue Prism Cloud, the market-leading intelligent automation platform that will support our institution's digital workforce.

Blue Prism's robotic process automation (RPA) technology will enable Schools and Services from across our University community to deploy AI-powered 'digital workers' with the ability to automate complete process lifecycles. In addition to alleviating pressure on administrative resources by introducing self-service capability, automation will enable the rapid and around-the-clock resolution of enquiries and requests from students.

In the longer term, we aim to launch courses designed for lifelong learners looking to acquire new digital skills such as automation development, for which demand is increasing rapidly. We are confident that the application of this technology to our own operations in the short and medium term will provide a strong foundation for future course delivery, contributing to our community-engagement commitments as a Civic University.

Ultimately, our digital workforce will take on high-volume transactional tasks, giving staff the time and space they need to focus on creative and inspiring activities that enhance the student experience and bring to life our University's core values.



SUSTAINABLE INNOVATION

The benefits of a digital-first approach to higher education are manifold, extending beyond teaching and learning to the long-term sustainability of our operations. However, we understand that digital and sustainable are not synonymous. On the contrary, if the latest technologies are not implemented in a measured and informed manner, they can negatively impact an institution's environment.

In line with Staffordshire University's commitment to act as a guardian of its own environment and surrounding areas, sustainability remains a core consideration throughout all our digital activities, from scoping and planning through to implementation and operations.

As the first UK university to migrate to the cloud, we do not host large, energy-intensive data centres, helping us to minimise our impact on our local environment. Of course, this approach is only effective if we team up with other like-minded organisations, which is why sustainability represents a key factor when selecting suppliers.

Microsoft Azure, for example – one of our longstanding partners in the digital space – prioritises sustainability not only as a commercially advantageous focus but also as a way to give back to the communities in which it operates. Like Staffordshire University, Azure is working to achieve a series of measurable sustainability targets, including net zero deforestation from new construction, zero-waste certification by 2022, 100 percent water replenishment in water-stressed locations by 2025, and 100 percent renewable energy by 2025.

For further details of Staffordshire University's approach to sustainability, including our commitment to become carbon net zero by 2030, turn to page 31.

DIGITALLY ENABLED DELIVERY

In line with our vision to become the foremost Digital University, the identification, development and implementation of innovations and technologies that enhance pedagogic delivery and the student experience have long since represented a priority for our institution. Whilst the global coronavirus pandemic posed many challenges for Staffordshire University during the 2019/20 academic year, it also served to expedite the deployment of digital tools to facilitate blended teaching and learning.

Firstly, we took steps to ensure that no students were disadvantaged due to access to technology, purchasing additional laptops that were loaned to students without the financial means to purchase the equipment required for remote learning. Secondly, our Digital Services team continued to invest in and implement the latest virtual platforms – powered by cloud technology – to ensure those studying more technologically demanding subjects such as Esports and Games Design could continue to engage remotely.

As well as supporting the virtual delivery of courses during our period of remote working, as well as online teaching for larger cohorts as part of our blended approach, Digital Services has also been instrumental in providing students with COVID-secure access to our outstanding range of support. Recognising the importance of ensuring continuity in support during the past 12 months, we made all Student Services available online, ensuring that our students could continue to access the guidance and assistance they needed whether on campus or remotely.

In addition to enabling Staffordshire University to maintain an excellent student experience despite all the obstacles posed by a global pandemic, we are confident the progress we have made in the digital arena during the past year has left us well placed to deliver a more flexible, resilient and engaging provision in the longer term – crisis or no crisis.



THE CATALYST

The 2019/20 academic year has seen significant progress on The Catalyst, Staffordshire University's flagship development that will soon be supporting students, apprentices and employers from across our region and beyond.

Our £40 million apprenticeships and digital skills hub boasts a modern yet functional design, supported by an angular brick frame and featuring a total floor area of 8,800 sqm across four storeys. Whilst the building's design is certainly striking, the potential that this cutting-edge, digitally enabled environment will offer to our University community is even more exciting.

Underpinned by our transformative digital agenda, The Catalyst will pave the way for new ways of teaching and learning. Moreover, it will be used as a new blueprint for our institution's future developments, providing flexible spaces for teaching and learning that will incorporate the latest digital technologies to enhance the user experience. The building itself also incorporates many features which make it considerably more sustainable than a traditional build.

The Catalyst will become the first port of call for employers who wish to work with us, supporting our civic commitment to making it as easy as possible for external stakeholders to partner with our University. In turn, students will see increased employment-related opportunities, and our regional economy will benefit through access to this state-of-the-art, collaborative and digitally enabled facility.

Despite the ongoing challenges posed by the coronavirus pandemic, construction of The Catalyst has continued throughout the past 12 months. The building columns between the ground floor and mezzanine have now been installed and works are ongoing on the upper floors of the concrete frame. We have also worked with the main contractor to ensure that the build has brought economic benefits to the region, with a high proportion of materials sourced locally and a large number of the skilled subcontractors being drawn from the local area. The build has also supported the creation of a number of construction apprenticeships.

The next phase of the development will see the installation of the building envelope and the commencement of internal fit-out activities. The Catalyst is due to complete in autumn 2021.





RECOGNISED IN OUR SECTOR AND BEYOND

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The 2019/20 academic year brought with it a flurry of awards nominations for Staffordshire University, not only within the higher education sector but also from across the broader digital landscape.

Andrew Proctor, our Pro Vice Chancellor (Digital) was awarded Chief Digital Officer of the Year at the prestigious Computing Digital Technology Leaders Award 2020. Judges described Andrew as a "truly impressive digital leader". Andrew said "It's an honour to be named Chief Digital Officer of the Year and it's a very encouraging sign that Staffordshire University is making waves on the road to becoming the UK's foremost digital University."

Following on from its official launch in September 2019, Staffordshire University London was shortlisted in the 'Inspiring Learning Spaces' and 'Innovation in Teaching and Learning' categories at this year's Education Estates Awards where we were delighted to win the Innovation in Teaching and Learning award.

HEALTH INNOVATION CENTRE



SCHOOL OF HEALTH AND SOCIAL CARE

Staffordshire University's Health Innovation Centre, which forms part of our plans to transform the health workforce using advanced digital technology, secured £2.89 million from the UK Government's 'Getting Building Fund' in August 2020.

Located at our Centre of Excellence in Healthcare Education, Stafford, the £5.8 million project will feature sector-leading clinical simulation and immersion suites, enabling healthcare professionals and students to explore and develop new patient safety techniques within a cutting-edge digital learning environment.

In addition to facilitating simulation-based education the facility will enable the teaching of advanced digital skills, contributing to the future needs of our healthcare sector as well as our national economic recovery from the COVID-19 pandemic.



**Our Health
Innovation Centre
secured backing
as part of a £23.7
million government
scheme to support
11 'shovel-ready'
projects across
Stoke-on-Trent and
Staffordshire.**





DRIVING RESEARCH, INNOVATION AND ENTERPRISE

Research, innovation and enterprise continue to represent key focuses for Staffordshire University. Following on from the £8 million award for The Catalyst in the 2017/18 academic year, our institution has continued to move from strength to strength.

Indeed, alongside that initial investment, we have witnessed a sustained increase in research and innovation income over the past three years.

RESEARCH GUIDED BY TALENT

Staffordshire University's research grant-getting performance has improved considerably during the past 12 months, when compared to the previous two years. Encouragingly, more than half of the research grants and contracts secured during the 2019/20 academic year were attracted by new academic appointments, demonstrating that our targeted investment in research staff is delivering early returns on investment.

Awards have been granted to a broad range of academics across all our Schools, including a £500,000 European Union Horizon 2020 project that aims to develop an ophthalmology research network; a £260,000 health Foundation grant to focus on workforce retention issues amongst nurses and paramedics; and a £150,000 Newton Fund grant for the development of polymeric solar cells to be used as an alternative renewable source of power generation in Egypt.



MARKET-FOCUSED INNOVATION AND ENTERPRISE

The value of innovation and enterprise projects awarded to Staffordshire University during the 2019/20 academic year totalled £4 million, a 140 percent increase on the previous year's figure of £1.65 million.

Owing to our established portfolio of projects and enhanced capacity, we have succeeded in increasing employers' access to our University's skills, expertise and cutting-edge facilities, supporting their business performance through knowledge exchange and generating additional opportunities for research as well as collaboration and consultancy activities.

We have also been granted University Enterprise Zone (UEZ) status, which will act as the foundation for our developing innovation ecosystem. All related projects are being designed with students at their heart, providing careers-related benefits through internships, self-employment opportunities and 'hackathons' to address live employer briefs.

In addition, we have secured further support from the European Regional Development Fund (ERDF) for knowledge-exchange activities, extending our existing projects to stimulate graduate business start-ups through the 'Be Inspired' programme and bolstering digital innovation as part of the Staffordshire Digital Innovation Partnerships (SDIPs) initiative's 'Staffordshire Deal'.

INNOVATION ENTERPRISE ZONE

The Staffordshire University Innovation Enterprise Zone (IEZ) is an innovation ecosystem that weaves together several key and complementary business support areas.

The focuses of our IEZ include skills development; the utilisation of research and expertise for knowledge exchange and innovation; harnessing student and graduate talent; funding support for businesses, especially small- and medium-sized enterprises (SMEs); and the creation of state-of-the-art research, development and innovation facilities.

The latest additions to our project portfolio have also served to strengthen our University's foothold within a number of key sectors and priority areas identified by the Stoke and Staffordshire LEP's Local Industrial Strategy, including advanced materials; advanced manufacturing; intelligent mobility; start-up provision; and higher-level skills in the fields of leadership, management and STEM.



ONWARD AND UPWARD

The 2019/20 academic year reflected a positive return through the current formula-based allocation of our recurrent research and knowledge exchange funding from Research England.

We are delighted to announce that the 2020/21 academic year has commenced with further research, innovation and enterprise successes. The Staffordshire Connected and Intelligent Mobility Innovation Accelerator (SCIMIA), for example, has already generated opportunities worth £1 million in the intelligent mobility market.

In the space of just three years, Staffordshire University has enhanced its research, innovation and enterprise capabilities considerably and our commitment to supporting the economic recovery of our regional communities in the wake of the global coronavirus pandemic has only served to strengthen our determination to achieve further growth.

ENTERPRISE AND INNOVATION PROJECTS AWARDED DURING THE 2019/20 ACADEMIC YEAR

ACTIVITY	PROJECT	INCOME	OUTCOMES
Knowledge Exchange	Staffordshire Advanced Materials Incubation and Accelerator Centre	£0.78m Research England	Businesses assisted New product development New jobs created
	Staffordshire Advanced Manufacturing and Technology Prototyping and Innovation Demonstrator	£1m European Regional Development Fund (ERDF)	Businesses assisted New product development New jobs created Paid internship opportunities
SME skills development	Place-Making Leadership Development for the Creative Sector	£0.14m Arts Council England	Leadership training
	Staffordshire Higher Skills and Engagement Pathways	£1.4m European Social Fund	Higher level skills training Placement opportunities Graduate employability support

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HOW TO MAKE PEOPLE FALL IN LOVE
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By Dan Lewis, Senior Lecturer, School of Creative Arts and Engineering

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By Dr Mohamed Sedky, Associate Professor, School of Computing and Digital Technology

2.00 - 2.45PM FRIDAY 17 JULY 2020

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By Professor Hamidreza Gohari Darabkhani, Professor of Low Carbon & Renewable Energy Systems

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LEADERS OF RESEARCH

Research considered as world leading or of international importance (Research Excellence Framework 2014) wouldn't be possible without the great minds and inspirational leaders at our institution. Across our different Academic Schools and our Graduate school, we have teams of research specialists who are experts in pushing the boundaries and making a difference to the University, the wider community, and the world.



**PROFESSOR
FANG ZHAO**

Fang Zhao (PhD) is the Professor of Strategy and Innovation and Associate Dean - Research and Enterprise at Staffordshire Business School. Prior to that, she served in the role of Associate Dean at the School of Business and Law of Edith Cowan University, Australia. Staffordshire Business School's priorities are delivering insight that drives innovation and sustainability and supporting local business communities, especially SMEs to Survive and Thrive during and after the pandemic. Exemplary projects include the future of work, Covid-19 and BAME business, environmental health, and welfare reform. The School will continue to be at the forefront of research in innovation, entrepreneurship and sustainability in business and society.



**PROFESSOR
TONY DODD**

Professor Tony Dodd is the Associate Dean of Research and Enterprise within the School of Digital, Technologies and Arts. His main priority within the University is to develop future leaders in research and enterprise who can make a significant impact in their own fields, to society, the economy, and the environment. During the last 12 months, Professor Dodd's focus has been on REF, supporting colleagues with grant applications, supporting large enterprise projects, and developing the research culture. Over the next 12 months, Professor Dodd will continue to support high quality research funding applications and to support staff to meet their research and enterprise aspirations.



**PROFESSOR
BARBARA
PIERSCIONEK**

Professor Barbara Pierscionek is the Associate Dean of Research and Enterprise in the School of Life Sciences and Education. She has set strategic aims for Research and Enterprise that are focussed on expansion of interdisciplinary research, growth of external research and enterprise partnerships, a diversification of, and increase in, funding and championing recognition and promotion of research. This has led to an increase in funding submissions and the acquisition of a large EU funded grant. Professor Pierscionek will be leading the development of research and enterprise at the Staffordshire University London and expanding research collaborations with external partners, notably at Alderley Park.



**PROFESSOR
PETER KEVERN**

Professor Peter Kevern is the Associate Dean of Research and Enterprise in the School of Health and Social Care. His work encompasses questions of ageing and religion, with an extended collaboration with a Catholic agency (CSAN) to reframe Catholic thinking about old age and so inform policy in the Catholic Church in England and Wales. This has led to contributions to the thinking of the global Catholic Church via a conference in Rome and, most recently, collaboration with some researchers in Brazil on a project researching the role of Pastoral de Pessoa Idosa, a national movement hosted by the Catholic Church of Brazil supporting isolated older people in the community.



**PROFESSOR
HUSEYIN SEKER**

Professor Huseyin Seker is the Associate Dean for Research and Enterprise in the School of Digital, Technologies and Art. He is an enterprise-focused academic and manager with both academic and industry experiences in data science, artificial intelligence, machine learning, and emerging and disruptive technologies and systems along with their impact-making interdisciplinary applications. He is one of the founding members of the Institute of Coding, one of the UK's flagship projects and is driving the research and knowledge exchange agenda in the School by creating an interactive and interdisciplinary environment, identifying internal and external opportunities and bringing national and international public and private organisations to collaborate with.

LIFELONG CONNECTIONS

We are passionate about delivering the best possible experience from the moment our students apply to the day they graduate. However, the Staffordshire University journey does not end here. Our dedicated Development and Alumni Relations team is on hand to support our students after they leave us, enabling them to remain part of our Connected University community for life.

OUR VIRTUAL NETWORK

In September 2020 we launched the Staffs Alumni website in a bid to help strengthen these connections and support the creation of new networks. This platform features a broad array of functionality including an alumni directory, mentoring opportunities, jobs, photos, events and a business directory.

Members are also able to interact with one another online, sharing photos and joining groups according to their interests. We are already witnessing the makings of a thriving online community, and we look forward to further developing this collaborative environment over the coming months and years.





A GLOBALLY CONNECTED ALUMNI COMMUNITY

From BAFTA-winning video games designers and ground-breaking researchers to the CEO of the UK's largest retail outlet and the Prime Minister of Kosovo, Staffordshire University boasts a network of outstanding alumni who are making positive contributions to their sectors and societies in every corner of the planet.

Staffs alumni have continued to support our University in myriad ways during the 2019/20 academic year, facilitating our return to campus after our period of remote working, inspiring the next generation of leaders through the delivery of lectures, conducting masterclasses and workshops as part of live briefs, and everything in between.

Our alumni have played an invaluable role in supporting our University community throughout the coronavirus pandemic, giving up their time to judge graduate work at GradEX20 and the Art and Design Degree Show. Many are also entrepreneurs and business leaders who continue to offer our students and graduates real-world experiences and career opportunities through internships, placements and work experience.

We are grateful for the incredible support provided by the Staffs alumni community over the past 12 months and we look forward to continued collaboration during the 2020/21 academic year.

PROUD SUPPORTER OF NORTH STAFFS MIND

To mark Mental Health Awareness Week 2020, Staffordshire University's Horizon Fund joined forces with North Staffs Mind to support students and communities across our region.

There is close alignment between the visions of Horizon Fund and North Staffs Mind, both of which are working to transform peoples' lives. It came as no surprise, therefore, when our staff voted for North Staffs Mind to become Staffordshire University's corporate charity for 2020/21.

COVID-19 poses a clear threat to our physical health but it is also negatively affecting mental health and wellbeing across our local communities. Together, the Horizon Fund and North Staffs Mind have been offering targeted support to those who need it most, empowering them to achieve their goals and change their lives for the better.

To support these efforts, we have set the ambitious target of raising £10,000 for North Staffs Mind and the Horizon Fund over the coming year. If you would like to get involved, please let us know by writing to developmentoffice@staffs.ac.uk

TRANSFORMING LIVES THROUGH FUNDRAISING

As always, we have been humbled by the efforts and generosity of our staff, students and alumni in helping to change lives for the better during the past year. Through donations to Staffordshire University's Horizon Fund and North Staffs Mind, the support of former Staffs students has proved instrumental in creating opportunities and driving social mobility.

Staffordshire University's Horizon Fund provides life-changing support, including bursaries, scholarships and opportunity awards, to help empower recipients to achieve more than they ever thought possible.

UP THE VALE



In August 2020 Staffordshire University announced that it would become one of Port Vale Football Club's Principal Partners, and we couldn't be prouder of the team's community-minded efforts during the past year.

Club owners and honorary graduates of Staffordshire University, Carol and Kevin Shanahan, asked the leads of the organisations they oversee – Synectics Solutions, Summit Hospitality, Port Vale Foundation and the Hubb Foundation: "How do we want to be remembered when this terrible situation is finally over?"

The answer was that everyone wanted to help. They saw this as an opportunity to turn Vale Park into a genuine community hub, delivering meals to disadvantaged families and anyone in need during the crisis.

Synectics Solutions and Summit Hospitality catering staff and volunteers made meals and collected the ingredients necessary for the parcels, Port Vale staff worked day in, day out to create the parcels, and the Hubb Foundation set about writing funding bids to support children and families across our local communities.

Once the English Football League confirmed that the 2019/20 season was officially over, a number of Port Vale's first team players joined in by delivering parcels to nearby addresses.

Added to the parcels were cleaning and hygiene products contributed by The Hygiene Bank, birthday presents and more than 3,000 activity packs for children of different ages. Leaflets from mental health charity Mind were also included to highlight support available during this difficult period.

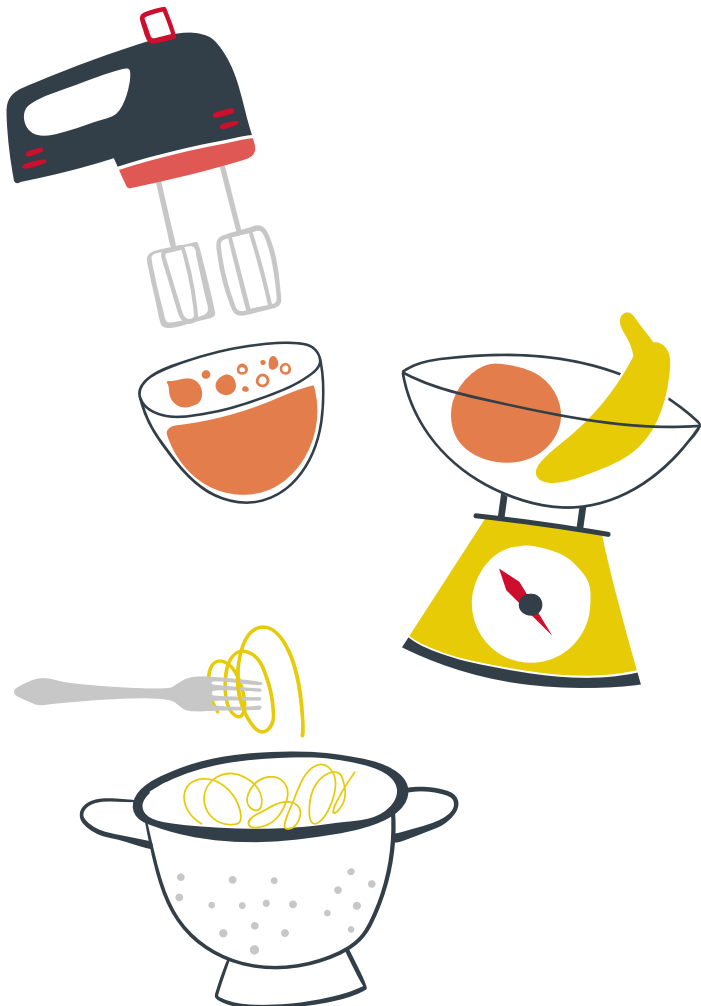
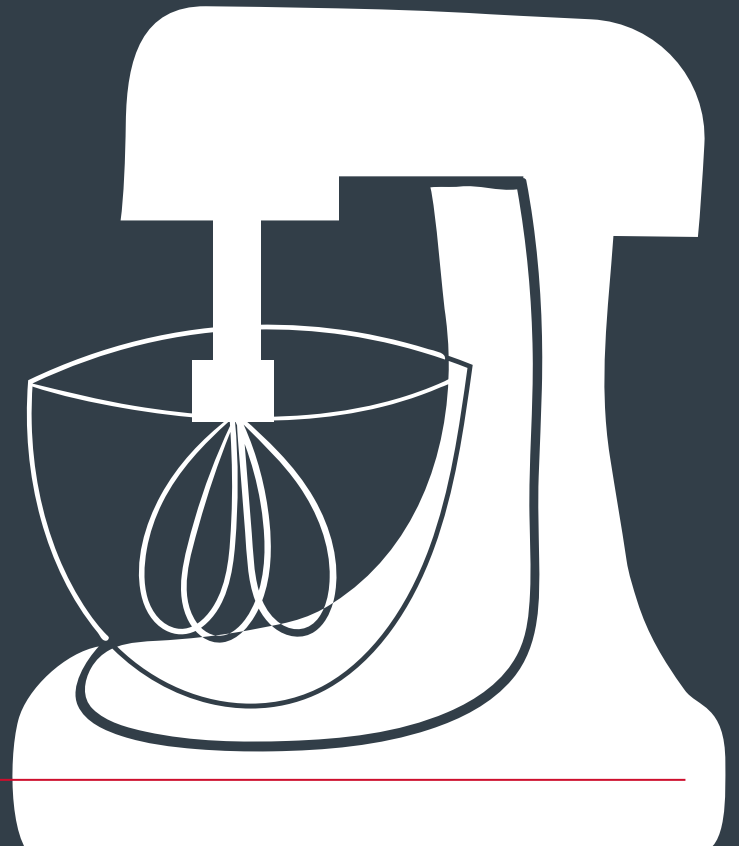


Staffordshire University's Development and Alumni Relations team would like to thank all involved for their incredible efforts.

Up the Vale!



RECIPE FOR SUCCESS



Motivated by the trials and tribulations of lockdown, a desire for human interaction whilst staying safe at home and – perhaps most importantly – a love of cooking, three of Staffordshire University’s Deans (aka our resident wannabe chefs) started their own ‘Virtual Sunday Kitchen’. No sooner had our Development and Alumni Relations team caught wind of this than our charity cookbook was born.

We are immensely grateful for the support of our community partners in making our idea a reality. The charity cookbook features some delicious contributions from North Staffs Mind, YMCA North Staffs, Port Vale FC and The Hubb Foundation – not to mention a special guest appearance from local poet Nick Degg, better known as ‘Oatcake Man’.

By raising money for the joint charity initiative between our University’s Horizon Fund and North Staffs Mind, this initiative will help to support our students in overcoming mental health problems.

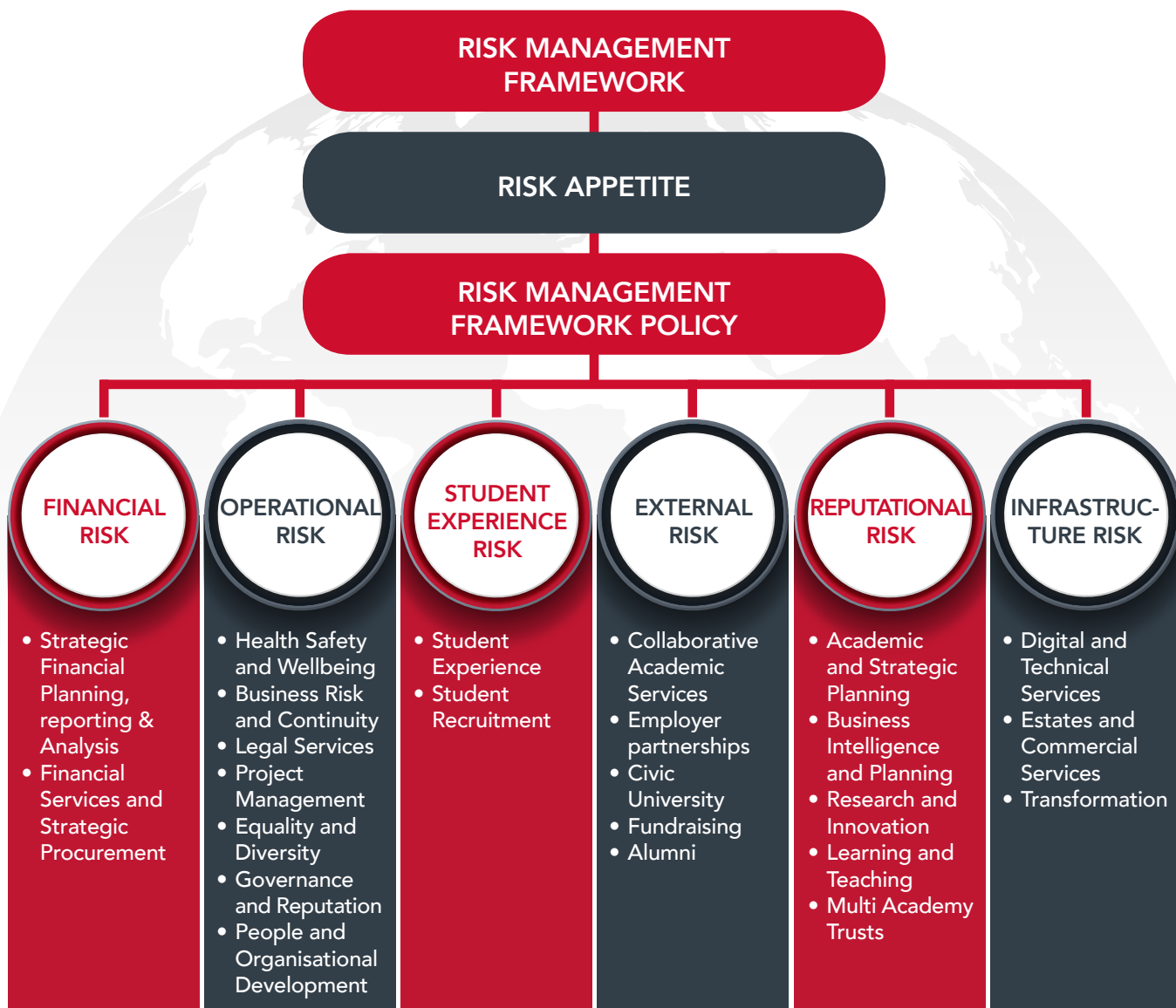
RISK MANAGEMENT FRAMEWORK

The University has in place a robust risk management framework, which has been growing in maturity over a number of years.

The overall risk appetite of the University is moderate with a tolerance level of open, however there are a number of risk appetites below this related to specific areas of the University operation which range in the level of risk appetite or aversion. **An overview of the risk management framework for the University is illustrated below:**

What does 'open' as a risk appetite mean?

Our approach to achieving our aims and objectives is creative; and we are prepared for elevated levels of risk exposure. Our expectation around potential rewards and benefits from risk-taking is high. Our organisational culture is one of empowering all managers, supervisors and selected staff. We expect to retain control over core activities, but are able to allow considerable latitude around other activities.



The University has identified the following potential high level risks which it is actively managing.

Within the University, the Board of Governors is provided with assurance that the key risk areas of the University are being appropriately managed, in line with our risk appetites. This information is shared through a number of University level risk registers.

- Changes in government policy and the change in regulation for SNC, that impacts upon the University financial position, are not foreseen or responded to effectively.
- The evolving demands of the Office for Students, and other regulators, often introduced at pace, are not foreseen or responded to effectively
- Financial sustainability, through income growth and cost reduction, creating annual surpluses to invest in our future, becomes un-achievable and the Strategic Financial Plan is not delivered
- Measures to enhance the University's reputation, and those to protect the reputation in challenging times, are ineffective.
- The opportunity to improve student recruitment is lost and/or our performance decreases, threatening the achievement of our KPI's
- The opportunity to improve the retention of students is lost and/or our performance decreases threatening the achievement of the KPIs
- Research intensity improvements are not realised, and our research performance as measured by our KPIs and REF performance are not achieved
- Changes as a result of Brexit Implementation are not responded to effectively.
- The estate and infrastructure of the University compliance with legislation and appropriate to the staff and student experience
- The University does not effectively manage recruitment, compliance and quality of apprenticeships to enable it to exploit the business development potential of apprenticeships
- Vulnerabilities in IT infrastructure may result in a potentially successful attack on our critical IT assets compromising our business continuity and reputation of the University
- Student satisfaction is not appropriately managed and evaluated throughout the academic year
- Workplace disputes are not resolved, leading to industrial action
- The University is unable to react and manage the impact of a large-scale outbreak of an infectious disease/pandemic.

In addition to these University level risk registers, each School and Service has a risk register containing information specific to its strategic and operational delivery of the Strategic Plan, School/Service Five Year Business Plans and the achievement of our key performance indicators.

FINANCIAL REVIEW

SCOPE OF THE FINANCIAL STATEMENTS

The Financial Statements comprise the consolidated results for the University and its wholly owned subsidiary undertakings, Staffordshire University Services Limited and Staffordshire University Unitemps Limited, and are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)

and the Statement of Recommended Practice: Accounting for Further and Higher Education 2019 (FE HE SORP 2019). The taxable profits of Staffordshire University Services Limited and Staffordshire University Unitemps Limited are gifted back to the University under a covenant arrangement.



RESULTS FOR THE YEAR

The inclusion of non-cash pension adjustments arising from the annual re-statement of pension liabilities, following the introduction of FRS102 in 2015, present a challenge in terms of understanding the University's underlying operating performance year on year.

The University's Statement of Comprehensive Income for the year to 31 July 2020, as presented in the accounting statements, should be considered with reference to the following summary statement that isolates the pension adjustments within our overall performance:

	2019/20			2018/19		
	Operating Activities £'000	Pensions Adjustment £'000	Total £'000	Operating Activities £'000	Pensions Adjustment £'000	Total £'000
Total Income	122,773	0	122,773	119,106	0	119,106
Total Expenditure	116,138	1,094	117,232	111,202	(2,248)	108,954
Surplus/(deficit) for the year	6,635	(1,094)	5,541	7,904	2,248	10,152
Actuarial gain/(loss) in respect of pension schemes	0	(28,297)	(28,297)	0	(27,694)	(27,694)
Total comprehensive income and expenditure for the year	6,635	(29,391)	(22,756)	7,904	(25,446)	(17,542)
Total comprehensive income as a percentage of total income	5.4%			6.6%		

With regard to the pension scheme which gives rise to the non-cash adjustments shown above, the scheme actuaries have prepared an annual revaluation of the scheme's liabilities based on the last triennial review, 31 March 2019, as required by FRS102. Based on this revaluation, for 2019/20, the scheme liabilities have increased and have therefore reduced the total comprehensive income by £29.4m. In 2018/19 the equivalent adjustment was £25.4m.

Excluding the adjustment for non-cash pension costs, the operating performance for the year shows a surplus of £6.6m, representing 5.4% of total income (with the comparable figures for 2018/19 being £7.9m and 6.6%).

FINANCIAL REVIEW

INCOME

The impact of the Covid-19 pandemic was restricted mostly to a reduction in commercial income, which affected the last four months of the financial year. Despite this decrease, the University's total income has grown by £3.7m to £122.8m (2018/19 £119.1m), an increase of 3.1%. The University has seen growth in its traditional markets as well as with its partners and within its apprenticeship provision. Income from tuition fees and education contracts has increased to £100.7m from £94.3m in 2018/19, or by 6.8%, representing 82.0% of total income. Taking into consideration the change in the funding method for nursing students who, from 1 August 2017, have been able to access funding through the Student Loan Company as a replacement for the NHS bursary scheme, where the University was funded direct on a contract basis, full time UK/EU tuition fee income saw an increase of £3.9m (2018/19 £4.0m). There was an increase in income from overseas students of £0.3m - an increase of 7.3% compared to 2018/19. This increase aligns with the University's medium-term financial strategy to increase the number of full-time overseas students being taught in the UK which has seen a 50.4% increase in income from these students since 2017/18. The University's apprenticeship programmes grew substantially in 2019/20, with an increase of £2.0m in income to £3.8m (2018/19 £1.8m), reflecting the continued expansion of this activity as a strategic priority, highlighted by the commencement of a contract to provide training for police apprentices for four UK police forces. Partnership income was £14.1m for 2019/20 showing an increase on the previous year of £1.8m.

Other education contract income has decreased, in the year, by £2.7m, compared to 2018/19, to £4.6m, of which £1.6m relates directly to NHS income now being included in tuition fee student income.

There has been a decrease in funding body grants of £0.9m to £11.2m in 2019/20 (2018/19 £12.1m) where teaching grants, HEIF and capital grants reduced by £1.1m, but were offset by an increase in the research grant of £0.2m. These changes came about mostly as a result of changes in the funding regime.

The University remains committed to developing the research portfolio and research income from grants and contracts, however, there has been a decrease in research grant and contract funding in 2019/20 which reflects a period of investment in the research strategy.

The University received income of £10.5m from other sources, compared to £11.4m in 2018/19, which represents 8.5% of total income (2018/19 9.6%). The reduction in other income is mainly due to the COVID-19 pandemic, with reductions in income from student accommodation, catering, summer graduation, car parking and the sports centre. The University claimed a government grant of £0.6m relating the Coronavirus Job Retention Scheme.

EXPENDITURE

Excluding non-cash pension adjustments, salary costs associated with the new police apprenticeship contracts and other one-off costs, staff costs have increased by £4.1m year on year. This increase reflects the annual pay award and contractual incremental increases, in addition to a 7.3% increase in Teacher Pension Scheme employer contributions from 16.48% to 23.68%, and new strategic senior posts, along with strategic initiatives such as the provision of apprenticeship programmes and Staffordshire University London (which opened in September 2019). There were fewer managed severance arrangements in the year (11, compared to 35 in 2018/19), however the University has provided for restructuring costs for 2020/21 in the light of the potential medium-term impact of the Covid-19 pandemic on the markets in which it operates.

Academic and Technician staff numbers (expressed as full Time Equivalents or FTEs) increased from 516 in 2018/19 to 542 in 2019/20. Administration, Professional & Clerical staff numbers increased to 645 in 2019/20 from 629 in 2018/19. Overall FTEs increased from 1,214 to 1,258 (3.6%) over the same period.

Non-staff costs have decreased by 2.4% (£1.2m) to £50.6m. This cost reduction is directly related to the reduction of activities due to COVID-19, such as travel costs, catering and hospitality, and educational visits.

CASH FLOW

The University generated cash inflows from operating activities of £19.0m (2018/19 £17.4m), which was 15.4% of income in 2019/20 (compared to 14.6% in 2018/19). This increased cash generation is important so that the University can continue to invest in the student experience by providing both digital and physical facilities and infrastructure as well as servicing existing debts.

LIQUIDITY AND LONG-TERM FINANCING

The University had net liquidity of £39.4m at 31 July 2020 (2018/19 £30.0m). Cash and cash equivalents (Cash at bank/hand and cash deposits) were £77.9m (2018/19 £70.1m).

The University has two term loans totalling £50m. These facilities were arranged with Lloyds TSB, and their purpose was to provide funding for the University's capital programme. The University originally took £16m as a term loan in 2007, repayable over 27 years and interest payable on this loan is fixed at 5.38% for its duration. The remaining £34m was drawn down in September 2013 over a 25-year term, at a fixed interest rate of 3.19%. The University remains within its banking covenants for the purposes of these borrowings at the year end.

The University have been modelling a number of going concern scenarios throughout the pandemic and now have a 2020/21 Budget and 5 Year Strategic Financial Plan approved by the Board of Governors. Sensitivity analysis has shown that the University's likelihood of failing the OfS liquidity test is extremely remote within the going concern assessment period (12 months from the date of approval of the financial statements). Likewise, the University's likelihood of failing the bank covenants is also extremely remote within the going concern assessment period. The 2020/21 Budget and 5 Year Strategic Financial Plan shows the University

achieving an operating surplus and a net cash inflow for 2020/21 and subsequent years.

TREASURY AND FINANCING

Cash deposits are invested in accordance with the University's Treasury Management Policy. The University continues to adopt a risk-based approach to its treasury management, with a clear commitment to ensuring its cash balances remain as secure as possible.

Funds are invested with a variety of different money market and banking institutions in order to spread the risk to the University. Interest receivable from these investments was £0.5m, which was comparable with 2018/19.

Interest payable at £3.2m consists of an FRS102 adjustment of £1.7m relating to the pension scheme and loan interest payments of £1.5m on the University's borrowings. (In 2018/19 interest payable of £3.1m included FRS 102 interest of £1.5m and loan interest payments of £1.6m).

DEPRECIATION

Depreciation of fixed assets increased slightly by £0.1m to £10.6m in 2019/20 which equates to 9.0% of total expenditure (2018/19 9.6%). This relatively small increase is due to the majority of the capital expenditure, in the year, being related to The Catalyst which will not be completed until 2021.

CAPITAL INVESTMENT

The University continues to invest in its digital and physical infrastructure, developing teaching facilities and investing in the student experience, as well as improving University systems. The construction of The Catalyst has continued during the

Covid-19 pandemic. The University has recognised £10.1m of assets under construction, which primarily relate to the Catalyst building. The University will continue to prioritise investment in high quality student learning and social spaces and leading-edge technologies.

PENSION LIABILITY

Under UK Financial Reporting Standards, the financial results of the University must include a disclosure of liabilities relating to the pension funds to which past and present employees belong. The assets and liabilities of the Staffordshire Pension Scheme (LGPS) can be attributed to individual employers and therefore are shown in full detail in the Notes to the Financial Statements (Note 25).

A full actuarial review of the Staffordshire Pension Scheme was undertaken in 2019 as part of the triennial cycle. An updated calculation of the assets and liabilities within the scheme (as required by FRS102) was performed by the scheme's actuaries at 31 July 2020, based on the March 2019 triennial review. The net result has been to increase the University's calculated share of the overall scheme liability from £81.8m at 31 July 2019 to £111.1m at 31 July 2020.

The Teachers' Pension Scheme (TPS) is deemed a multi-employer scheme, and the University's share of its assets and liabilities cannot be separately identified. As such the University has taken advantage of the exemption in FRS102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The Staffordshire University Pension Scheme (SUPS) is a defined contribution scheme which is open to all Staffordshire Services Limited (SUS Ltd) members of staff.

CORPORATE GOVERNANCE

CHARITABLE STATUS

The University is a 'Higher Education Corporation', as defined under the Education Reform Act 1988.

The powers of Higher Education Corporations are defined in Section 124 of the Act. They include the power to provide higher and further education and to carry out research and publish the results of that research as the University thinks fit.

The University was incorporated in November 1988. On 1 April 1989 all properties, rights and liabilities which had been used or held by Staffordshire County Council for the purposes of the University were transferred to the Higher Education Corporation.

The University also enjoys exempt charitable status under the Act. On 16 June 1992, the Privy Council confirmed its formal approval of a change of name from Staffordshire Polytechnic to Staffordshire University under the terms of the Further and Higher Education Act 1992.

GOVERNANCE STRUCTURE

Staffordshire University is committed to best practice in all aspects of corporate governance, as outlined by the Higher Education Code of Governance published by the Committee of University Chairs (CUC) (revised June 2018).

STATEMENT OF PRIMARY RESPONSIBILITIES OF THE BOARD OF GOVERNORS

Section 3(i) of the University's Instrument of Government states that the Board of Governors shall be responsible for:

- The determination of the educational character and mission of the University and for oversight of its activities.
- The effective and efficient use of resources, the solvency of the institution and the Corporation and for safeguarding their assets.
- Approving annual estimates of income and expenditure.
- The appointment, grading, assignment, appraisal, suspension, dismissal and determination of the pay and conditions of service of holders of senior posts.
- Setting a framework for the pay and conditions of service of all other staff.

In particular, the Board will:

- Approve the mission and strategic vision of the institution, long term business plans, KPIs and annual budgets, and ensure that these meet the interests of stakeholders.
- Appoint the head of the institution, as Chief Executive and put in place suitable arrangements for monitoring their performance.
- Ensure the establishment and monitoring systems of control and accountability, including financial and operational controls and risk assessment, clear procedures for handling internal grievances and for managing conflicts of interest.
- Monitor institutional performance against plans and approved KPIs which, where possible and appropriate, will be benchmarked against other institutions.

This statement is also available on the University's website.

SUMMARY OF THE CORPORATE GOVERNANCE STRUCTURE

The University's Board of Governors comprises independent, staff and student members, appointed under the University's Instrument of Government.

The roles of the Chair and the Deputy Chair of the Board of Governors are separated from the role of the University's Chief Executive – the Vice-Chancellor. All matters specially reserved for the Board of Governors to decide on are set out in the Articles of Government.

Under the regulatory framework for the Office for Students (OfS), the Board of Governors is responsible for the ongoing strategic direction of the University, the approval of major developments and the receipt of regular reports from executive officers on the day-to-day operations of its business and its subsidiary companies.

The Board of Governors meets four times a year and has five committees:

1. **Sustainability and Resources**
2. **Nominations and Governance**
3. **Audit and Risk**
4. **Remuneration**
5. **Strategy and Performance**

These committees are formally constituted with annually reviewed terms of reference. In addition, the University convenes two strategic events per annum with the Board of Governors and the University's Senior Leadership Team, one of which includes the University's Academic Board.

The role and responsibilities of each committee is outlined here:

Sustainability and Resources Committee

This committee recommends the University's annual revenue and capital budgets to the Board of Governors and monitors performance in relation to those budgets once they are approved. It also reviews the University's annual financial statements and its accounting policies. The committee is responsible for advising the Board of Governors on its estates strategy and monitoring estates and infrastructure-related projects, information technology/digital developments and organisational development and human resource matters.

Nominations and Governance Committee

The Nominations and Governance Committee considers nominations and expressions of interest for vacancies on the Board of Governors, reappoints members under the Instrument of Government, and advises the Board on general governance. It also leads the governance effectiveness review and oversees the implementation of any subsequent recommendations.

Audit and Risk Committee

The Audit and Risk Committee meets with the external auditors and internal auditors of the University to review their work. The committee approves the annual internal audit plan and considers detailed internal audit reports arising from the plan, as well as overseeing the implementation of any subsequent recommendations. It is responsible for overseeing the implementation of recommendations arising from the external auditors' management report, following their audit of the financial statements. The committee is also responsible for reviewing the University's risk management infrastructure and is responsible for overseeing the response to any public interest disclosures received by the University, and the implementation of recommendations arising from the investigation.

Remuneration Committee

The Remuneration Committee is chaired by the Deputy Chair of the Board. The Vice Chancellor is in attendance at Remuneration Committee in relation to Executive remuneration only, but is not present for items relating to her own remuneration. The Chief Operating Officer/Clerk to the Board is in attendance at the Remuneration Committee but is also absent for discussions relating to his own pay. No member of staff is present for the discussion of their own remuneration.

The Committee meets twice each year. The Remuneration Committee sets the performance objectives for the Vice-Chancellor and approves the performance objectives for all other members of Executive. At the end of each academic year the Remuneration Committee evaluates the performance of the Vice-Chancellor against her objectives and will have oversight of the Vice-Chancellor's evaluation of Executive performance against objectives. At the end of the year, the Committee reviews the base salaries of senior postholders, taking account of market intelligence and affordability. Following the publication of the CUC Senior Staff Remuneration Code in June 2018, the committee reviewed its operating protocols and at its first meeting of the 2018-19 academic year, approved new Terms of Reference and the Remuneration of Senior Postholders Policy. At the first meeting of each academic year, the Remuneration Committee approves the Annual Statement of Senior Postholder Remuneration, which is received by the Board and is available on the University website.

Strategy and Performance Committee

The Strategy and Performance Committee reviews the direction and implementation of the University's Strategic Plan, and supporting strategies. The Committee monitors performance through the review of key performance indicators.

CORPORATE GOVERNANCE

GOVERNANCE REVIEW

During Summer/Autumn 2019, the University carried out a Governance Effectiveness Review in the form of a self-assessment against the CUC Higher Education Code of Governance. The resulting output was reviewed by the University's internal auditors, RSM, and their report, which was rated as "substantial assurance" was presented to Audit and Risk Committee and Nominations and Governance Committee and subsequently to the Board of Governors.

A more focused and in-depth Board Effectiveness Review, in conjunction with an external partner, started in summer 2020, with the findings from this review scheduled to be presented to Nominations and Governance Committee and Board of Governors in Autumn 2020.

The University maintains a Register of interests of members of the Board of Governors, which is available to view on the University's public website. The Chief Operating Officer has been designated Clerk to the Board and in that capacity, provides independent advice on matters of governance to all Board members.

STATEMENT OF INTERNAL CONTROL

The Board of Governors is responsible for maintaining a robust system of internal control that supports the achievement of our objectives. The internal control system also needs to safeguard the public and other funds and assets for which the University is responsible, in accordance with the responsibilities assigned in the University's Instrument and Articles of Government and the Office for Students regulatory framework.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve our objectives. Its effectiveness can therefore only be reasonably, not absolutely, assured.

Our internal control system is based on an ongoing process to identify risks, evaluate the nature and extent of those risks, and manage them efficiently and effectively. This process was in place for the year ended 31 July 2020 and up to the date of approval of the Financial Statements.

As part of its responsibilities for reviewing the effectiveness of our internal controls, the Board has established the following processes:

- It meets four times a year to consider the plans and strategic direction of the University
- It receives regular reports from the Audit and Risk Committee concerning internal control, and it requires regular reports from managers on the steps they are taking to manage risks in their areas of responsibility, including progress reports on key projects
- Risk management is a regular item on the agenda of both the full Board and the Audit and Risk Committee.
- The Audit and Risk Committee provides oversight of the risk management process within the University as a key aspect of its terms of reference.
- The Audit and Risk Committee receives regular reports from the University's appointed internal auditors. The reports include their independent opinion on the adequacy and effectiveness of the University's system of internal control, together with recommendations for improvement.

In addition, the University employs a Business Risk Manager to embed risk management within the University.

The University has an internal audit service who submit regular reports that include their independent assessment on the adequacy and effectiveness of our system of internal control, together with any recommendations for improvement.

RESPONSIBILITY OF THE BOARD OF GOVERNORS

In accordance with the Education Reform Act 1988, the Board of Governors of Staffordshire University is responsible for the administration and management of University affairs. An important part of this duty is presenting audited financial statements for each financial year.

The Board of Governors is required to keep proper accounting records which disclose with reasonable accuracy at any time, the financial position of the University. These statements are all prepared in accordance with the Education Reform Act 1988, the Statement of Recommended Practice (SORP), Accounting for Further and Higher Education Institutions, and other relevant accounting standards.

The Office for Students regulatory framework obliges us to ensure these statements give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In preparing the statements, we are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards are followed, subject to any material departures disclosed and explained in the financial statements.
- Assess the group and the 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.

All our financial statements are prepared on a "going concern basis". This means they always assume we know there are adequate resources to keep operating for the foreseeable future. This will always be the case, unless there is a valid reason to think otherwise.

The Board of Governors takes its responsibility for the University's financial affairs very seriously. It has therefore taken all reasonable steps to:

- Ensure that funds from OfS and other funding bodies are used only for the purposes for which they have been given. All funds will be used in accordance with the Memorandum of Assurance and Accountability and any other conditions that the OfS might prescribe.
- Ensure there are appropriate financial and managerial controls in place to safeguard public and other funds.
- Safeguard the assets of the University, and to prevent and detect fraud.
- Secure the economical, efficient and effective management of resources and expenditure

How we maintain internal financial control

There are several key elements to the University's system of internal financial control. Each is designed to discharge the steps and responsibilities outlined above.

These include:

- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets.
- Regular reviews of academic performance and monthly reviews of financial results, with variance reporting and updates of forecast outcomes.
- Clearly defined and formalised requirements for approval and control of expenditure.
- Investment decisions involving capital and revenue expenditure are subject to formal detailed appraisal review, according to levels set by the Board.
- Comprehensive financial regulations, detailing financial controls and procedures. These are approved by the Sustainability and Resources Committee and the Board of Governors.
- Clear definitions of the responsibilities and authority of the Executive, Deans of Schools and Directors of Services.
- A Professional internal audit team whose annual programme is approved by the Audit and Risk Committee.

Any system of internal financial control can only provide reasonable, but not absolute, assurance against material misstatement or loss. That's why throughout the year, the Audit and Risk committee has reviewed the effectiveness of the University's system of internal financial control to make sure all risk is appropriately managed.

Chair of the Board of Governors

GOVERNORS, EXECUTIVES AND ADVISORS

BOARD OF GOVERNORS

Colin Hughes (Chair)

 Professor Liz Barnes CBE

 Connor Bayliss

 Glenn Earlam

 Tony Evans

 Hannah Gibbard (from 09.10.19)

 Kevin Gould

 Mike Herbert (to 31.07.20)

 John Henderson CB

 Dr Cathryn Hickey

 Baljinder Kuller (from 01.04.20)

 Doug Rouxel (to 31.07.20)

 Sarah Tudor (to 08.10.19)

 Jonathan Vardon

 Sara Williams

 Scott William-Smith (to 31.07.20)

CHANCELLOR

The Lord Stafford

Executive Team

Professor Liz Barnes CBE DL	Vice-Chancellor
Professor Martin Jones	Deputy Vice-Chancellor
Professor Ieuan Ellis	Pro Vice Chancellor (Place and Engagement)
Andrew Proctor	Pro Vice Chancellor (Digital)
Sue Reece	Pro Vice Chancellor (Student Experience) (to 29.02.20)
Sally McGill	Chief Financial Officer
Ian Blachford	Chief Operating Officer

Professional Advisors

External Auditors	KPMG LLP One Snowhill Snowhill Queensway Birmingham B4 6GH
Internal Auditors LLP	RSM Risk Assurance Services Festival Park Stoke-on-Trent ST1 5BB
Bank	Lloyds Bank Plc 5 Market Square Stafford ST16 2JL
Solicitors	Shakespeare Martineau No 1 Colmore Square Birmingham B4 6AA

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Board of Governors of Staffordshire University

Report on the audit of the Financial Statements

OPINION

We have audited the financial statements of Staffordshire University ("the University") for the year ended 31 July 2020 which comprise the Consolidated and University Statement of Comprehensive Income and Expenditure, Consolidated and University Statement of Changes in Reserves, Consolidated and University Balance Sheet, Consolidated Cash Flow Statement, and related notes, including the Statement of Accounting Policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the University's affairs as at 31 July 2020, and of the Group's and the University's income and expenditure, gains and losses and changes in reserves, and of the Group's cash flows, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, and with the 2019 Statement of Recommended Practice – Accounting for Further and Higher Education, and
- meet the requirements of the Accounts Direction dated 25 October 2019 issued by the Office for Students.

Basis for opinion

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

Going concern

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

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Board of Governors conclusions, we considered the inherent risks to the Group's business model, and analysed how those risks

might affect the Group and the University's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the University will continue in operation.

Other information

The Board of Governors is responsible for the other information, which comprises the Financial Review, Responsibility of the Board of Governors and Corporate Governance Statement. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

INDEPENDENT AUDITOR'S REPORT

Board of Governors responsibilities

As explained more fully in their statement set out on page 63, 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; such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless it either intends to liquidate the Group or the parent University or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

In our opinion, in all material respects:

- funds from whatever source administered by the Group or the University for specific purposes have been properly applied to those purposes and managed in accordance with relevant legislation.
- funds provided by the Office for Students, UK Research and Innovation (including Research England), the Education and Skills Funding Agency and the Department for Education have been applied in accordance with the relevant terms and conditions.

Matters on which we are required to report by exception

We are required by the Accounts Direction to report to you where the University has an access and participation plan that has been approved by the Office for Students' director of fair access and participation and the results of our audit work indicate that the Group's and the University's expenditure on access and participation activities for the financial year disclosed in note 9a has been materially misstated.

We are also required by the Accounts Direction to report to you where the results of our audit work indicate that the Group's and the University's grant and fee income, as disclosed in note 3 to the financial statements has been materially misstated.

We have nothing to report in these respects.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Board of Governors, in accordance with paragraph 13(2) of the University's Instrument and Articles of Government and section 124B of the Education Reform Act 1988. Our audit work has been undertaken so that we might state to the 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 Board of Governors for our audit work, for this report, or for the opinions we have formed.

.....
Mark Dawson
for and on behalf of KPMG LLP,

Statutory Auditor
Chartered Accountants
One Snowhill, Snowhill Queensway
Birmingham, B4 6GH

Consolidated and University Statement of Comprehensive Income and Expenditure

Year Ended 31 July 2020

	Notes	Year ended 31 July 2020		Year ended 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Income					
Tuition fees and education contracts	1	100,656	100,656	94,248	94,248
Funding body grants	2	11,171	11,171	12,050	12,050
Research grants and contracts	3	496	496	1,401	1,401
Other income	4	9,298	9,137	10,750	10,695
Investment income	5	492	490	508	507
Donations and endowments	6	660	660	149	149
Total income		122,773	122,610	119,106	119,050
Expenditure					
Staff costs	7, 9a	66,661	66,577	57,167	57,281
Other operating expenses	9, 9a	36,736	36,662	38,133	37,958
Depreciation	11	10,598	10,598	10,553	10,553
Interest and other finance costs	8	3,237	3,237	3,101	3,101
Total expenditure	9a	117,232	117,074	108,954	108,893
Surplus before other gains losses and share of operating surplus of joint ventures and associates.		5,541	5,536	10,152	10,157
Gain on disposal of fixed/heritage assets		0	0	0	0
Surplus before tax		5,541	5,536	10,152	10,157
Taxation	10	0	0	0	0
Surplus after tax		5,541	5,536	10,152	10,157
Actuarial loss in respect of pension schemes		(28,297)	(28,297)	(27,694)	(27,694)
Total comprehensive income and expenditure for the year		(22,756)	(22,761)	(17,542)	(17,537)
Represented by:					
Endowment comprehensive income for the year		0	0	0	0
Restricted comprehensive income for the year		60	60	0	0
Unrestricted comprehensive income for the year		(22,816)	(22,821)	(17,542)	(17,537)
		(22,756)	(22,761)	(17,542)	(17,537)

All items of income and expenditure relate to continuing activities.

Consolidated and University Statement of Changes in Reserves

Year Ended 31 July 2020

Consolidated	Income and expenditure account			Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	
Balance at 1 August 2018	26	4,588	73,057	77,671
Surplus from the income and expenditure statement	0	0	10,152	10,152
Other comprehensive income	0	0	(27,694)	(27,694)
Total comprehensive income for the year	0	0	(17,542)	(17,542)
Balance at 1 August 2019	26	4,588	55,515	60,129
Surplus from the income and expenditure statement	0	60	5,481	5,541
Other comprehensive income	0	0	(28,297)	(28,297)
Total comprehensive income for the year	0	60	(22,816)	(22,756)
Balance at 31 July 2020	26	4,648	32,699	37,373

University	Income and expenditure account			Total
	Endowment £'000	Restricted £'000	Unrestricted £'000	
Balance at 1 August 2018	26	4,588	73,056	77,670
Surplus from the income and expenditure statement	0	0	10,157	10,157
Other comprehensive income	0	0	(27,694)	(27,694)
Total comprehensive income for the year	0	0	(17,537)	(17,537)
Balance at 1 August 2019	26	4,588	55,519	60,133
Surplus from the income and expenditure statement	0	60	5,476	5,536
Other comprehensive income	0	0	(28,297)	(28,297)
Total comprehensive income for the year	0	60	(22,821)	(22,761)
Balance at 31 July 2020	26	4,648	32,698	37,372

Consolidated and University Balance Sheet**As at 31 July 2020**

	Notes	As at 31 July 2020		As at 31 July 2019	
		Consolidated £'000	University £'000	Consolidated £'000	University £'000
Non-current assets					
Fixed assets	11	144,842	144,842	144,691	144,691
Heritage assets	11/12	1,300	1,300	1,300	1,300
Investments	13	74	74	74	74
		146,216	146,216	146,065	146,065
Current assets					
Trade and other receivables due within one year	14	13,354	26,983	12,058	23,661
Cash and cash equivalents	15	23,710	22,665	10,608	9,969
Investments	21	54,234	54,234	59,538	59,538
		91,298	103,882	82,204	93,168
Less: Creditors: amounts falling due within one year	16	(27,886)	(40,471)	(26,474)	(37,434)
Net current assets		63,412	63,411	55,730	55,734
Total assets less current liabilities		209,628	209,627	201,795	201,799
Creditors: amounts falling due after more than one year	17	(57,444)	(57,444)	(58,193)	(58,193)
Provisions					
Pension provisions	25	(111,144)	(111,144)	(81,753)	(81,753)
Other provisions	18	(3,667)	(3,667)	(1,720)	(1,720)
Total net assets		37,373	37,372	60,129	60,133
Restricted Reserves					
Income and expenditure reserve - endowment reserve	19	26	26	26	26
Income and expenditure reserve - restricted reserve	20	4,648	4,648	4,588	4,588
Unrestricted Reserves					
Income and expenditure reserve - unrestricted including pension reserve		32,699	32,698	55,515	55,519
Total Reserves		37,373	37,372	60,129	60,133

The financial statements were approved by the Board of Governors on 24 November 2020 and were signed on its behalf on that date by:

Colin Hughes, Chair of the Board of Governors

Professor Liz Barnes, Vice-Chancellor

Consolidated Cash Flow Statement

As at 31 July 2020

	Notes	Year ended 31 July 2020 £'000	Year ended 31 July 2019 £'000
Cash flow from operating activities			
Surplus /(deficit) for the year before transfer from Reserves		5,541	10,152
Adjustment for non-cash items			
Depreciation	11	10,598	10,553
(Increase)/decrease in debtors	14	(1,296)	(3,418)
Increase/(decrease) in creditors	16/17	44	1,930
(Decrease)/increase in pension provision	7/8	1,094	(2,248)
(Decrease)/Increase in other provisions	18	1,947	(613)
Adjustment for investing or financing activities			
Investment income	5	(492)	(508)
Interest payable	8	1,521	1,578
Net cash inflow from operating activities		18,957	17,426
Cash flows from investing activities			
Capital grants receipts		2,185	1,336
Investment income	5	492	508
Payments made to acquire fixed assets	11	(10,749)	(7,752)
New deposits		5,304	(6,426)
		(2,768)	(12,334)
Cash flows from financing activities			
Interest paid		(1,521)	(1,578)
Repayments of amounts borrowed		(1,566)	(1,566)
		(3,087)	(3,144)
Increase in cash and cash equivalents in the year		13,102	1,948
Cash and cash equivalents at beginning of the year		10,608	8,660
Cash and cash equivalents at end of the year	15	23,710	10,608

Statement of Accounting Policies

Year Ended 31 July 2020

The following accounting policies have been applied consistently in detailing items which are considered material in relation to the financial statements.

BASIS OF PREPARATION

The 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 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.

BASIS OF ACCOUNTING

The financial statements are prepared in accordance with the historical cost convention (modified by the revaluation of fixed assets). The University is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS102.

GOING CONCERN

The Group and parent University activities, together with the factors likely to affect its future development, performance and position, are set out in the Chair of the Board of Governors Foreword. The Financial Review also describes the financial position of the Group and parent University, its cash flows, liquidity position and borrowing facilities.

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

The Board of Governors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements. After reviewing these forecasts the Board of Governors is of the opinion that, taking account of severe but plausible downsides, including the anticipated impact of COVID-19, the Group and parent University will have sufficient funds to meet their liabilities as they fall due over the period of 12 months from the date of approval of the financial statements (the going concern assessment period).

The Group and parent University has been modelling a number of going concern scenarios throughout the pandemic and now has a 2020/21 Budget and 5 Year Strategic Financial Plan approved by the Board of Governors.

The budget for 2020/21 has been prepared based on a considerably more up-to-date view of actual student recruitment than in prior years and therefore mitigates some earlier concerns that student recruitment might be considerably lower than expected prior to Covid-19.

The key assumptions in the budget, are based on the current enrolment position in September 2020 and reduced income relating to accommodation due to social distancing and catering, to reflect lower occupancy and lower footfall. The Group and parent University is still budgeting to achieve an operating surplus and a net cash inflow from operating activities in 2020/21 and subsequent years.

The budget for 2020/21 and the plans for the subsequent years have been assessed against the Group and parent University's financial tests which are the University's own strategic goals, bank covenant tests and the OfS liquidity test.

Sensitivity analysis has shown that the University's likelihood of failing the OfS liquidity test is extremely remote. Likewise, the University's likelihood of failing the bank covenants is also extremely remote. If required, the University could reduce its capital programme in order to protect its cash position and take other operating steps as required.

There have been no post balance sheet changes to liquidity, specifically there have been no new lending facilities taken out, no extensions of existing facilities or renegotiation or waiving of bank covenants. Consequently, the Board of Governors is confident that the University will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements except as noted below.

BASIS OF CONSOLIDATION

The consolidated financial statements include the University and all its subsidiaries for the financial year to 31 July 2020. The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income and Expenditure from the date of acquisition or up to the date of disposal. Intra-group transactions are eliminated on consolidation.

The consolidated financial statements do not include those of Staffordshire University Union of Students, as the University does not exert control or dominant influence over policy decisions.

Statement of Accounting Policies (continued)

Year Ended 31 July 2020

INCOME RECOGNITION

Income recognition is determined by the nature of the transaction, income source and whether or not the transaction has commercial substance.

TRANSACTIONS WITH COMMERCIAL SUBSTANCE

Where a transaction has commercial substance, it is accounted for as a revenue transaction or service and referenced to the terms of the contact or service.

TUITION FEES AND EDUCATIONAL CONTRACTS

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

SALE OF GOODS AND SERVICES

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

INVESTMENT INCOME

Refer to Page 74 for investment income recognition policy.

AGENCY INCOME

Funds the University receives and disburses as a 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.

TRANSACTIONS WITHOUT COMMERCIAL SUBSTANCE

Where the university receives income on a basis that is without commercial substance it accounts for this on the Non-Exchange Transaction basis. A Non-Exchange Transaction is defined as when an entity receives value from another entity without directly giving approximately equal value in exchange.

Accrual Model requires:

Grants are either classified as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the periods in which the University recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the University with no future related costs, shall be recognised as income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset.

GOVERNMENT GRANTS

Both revenue and capital government grants are accounted for under the Accrual Model.

FUNDING GRANTS

For funding grants relating to a single academic year, income is recognised in full in the period to which the grant relates. Grants relating to more than a single year are recognised pro-rata across the term of the grant.

NON-GOVERNMENT GRANTS, DONATIONS AND ENDOWMENTS

Grant and donation income, received from a non-governmental source, is accounted for under the Accrual Model. Income is recognised as Donation and Endowment income, with the exception of funding for the purposes of research which is recognised as 'Research Grants and Contracts'.

Non-government grants and donation income is split into four classes:

(i) Non-government grants and donated income with performance conditions

(ii) Donations with restrictions

A donation is considered to have a restriction when the gift agreement contains;

'A requirement that limits or directs the purposes for which a resource may be used that does not meet the definition of a performance-related condition'.

Income with restrictions, but no performance conditions, is recognised within the Statement of Comprehensive Income and Expenditure when the grant is receivable (legal/contractual commitment) and recorded within restricted reserves. As the funding is expended against the restriction it is transferred to unrestricted reserves by way of a reserves transfer.

(iii) Donations without restrictions

Income with neither restrictions nor performance conditions is recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the grant is receivable (legal/contractual commitment) and recorded within unrestricted reserves.

(iv) Endowments

Refer to Endowment policy for income recognition on endowments.

Statement of Accounting Policies

Year Ended 31 July 2020

CAPITAL GRANTS

Government Grants for the purchasing or construction of specific assets are recognised across the useful life of the asset.

RESEARCH INCOME

Income recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Income is classified as 'Research Grants and Contracts' regardless of source when it meets the Frascati definition of research.

The following specific research income recognition criteria has been applied:

Where funding is from a government body, expenditure on the grant purpose is presumed to be the performance condition unless specifically disallowed under the funding agreement.

Funding from charities and industry is accounted for as non-government grant income unless it is demonstrable that a revenue transaction has taken place with near equal value being exchanged.

ENDOWMENTS

Endowments are a class of donation where the donor requires the original gift to be invested, with the return to be spent against the donor's charitable aims. The donor can specify that the capital can be spent (expendable endowment) or maintained in perpetuity (permanent endowments).

Endowments are Non-Exchange transactions without performance-related conditions. Endowments with donor imposed restrictions are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the University is entitled to the income. 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.

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.

POST RETIREMENT BENEFITS

Retirement benefits to employees of the University are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes which are externally funded.

Contributions to the TPS are charged as incurred.

Contributions to the TPS scheme are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the University in such a way 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.

The assets of the LGPS are measured using closing market values. LGPS liabilities are measured using projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The increase in the present value of the liabilities of the scheme which are expected to arise from employee service in the period is charged to the operating surplus. The expected return of the scheme's assets and the increase during the period in the present value of the scheme's liabilities, arising from the passage of time, are included in pension finance costs. Actuarial gains and losses are recognised in the statement of changes in reserves.

Further details of the pension schemes are given in note 25.

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. A liability is recognised at each balance sheet date to the extent that employee holiday allowances have been accrued but not taken, the expense being recognised as staff costs in the Consolidated Statement of Comprehensive Income and Expenditure.

OPERATING LEASES

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Future commitments under operating leases are disclosed in note 23.

FOREIGN CURRENCY

Transactions in foreign currencies are recorded at the rate of exchange on the transaction date. Monetary assets and liabilities denominated in foreign currencies are reported at the rates of exchange prevailing at the balance sheet date. Non-monetary assets and liabilities measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign exchange differences arising on translation are recognised in the Consolidated Statement of Comprehensive Income and Expenditure.

FIXED ASSETS - PROPERTY, PLANT AND EQUIPMENT

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses as disclosed in note 11.

Where parts of a fixed asset have different economic lives, they are accounted for as separate items with the appropriate depreciation rate.

Statement of Accounting Policies (continued)

Year Ended 31 July 2020

LAND AND BUILDINGS

Buildings under construction are accounted for at cost. They are not depreciated until they are brought into use.

A review of impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable.

Land and buildings inherited from Staffordshire County Council are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable.

Certain items of fixed assets that had been re-valued to fair value on the date of transition to FRS102, are measured on the basis of deemed cost being the re-valued amount at the date of that revaluation.

EQUIPMENT

Equipment (including computers and software) costing less than £10,000 per item is charged to the Consolidated Statement of Income and Expenditure in the year of acquisition. All other equipment is capitalised at cost and depreciated according to the rates in the table below.

DEPRECIATION

Depreciation is not provided on freehold land. Freehold buildings have been depreciated over the estimated remaining useful life of each building with a base date of 1 August 2014. Depreciation on newly acquired buildings is provided for at the rate of 2% per annum on a straight-line basis. On all other tangible fixed assets depreciation is provided to write off the cost or valuation over their useful lives on a straight line basis at the following annual rates:-

Building Refurbishments	-10% per annum
Plant and Machinery	-10% per annum
Plant and Machinery (small)	-20% per annum
Fixtures and Fittings	-20% per annum
Computer Equipment (general)	-33.3% per annum
Computer Equipment (servers)	-20% per annum
Office Furniture and Equipment	-20% per annum
Vehicles	-33.3% per annum

Expenditure which extends the useful life of an asset has been depreciated over the assessed extended life of the asset.

Assets held under finance leases are depreciated over the life of the lease if this is a shorter period.

Equipment including computers and software costing less than £10,000 per individual item is written off in the year of acquisition.

BORROWING COSTS

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

HERITAGE ASSETS

Works of art and other valuable artefacts valued at over £25,000 are capitalised and recognised at their cost or value where reasonably obtainable.

Assets initially received as donations are initially recognised at fair value.

Heritage assets are not depreciated as their long economic life residual value mean that any depreciation would not be material.

INVESTMENT PROPERTIES

Investment property is land and building held for rental income or capital appreciation rather than for use in delivering services.

Investment properties are measured initially at cost and subsequently at fair value with movements recognised in the Consolidated Statement of Comprehensive Income and Expenditure. Properties are not depreciated but are revalued or reviewed annually according to market conditions as at the 31 July each year.

INVESTMENTS

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

Investments in listed shares and venture capital vehicles (where shares are publicly traded or their fair value can be reliably measurable) are measured at market value.

CASH AND CASH EQUIVALENTS

Cash includes cash in hand, cash at bank, 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, high liquid investments that are readily convertible to know amounts of cash with insignificant risk of change in value. These include term deposits and other instruments with less than three months maturity held as part of the University's treasury management activities.

Statement of Accounting Policies

Year Ended 31 July 2020

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 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 can not 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.

TAXATION STATUS

The University is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and as such is a charity within the meaning of Para 1 of Schedule 6 to the Finance Act 2010. Accordingly, the University is potentially exempt from taxation in respect of income or capital gains received within categories covered by Sections 478 to 488 of the Corporation Tax Act 2010 (formerly enacted in Section 505 of the Income and Corporation Taxes Act 1988) or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to 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 and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature. The University's subsidiary company is subject to corporation tax.

DEFERRED TAXATION

Deferred taxation is recognised on all timing differences at the balance sheet date where transactions or events that gives the company an obligation to pay more tax in the future, or right to pay less tax in the future, have occurred. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have enacted or substantively enacted by the balance sheet date.

ACCOUNTING ESTIMATES AND JUDGEMENTS

The Preparation of financial statements requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying accounting policies. Estimates, assumptions and judgements are continually evaluated based on available information and experience. Estimates based on assumptions and judgements could differ significantly from actual results. The areas most affected by the use of estimates and judgements are described below:

(i) Tangible fixed assets

Tangible Fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

(ii) Local Government Pension Scheme

The Present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 July 2020.

FINANCIAL INSTRUMENTS

All loans, investments and short term deposits held by the Group are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the University has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Notes to the Accounts

Year Ended 31 July 2020

1 Tuition fees and education contracts

Full time Students - UK/EU
 Full time Students - Overseas
 Part-time Fees
 Partnerships
 Other Education Contracts
 Apprenticeships

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
70,283	70,283	64,822	64,822
4,010	4,010	3,736	3,736
3,791	3,791	4,251	4,251
14,135	14,135	12,376	12,376
4,588	4,588	7,272	7,272
3,849	3,849	1,791	1,791
100,656	100,656	94,248	94,248

2 Funding body grants

Office for Students - Teaching
 Research England - Research
 Higher Education Innovation Fund
 Office for Students Capital grants - other release

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
7,368	7,368	8,018	8,018
1,009	1,009	837	837
1,191	1,191	1,325	1,325
1,603	1,603	1,870	1,870
11,171	11,171	12,050	12,050

3 Research grants and contracts

Research Councils
 UK Based Charities
 UK Industry & Commerce
 UK Central Government/Health Authorities
 European Community Programmes
 Other Research Grants & Contracts

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
59	59	0	0
94	94	188	188
63	63	56	56
125	125	728	728
101	101	429	429
54	54	0	0
496	496	1,401	1,401

The source of grant and fee income, included in notes 1 to 3 is as follows:

Grant and Fee income

Grant income from the OfS
 Grant income from other bodies
 Fee income from taught awards (exclusive of VAT)
 Fee income for research awards (exclusive of VAT)
 Fee income from non-qualifying courses (exclusive of VAT)

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
8,971	8,971	9,934	9,934
2,696	2,696	3,517	3,517
99,317	99,317	92,847	92,847
657	657	880	880
682	682	521	521
112,323	112,323	107,699	107,699

4 Other income

Residences, catering and conferences
 Consultancy/Self Financing Fees
 Other Rents/lettings
 Governments Grants
 Other Income
 Release from deferred capital grants (non-funding council)

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
4,595	4,595	6,713	6,713
1,520	1,520	1,413	1,413
575	575	725	725
577	527	0	0
1,918	1,807	1,830	1,775
113	113	69	69
9,298	9,137	10,750	10,695

5 Investment income

Other investment income

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
492	490	508	507
492	490	508	507

6 Donations and endowments

Restricted donations
 Unrestricted donations

Year Ended 31 July 2020		Year Ended 31 July 2019	
Consolidated	University	Consolidated	University
£'000	£'000	£'000	£'000
60	60	0	0
600	600	149	149
660	660	149	149

Notes to the Accounts

Year Ended 31 July 2020

7 Staff costs

	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Salaries	48,625	50,987	45,832	48,308
Social security costs	5,293	4,056	5,670	4,534
Other pension costs	11,403	10,235	8,780	7,713
Pension adjustment	(622)	(622)	(3,771)	(3,771)
Redundancy/ Managed Severance Scheme	1,962	1,921	656	497
Total	66,661	66,577	57,167	57,281

Redundancy/managed severance scheme payments were made to 11 people (2018/19 - 35 people)

Emoluments of the Vice-Chancellor Professor E Barnes

	Year Ended 31 July 2020		Year Ended 31 July 2019	
	£'000	£'000	£'000	£'000
Salary	237	237	230	230
Performance-related pay	0	0	20	20
Taxable benefits - Health Care Insurance	4	4	3	3
Non -taxable benefits	0	0	0	0
	241	241	253	253
Pension contributions to Teachers Pensions' Fund	55	55	38	38
	296	296	291	291

The Remuneration Committee considers the market position of the Vice Chancellor and Chief Executive's role, reviewing against comparator institutions. For 2019-20, the Vice Chancellor's total pay is currently above median against the UCEA Remuneration Survey but below the average when comparing total pay. The Vice Chancellor's salary is currently below all but two of the comparator institutions used in the CUC 2019-20 Survey.

The pay multiple of the Vice Chancellor and the median earnings of the institution's whole workforce, illustrating how that multiple has changed over time is shown below. To assist with consistency and comparison, the definition for the multiple is based on the methodology used by the Office for Students:

Median basic pay ratio (Ofs Methodology)	Staffordshire University	Sector Overall	Post 92 Part of the Sector
2017-18	6.3	7.4	6.8
2018-19	6.7	7.0	6.6
2019-20	6.6	N/A	N/A

Median total remuneration ratio (Ofs Methodology)	Staffordshire University	Sector Overall	Post 92 Part of the Sector
2017-18	7.1	7.9	7.2
2018-19	6.8	7.3	7.0
2019-20	6.7	N/A	N/A

The Remuneration Committee also considers the performance of the institution when reviewing remuneration of the Vice Chancellor and Chief Executive. Most notably, in the Strategic Plan from 2016-2021 there were three high-level key performance indicators. These were Teaching Excellence and Student Outcome Framework (TEF) Gold, top 50% position in the main UK league tables and financial sustainability.

Following resubmission in the TEF process, the University, based on its much-improved metrics, was awarded Gold standard in the Teaching Excellence and Student Outcome Framework (TEF) in 2019. The University currently has earned the following league table positions:

- Complete University Guide (75th)
- Guardian League Table (44th)
- Sunday Times Good University Guide (57th)

In addition, the following achievements are recorded:

- Second consecutive year in the THE World Rankings in 2019
- Shortlisted for the University of the Year Award at the Sunday Times Awards 2019 and shortlisted for THE University of the Year Award in 2020
- Winner of Midlands University of the Year Award in 2020

As part of the 2019 Queen's Birthday Honours, the Vice Chancellor received a CBE for her contribution to Higher Education in 2019. In addition, in recognition of her leadership, the Vice Chancellor was nominated and completed the Cabinet Office National Leadership Centre Programme, for those who are recognised as amongst the most talented, high-potential leaders in their sector, nominated by the Department for Education. In 2020, the Vice Chancellor was also awarded the title of Deputy Lieutenant of the County.

Notes to the Accounts

Year Ended 31 July 2020

7 Staff costs (continued)

Remuneration of other higher paid staff earning over £100,000, excluding employer's pension contributions are shown before any salary sacrifice:

	Year Ended 31 July 2020	Year Ended 31 July 2019
	No.	No.
£100,000 to £104,999	0	1
£105,000 to £109,999	1	0
£110,000 to £114,999	1	0
£115,000 to £119,999	0	0
£120,000 to £124,999	0	0
£125,000 to £129,999	1	0
£130,000 to £134,999	0	0
£135,000 to £139,999	3	3
£140,000 to £144,999	0	1
£145,000 to £149,999	1	0
	7	5

Average staff numbers by major category :

	No.	No.
Academic	491	466
Academic Technicians	51	50
Administrative, Professional & Clerical Staff	645	629
Management (Academic)	38	37
Management (Non Academic)	33	32
	1,258	1,214

Key management personnel

Key management personnel are the Senior Leadership Team (SLT) who have authority and responsibility for planning, directing and controlling the activities of the University. SLT had 18 members (17 FTE's), (2018/19 - SLT had 17 members; 16 FTE's). This includes compensation paid to key management personnel.

	Year Ended 31 July 2020	Year Ended 31 July 2019
	£'000	£'000
Key management personnel	2,449	2,264

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, 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 may have an interest. All transactions involving organisations in which a Board member may have an interest, including those identified in Note 27, are conducted at arms length and in accordance with the University's Financial Regulations and usual procurement procedures.

No Board member has received any remuneration/waived payments from the group during the year (2019 - none)

The total expenses paid to or on behalf of three Board members was £2.1k (2019 - £3.3k to four Board members). This represents travel and subsistence expenses incurred in attending Board meetings, Committee meetings and Charity events in their official capacity.

Notes to the Accounts

Year Ended 31 July 2020

	Notes	Year Ended 31 July 2020		Year Ended 31 July 2019	
		Consolidated	University	Consolidated	University
		£'000	£'000	£'000	£'000
8 Interest and other finance costs					
Loan interest		1,521	1,521	1,578	1,578
Net charge on pension scheme	25	1,716	1,716	1,523	1,523
		3,237	3,237	3,101	3,101

	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
9 Other Operating Expenses				
Academic and Related Expenditure	13,132	13,132	12,100	12,100
Administration and Central Services	15,406	15,332	15,895	15,720
Premises	5,143	5,143	5,684	5,684
Research Grants and Contracts	115	115	411	411
Residences, Catering and Conferences	1,414	1,414	3,347	3,347
Other Expenditure	1,526	1,526	696	696
	36,736	36,662	38,133	37,958

Other Operating Expenses include fees paid to the External Auditors for audit services of £70,000 (2018/19 - £64,000), and fees for non-audit services were £13,000 (2018/19 - £28,000).

	Year Ended 31 July 2020	
	Consolidated	University
	£'000	£'000
9a Access and Participation		
Access Investment	1,356	1,356
Financial Support	606	606
Disability Support	945	945
Research and Evaluation	313	313
	3,220	3,220

£1,556k of these costs are already included in the overall staff cost figures included in Note 7 of the financial statements.

There is no prior year comparator, as 2019-20 is the first period of access and participation plans.

The approved Access and Participation plan for the university can be found within the following link:

<https://www.staffs.ac.uk/about/corporate-information/access-agreements>

10 Taxation

The taxation charge for the University and Group in the year was zero (2018/19 : zero).

Notes to the Accounts

Year Ended 31 July 2020

11 Fixed Assets Consolidated & University

	Freehold Land and Buildings	Assets in the Course of Construction	Investment Properties	Computer Equipment	Other Equipment & Fittings	Motor Vehicles	Heritage Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 August 2019	171,206	3,804	2,265	16,848	17,898	24	1,300	213,345
Additions	461	9,802	0	363	123	0	0	10,749
Reclassification	2,039	(3,473)	0	550	884	0	0	0
Disposals	0	0	0	0	0	0	0	0
At 31 July 2020	173,706	10,133	2,265	17,761	18,905	24	1,300	224,094
Depreciation								
At 1 August 2019	49,495	0	0	8,643	9,206	10	0	67,354
Charge for the year	5,939	0	0	2,400	2,251	8	0	10,598
Reclassification	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0	0
At 31 July 2020	55,434	0	0	11,043	11,457	18	0	77,952
Net book value								
At 31 July 2020	118,272	10,133	2,265	6,718	7,448	6	1,300	146,142
At 31 July 2019	121,711	3,804	2,265	8,205	8,692	14	1,300	145,991

Freehold Buildings at the University's Stoke Campus, Blackheath Lane, Stafford and Lichfield were revalued on a depreciated replacement cost basis by GVA Bilfinger, an Independent Chartered Surveyor, as at 1 August 2014. Freehold land was revalued on an open market, existing use basis at the same date. The University has used those fair values as its deemed cost at 1 August 2014 in accordance with FRS102 Paragraph 35.10(c).

At 31 July 2020, Freehold land and buildings included £17.3 million (2018/19: £17.3 million) in respect of Freehold land which is not depreciated.

Notes to the Accounts

Year Ended 31 July 2020

12 Heritage assets

The Thornhill Bequest, a collection of medieval Chinese pottery owned by the University. The value is based on a valuation made for insurance purposes as at November 2013. The valuation was undertaken by professional advisors expert in this field.

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Valuation	1,300	1,300
Additions	0	0
Disposals	0	0
	1,300	1,300

13 Non-Current Investments

Consolidated	Subsidiary companies £'000	Subsidiary investment in spinouts £'000	Other fixed assets investments £'000	Total £'000
At 1 August 2019	0	0	74	74
Additions	0	0	0	0
Disposals	0	0	0	0
Impairment	0	0	0	0
At 31 July 2020	0	0	74	74

University	£'000	£'000	£'000	£'000
At 1 August 2019	0	0	74	74
Additions	0	0	0	0
Disposals	0	0	0	0
Impairment	0	0	0	0
At 31 July 2020	0	0	74	74

Other non-current investments consist of :

	Consolidated and University £'000
CVCP Properties Limited	33
Mercia Asset Management PLC	41
	74

Non-Current investments represent £33k investment (0.78% of the issued share capital) in CVCP Properties Limited, which is a Company registered in Great Britain and incorporated in England and Wales and £41k investment (0.0003% of the issued share capital) in Mercia Asset Management PPLC previously known as Mercia Technologies PLC.

The group holds shares in a number of spin out companies and companies which have been set up through Research Business and Employability Services.

The group shareholding is as follows:

	University Holding	Value	
Subsidiary Companies			
Staffordshire University Unitemps Ltd	100%	£1	
Staffordshire University Services Ltd	100%	£1	
Staffordshire University Enterprises Ltd	100%	£0	Dissolved 28th August 2018
Spinout Companies			
AVA Technologies Ltd	37%	-	Active proposal to strike off
Echo Breaker Research and Analysis Ltd	15%	-	Dissolved 28th August 2018
Grand Independent Ltd	30%	-	
High House Collections Ltd	100%	-	Dissolved 23rd October 2018

Staffordshire University Unitemps Ltd was established to act as an employment agency primarily employing students and providing services both internal and external to the University.

Staffordshire University Services Ltd, a company incorporated in and operating in Great Britain and registered in England and Wales. The main areas of activity of Staffordshire University Services Limited, are the provision of staff to the University.

Staffordshire University Enterprises Ltd, a company incorporated in and operating in Great Britain and registered in England and Wales. The main areas of activity of Staffordshire University Enterprises Limited, are the undertaking of consultancy work and the operation of recreational activities. The company was dormant throughout the year and was dissolved on the 28th August 2018.

The group has chosen not to attribute any value to the investments in spinout companies within the financial statements.

Notes to the Accounts
Year Ended 31 July 2020

14 Trade and other receivables	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Other trade receivables	7,128	6,795	6,341	6,056
Other receivables	521	517	309	308
Prepayments and accrued income	5,705	5,577	5,408	5,409
Amounts due from subsidiary companies	0	14,094	0	11,888
	13,354	26,983	12,058	23,661

15 Cash and Cash Equivalents	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Cash and Cash equivalents	23,710	22,665	10,608	9,969
	23,710	22,665	10,608	9,969

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

16 Creditors : amounts falling due within one year	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated	University	Consolidated	University
	£'000	£'000	£'000	£'000
Unsecured loans	1,690	1,690	1,628	1,628
Trade payables	2,594	2,594	3,493	3,491
Social security and other taxation payable	2,655	2,346	2,310	2,035
Accruals and deferred income	20,491	20,371	18,559	18,461
Other Creditors	456	453	484	482
Amounts owed to subsidiary companies	0	13,017	0	11,337
	27,886	40,471	26,474	37,434

Notes to the Accounts

Year Ended 31 July 2020

17 Creditors : amounts falling due after more than one year

	Year ended 31 July 2020		Year ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Deferred income	20,605	20,605	19,663	19,663
Unsecured loans	36,839	36,839	38,530	38,530
	57,444	57,444	58,193	58,193

Analysis unsecured loans:

	Year ended 31 July 2020		Year ended 31 July 2019	
Due within one year or on demand (Note 16)	1,690	1,690	1,628	1,628
Due between one and two years	1,754	1,754	1,692	1,692
Due between two and five years	5,698	5,698	5,472	5,472
Due in five years or more	29,387	29,387	31,366	31,366
Due after more than one year	36,839	36,839	38,530	38,530
Total unsecured loans	38,529	38,529	40,158	40,158

Deferred income represents deferred capital government grants which are now required under FRS102 to be reported as a long term creditor.

The University has two term loans, the first was drawn down in 2007 for £16m at 5.38% fixed for 27 years and the second of £34m was drawn down in 2013 at 3.19% fixed for 25 years.

18 Provisions for liabilities

Consolidated	Pension enhancements on termination	Onerous Lease/ Dilapidations	Restructuring	Total
	£'000	£'000	£'000	£'000
At 1 August 2019	1,091	529	100	1,720
Utilised in year	(543)	0	(100)	(643)
Additions in 2019/20	32	200	2,358	2,590
At 31 July 2020	580	729	2,358	3,667

University	Pension enhancements on termination	Onerous Lease/ Dilapidations	Restructuring	Total
	£'000	£'000	£'000	£'000
At 1 August 2019	1,091	529	100	1,720
Utilised in year	(543)	0	(100)	(643)
Additions in 2019/20	32	200	2,358	2,590
At 31 July 2020	580	729	2,358	3,667

Notes to the Accounts

Year Ended 31 July 2020

19 Endowment Reserves - Consolidate & University

Restricted net assets relating to endowments are as follows:

	Restricted Permanent endowments £'000	Year Ended 2020 Total £'000	Year Ended 2019 Total £'000
Balances at 1 August 2019			
Capital	22	22	22
Accumulated income	4	4	4
	26	26	26
New endowments	0	0	0
Investment income	0	0	0
Expenditure	0	0	0
(Decrease) / increase in market value of investments	0	0	0
Total endowment comprehensive income for the year	0	0	0
At 31 July 2020	26	26	26
Represented by:			
Capital	22	22	22
Accumulated income	4	4	4
	26	26	26
Analysis by type of purpose:			
Prize funds	26	26	26
	26	26	26

Notes to the Accounts

Year Ended 31 July 2020

20 Restricted Reserves - Consolidated & University

Reserves with restrictions are as follows:

	Year Ended 2020 Total £'000	Year Ended 2019 Total £'000
Balances at 1 August 2019	4,588	4,588
New grants	0	0
New donations	60	0
Investment income	0	0
Capital grants utilised	0	0
Gain on disposal	0	0
(Decrease) / increase in market value of investments	0	0
Total restricted comprehensive income for the year	60	0
At 31 July 2020	4,648	4,588
	2020 Total £'000	2019 Total £'000
Analysis of other restricted funds /donations by type of purpose:		
Lectureships	0	0
Scholarships and bursaries	0	0
Research support	0	0
Prize funds	0	0
General	4,648	4,588
At 31 July 2020	4,648	4,588

21 Investments

	At 31st July 2020 £'000	Cash Flows £'000	At 1st August 2019 £'000
Consolidated			
Short-term investments	54,234	(5,304)	59,538
Bank overdraft	0	0	0
	54,234	(5,304)	59,538

Short-term investments 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 balance sheet date.

Notes to the Accounts

Year Ended 31 July 2020

22 Capital and other commitments

Provision has not been made for the following capital commitments at 31 July 2020:

	Year Ended 31 July 2020		Year Ended 31 July 2019	
	Consolidated £'000	University £'000	Consolidated £'000	University £'000
Commitments contracted for	668	668	137	137
Approved not contracted for	1,369	1,369	3,724	3,724
	2,037	2,037	3,861	3,861

23 Lease obligations

Total rentals payable under operating leases:
Consolidated & University

	Year Ended 31 July 2020			31 July 2019
	Land and Buildings £'000	Other leases £'000	Total £'000	£'000
Payable during the year	1,677	94	1,771	1,919
Future minimum lease payments due:				
Not later than 1 year	1,950	15	1,965	1,265
Later than 1 year and not later than 5 years	2,701	4	2,705	576
Later than 5 years	1,990	0	1,990	66
Total lease payments due	8,318	113	8,431	3,826

24 Contingent Liabilities

The University is a member of U.M. Association Limited (UMAL), a company limited by guarantee, formed to provide a mutual association for insuring risk. Under the terms of its membership, each member acts as insurer and insured. If the association as a whole suffers a shortfall in any underwriting year, the members are liable for their pro-rated share, spread using a bank facility over seven years. The University is a guarantor, on a joint and several basis, with a bank facility. No liability has yet arisen under this guarantee.

25 PENSION COSTS

Retirement benefits for employees of the University are provided by defined benefit schemes, which are funded by contributions from the University and employees. Payments are made to the Teachers' Pension Scheme for academic staff and to the Staffordshire County Council Superannuation Scheme (LGPS) for non-academic staff. These are both independently administered schemes.

Total employees and employers contributions to the Teachers' Superannuation Scheme for 2019/20 were £6,433k (2018/19 £5,363k) and for the Staffordshire County Council Superannuation Scheme £2,635k (2018/19 £2,392k).

Funded liabilities comprise of approximately £291m in respect of employee members, deferred pensioners and

pensioners. For unfunded liabilities it is assumed that all unfunded pensions are payable for the remainder of the member's life. It is further assumed that 90% of pensioners are married (or cohabiting) at death and that their spouse (cohabitee) will receive a pension of 50% of the member's pension as at the date of the member's death.

Staffordshire University Services Ltd

The pension scheme for Staffordshire University Services Ltd with Aviva is a defined contribution plan, a post employment benefit plan under which Staffordshire University Services Ltd pays fixed contributions into a separate entity and has 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 year during which services are rendered by employees.

Notes to the Accounts**Year Ended 31 July 2020****Teachers' Pension Scheme**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The University is unable to identify its share of the underlying assets and liabilities of the plan.

Valuation of The Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department of Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards compared to 16.48% during 2018/19. DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location: <https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

Scheme Changes

Following the Hutton report in March 2011 and the subsequent consultations with trade unions and other representative bodies on reform of the TPS, the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012, will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

Regulations giving effect to a reformed Teachers' Pension Scheme came into force on 1 April 2014 and the reformed scheme commenced on 1 April 2015.

Local Government Pension Scheme

The LPGS is a defined benefit statutory scheme, administered in accordance with the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008. It is contracted out of the State Second Pension.

The agreed contribution rates for future years is 23.3% plus an increasing annual sum for the employer and an average rate of 8.1% for employees.

The latest formal valuation of the Fund for the purpose of setting employers' actual contributions was as at 31 March 2019, with the next formal valuation due as at 31 March 2022. A valuation of the Fund's liabilities as at 31 July 2020 has been undertaken by the Fund's actuary for the purpose of FRS 102 "Retirement Benefits". The following valuation data has been used for the purposes of this disclosure.

The individual membership data submitted as at the 31 March 2019 for the purpose of the funding valuation at that date (or for employers which have joined the Fund after 31 March 2019, membership data as at the date of joining);

The individual pensioner data in respect of LGPS unfunded pensions and teachers' pensions where appropriate;

The latest numbers of employees, deferred pensioners and pensioners;

Actual payroll data information up to the latest available date;

Employer and employee contributions up to the latest available date (in order to estimate contribution income and pensionable payroll for the accounting period this year);

The actual split of the fund assets as at the latest available date;

The actual Fund returns provided up to the latest available date;

Notes to the Accounts

Year Ended 31 July 2020

25 PENSION COSTS (Continued)

Local Government Pension Scheme (Continued)

Any new early retirements from 1 August 2019 to the latest available date on unreduced pensions which are not anticipated in the normal employer service cost (e.g. non ill-health retirements before the member's benefits can be taken unreduced), as set out in Section 1 of the Results Schedule.

The following information is based upon a full actuarial valuation of the Fund at 31 March 2019.

Salary increases are 1% pa nominal.

Changes to the Local Government Pension Scheme (LGPS) under regulation 3 of the LGPS (Amendment) Regulations 2006 (statutory Instrument 2006/966) permits employees retiring on or after 6 April 2006 to take an extra increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension.

Commutation

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for the pre-April 2008 service and 75% of the maximum tax-free cash for post-April 2008 service.

	At 31 July 2020	At 31 July 2019
Rate of increase in salaries	2.60%	2.80%
Rate of increase for pensions	2.20%	2.40%
Discount rate for liabilities	1.40%	2.10%

Sensitivity Analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions

	At 31 July 2020		At 31 July 2019	
	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	11%	33,604	11%	31,192
0.5% increase in the Salary Increase Rate	1%	1,908	2%	5,089
0.5% Increase in the Pension Increase (CPI)	10%	31,108	9%	25,472

Consumer Price Inflation (CPI) - Pension Increase Rate

The CPI assumption is derived based on a deduction from the Retail Price Inflation (RPI) assumption, known as the RPI-CPI wedge or gap which is the actuary's estimate of the long term differences between RPI and CPI. For the prior year, the actuary estimate was a deduction to RPI of 100 basis points. This year, the estimate has been changed to make a smaller deduction of 90 basis points to RPI. The change in the wedge means the CPI assumption is now 0.1% higher than it would have been under the prior year methodology. In addition, there have been changes in market conditions which reduce the RPI assumption by 30 basis points. This element of

change is driven by market conditions where as the reduction to the wedge is subjective. The combined effect of these two elements is a reduction to CPI of 0.2% (+0.1% change in the RPI-CPI gap and -0.3% change in market conditions).

The expected impact of a 0.1% increase in the CPI assumption (as a result of the change in the wedge) of £6.6m which has been derived from the sensitivity information provided in the Actuary's report. The Actuary's results report gives the impact of a 0.5% increase in the CPI pension increase rate and the salary increase rate (which is CPI linked) separately.

Notes to the Accounts

Year Ended 31 July 2020

25 PENSION COSTS (Continued)

Mortality Assumptions

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2018 Model, an allowance for smoothing of recent mortality experience and long term rates of 1.25% pa. for males and females.

	Males	Females
Current Pensioners	22.2 years	23.6 years
Future Pensioners*	22.1 years	25.0 years

* Figures assume member aged 45 as at the last formal valuation date.

Historic Mortality

Life expectancy for the prior year end is based on the fund's VitaCurves. The allowance for the future life expectancies are shown below:

Year Ended	Prospective Pensioners	Pensioners
31 July 2019	CMI 2013 model assuming the current rate of improvement has reached a peak and will converge to a long-term rate of 1.25% p.a.	CMI 2013 model assuming the current rate of improvement has reached a peak and will converge to a long-term rate of 1.25% p.a.

The assets in the scheme and the expected rates of return were:

	Proportion of each asset type at 31 July 2020	Value at 31 July 2020 £'000	Proportion of each asset type at 31 July 2019	Value at 31 July 2019 £'000
Equities	65%	124,475	69%	137,503
Bonds	22%	42,130	20%	39,856
Property	9%	17,235	8%	15,942
Cash	4%	7,660	3%	5,979
Total Market Value of Assets		<u>191,500</u>		<u>199,280</u>

	Year ended 31 July 2020 £'000	Year ended 31 July 2019 £'000
Group's estimated asset share	191,500	199,280
Present value of scheme liabilities	(302,644)	(281,033)
Deficit in the scheme	<u>(111,144)</u>	<u>(81,753)</u>

Under the arrangements of FRS102, a provision has been made by the Group for the Institution's share of the deficit of the scheme.

Notes to the Accounts

Year Ended 31 July 2020

25 PENSION COSTS (Continued)

ANALYSIS OF THE AMOUNT CHARGED TO THE INCOME AND EXPENDITURE ACCOUNT

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Employer service cost (net of employee contributions)	4,442	3,182
Past service cost	(176)	(2,418)
Curtailment and Settlements	0	0
Total operating cost	4,266	764

Analysis of pension finance income/costs

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Expected return on pension scheme assets	4,192	5,133
Interest on pension scheme liabilities	(5,908)	(6,656)
Pension finance costs	(1,716)	(1,523)

Amounts recognised in the Statement of Comprehensive Income & Expenditure (SOCI)

Actuarial (loss) / gain recognised in SOCI	(28,297)	(27,694)
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Reconciliation of defined benefit obligation

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Opening Defined Benefit Obligation	281,033	239,813
Current service cost	4,442	3,182
Interest Cost	5,908	6,656
Contributions by Members	770	688
Actuarial gains / (losses)	16,451	38,461
Past Service Costs (including Curtailments)	(176)	(2,418)
Unfunded Benefits Paid	(746)	(727)
Benefits Paid	(5,038)	(4,622)
Closing Defined Benefit Obligation	302,644	281,033

Reconciliation of fair value of employer assets

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Opening Fair Value of Employer Assets	199,280	183,506
Expected Return on Assets	4,192	5,133
Contribution by Members	770	688
Contributions by the Employer	4,142	3,808
Contributions in respect of Unfunded Benefits	746	727
Actuarial Gains/(Losses)	(11,846)	10,767
Estimated Unfunded Benefits paid	(746)	(727)
Estimated Benefits Paid	(5,038)	(4,622)
Closing Fair Value of Employer Assets	191,500	199,280

Movement in deficit during the year

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Deficit in scheme as 1 August	(81,753)	(56,307)
Movement in year:		
Current service charge	(4,442)	(3,182)
Contributions	4,142	3,808
Contributions in respect of Unfunded Benefits	746	727
Past service costs	176	2,418
Net interest on assets	(1,716)	(1,523)
Actuarial (loss) / gain	(28,297)	(27,694)
Deficit in scheme as 31 July	(111,144)	(81,753)

Notes to the Accounts

Year Ended 31 July 2020

26 Department for Education (DfE)

	Year Ended 31 July 2020 £'000	Year Ended 31 July 2019 £'000
Student Bursaries		
Opening fund balance	63	97
Net DfE grants received in year	992	902
Disbursed to students	(971)	(923)
Reclaim/ adjustment	(59)	(13)
Balance Unspent at 31 July owing to the DfE	25	63

27 Related Party Transactions

Due to the nature of the University's operations and the composition 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 such transactions are conducted at arm's length and in accordance with the University's Financial Regulations and Standing Orders Relating to Contracts and normal procurement procedures.

Included with the accounts for the period are transactions between:

Staffordshire University and Staffordshire University Students Union. The University provided a grant of £832k to the Student's Union (2018/19: £832k), and purchases from the Student's Union amounted to £29k (2018/19: £28k), and Sales £23k (2018/19: £nil).

Staffordshire University Academy Trust and Staffordshire University. Purchases by the University amounted to £4k (2018/19: £1k) and sales £3k (2018/19: £36k).

Staffordshire University Academy Trust and Staffordshire University Unitemps Ltd. Purchases by Unitemps £nil (2018/19: £nil) and sales £nil (2018/19: £3k).

SHORTLISTED FOR
**UNIVERSITY
OF THE YEAR***



THE
CONNECTED
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*Times Higher Education Awards 2020