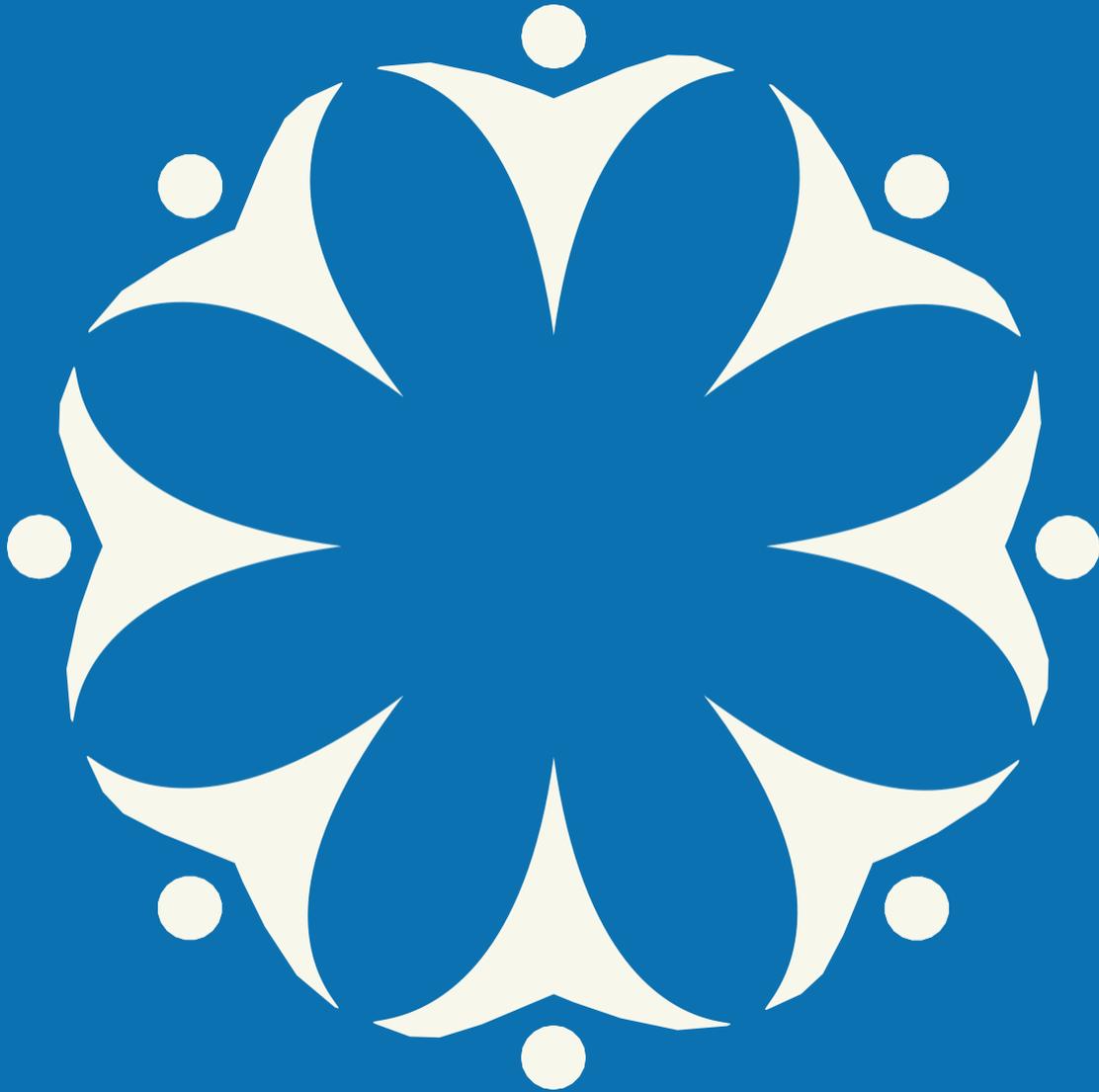


Yorkshire Universities

2020-21 Annual Report
and Accounts



Reference and administrative details for the year ended 31 July 2021

Registered office: 22 Clarendon Place, Leeds, LS2 9JY

Registered company number: 03467035

Registered charity number: 1109200

Independent examiner: Mark Heaton FCCA DChA FCIE
KM Chartered Accountants
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The Wharf
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Bankers: Unity Trust Bank plc
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Cambridge & Counties Bank
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Leicester
LE1 6TE

Manchester Building Society
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Manchester
M1 4QD

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CHAIR'S FOREWORD

I am delighted to introduce the 2020-21 Annual Report for Yorkshire Universities (YU). Our latest financial year continued to be dominated by COVID-19, which has had a profound impact upon our students and staff, and the people, places, businesses and communities in Yorkshire. I was proud of how universities and the higher education sector in the region responded to the challenges of the pandemic. YU members will be crucial as we recover and look to create a more prosperous, greener and inclusive economy and society in Yorkshire.

Our 2019-22 Strategy, which focuses upon the strategic priorities of 'Ideas', 'Talent' and 'Communities', has stood the test of time, and it aligns closely with the government's levelling up agenda. In the last twelve months, we have expanded our work on climate change, health and well-being, skills and innovation, based on an approach that is underpinned by a commitment to greater social inclusion, equality and fairness. In taking this agenda forward, we are also drawing more upon the region's academic research base to inform and shape our approach, and to influence the policies and strategies of local and regional institutions. The new Research England-funded Capabilities in Academic Policy Engagement (CAPE) Regional Development Fellowship, based within the YU Executive Team, will play a central role in connecting the diverse expertise within Yorkshire's universities.

The move to refocus and strengthen our mission towards the place agenda is paying dividends, with YU seen increasingly as an influential and impactful stakeholder in the region, and at a national level. In my first year as Chair, I have been impressed at how YU has widened and deepened its relationships with a range of different institutions and sectors. The Memorandum of Understanding we signed in July with Yorkshire & Humber Councils, for example, provides us with a new framework in which to deliver many of the objectives within our Strategy, and to make sure that our voice is heard loud and clear within the region and beyond.

The impact of the last eighteen months on the higher education sector has been noticeable, and we still face a challenging external policy environment, which could generate even more turbulence following the Comprehensive Spending Review. And yet the record numbers of people going to university in England, in 2021-22, is testimony, in part, to the enduring attraction and individual and societal benefits of higher education. We made our own contribution to supporting members and generating more value added during these uncertain times by reducing our total membership subscriptions in 2020-21. I am grateful to the Executive Director, Dr Peter O'Brien, and his team, for continuing to run a highly effective and efficient operation.

In 2020-21, Sir Alan Langlands, Vice-Chancellor of the University of Leeds and Professor Margaret House, Vice-Chancellor of Leeds Trinity University, retired, and Gerry Godley left Leeds Conservatoire. I would like to thank them for their leadership and long-standing support for YU. This year, we welcomed Professor Simone Buitendijk, Vice-Chancellor at the University of Leeds, Professor Charles Egbu, Vice-Chancellor at Leeds Trinity University, and Professor Joe Wilson, Principal, Leeds Conservatoire, to the YU Board.

I would also like to thank Professor Sir Chris Husbands for the excellent job he did in steering YU through the initial stages of our Strategy, and for laying the foundations for YU to become much more confident and more in line with our members' priorities. I am a great supporter of and believer in the power of collaboration and cooperation. We have a strong leadership team in the Board, one that is united in using our diverse, but distinct, assets and strengths to help build a better region. YU enters 2021-22 in excellent shape, and it is ready to deliver what I expect will be an exciting agenda over the next twelve months.


Professor Shirley Congdon

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Yorkshire Universities for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. These should give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities Statement Of Recommended Practice (SORP).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GOVERNANCE, STRUCTURE AND RISK MANAGEMENT

Governance

Founded in 1987, Yorkshire Universities (YU) is a charity and a company limited by guarantee. Its governing documents are the Articles of Association, last amended on 2 July 2020, which can be accessed on the YU website under the [Members and Governance page](#).

YU represents eleven universities and one specialist higher education institution: the universities of Bradford, Huddersfield, Hull, Leeds, Leeds Arts, Leeds Beckett, Leeds Trinity, Sheffield, Sheffield Hallam, York, and York St John, together with Leeds Conservatoire. The vice-chancellors and principals of these institutions are the members of the company, forming its board of directors. The Board meets three times a year, regularly monitoring the organisation's performance, and setting the strategic priorities for YU.

Board of Trustees:

Leeds Arts University	Professor Simone Wonnacott, Vice-Chancellor
Leeds Beckett University	Professor Peter Slee, Vice-Chancellor
Leeds Conservatoire	Professor Joe Wilson, Principal <i>(Appointed: Interim Principal, 01.10.20, Principal 12.07.21)</i> Gerry Godley, Principal & Managing Director <i>(Resigned 30.09.20)</i>
Leeds Trinity University	Professor Charles Egbu, Vice-Chancellor <i>(Appointed 01.11.20)</i> Professor Margaret House OBE, Vice-Chancellor <i>(Resigned 31.10.20)</i>
Sheffield Hallam University	Professor Sir Chris Husbands, Vice-Chancellor
University of Bradford	Professor Shirley Congdon, Vice-Chancellor <i>Chair of the Board</i>
University of Huddersfield	Professor Bob Cryan CBE, Vice-Chancellor and Chief Executive
University of Hull	Professor Susan Lea, Vice-Chancellor
University of Leeds	Professor Simone Buitendijk, Vice-Chancellor <i>(Appointed 01.09.20)</i> Sir Alan Langlands, Vice-Chancellor <i>(Resigned 31.08.20)</i>
University of Sheffield	Professor Koen Lamberts, President and Vice-Chancellor
University of York	Professor Charlie Jeffery CBE, Vice-Chancellor and President
York St John University	Professor Karen Bryan OBE, Vice-Chancellor

New trustees

New trustees are welcomed by the Chair of the Board and the Executive Director (ED) and receive briefings about the strategic aims and objectives of YU. Any further initial preparation is agreed on an individual basis. YU maintains a staff handbook, which includes policies, procedures and governance information; this is regularly updated. The ED reports on attendance at the Board to the Chair, agreeing any necessary action.

The Board has two sub-committees:

- The Audit Committee: that reviews YU's policies and procedures and authorises any changes; it oversees the organisation's independent examination and advises the Board on follow-up actions. The Audit Committee meets at least twice a year.
- The Human Resources Committee: chaired by the Chair of the Board, is responsible for appointing and performance-managing the ED and dealing with relevant staffing issues as necessary. The HR Committee meets at least once a year.

Structure

The Regional Development Group (RDG), chaired by Dr Sarah Want, University of Sheffield, acts as the main vehicle for members to operationalise and provide advice and guidance on the implementation of the YU Strategy. A West Yorkshire Higher Education Economic Development Group, co-chaired by Dr Liam Sutton, University of Bradford, is the collaborative interface between the nine YU members in Leeds City Region and the West Yorkshire Combined Authority/Leeds City Region LEP. An informal network of policy and communication advisers also meets under the auspices of the Policy & Communications Network.

In addition, YU convenes meetings and groups of members as and when issues and matters arise, including on a task and finish basis. Communications with members and partners are delivered through a Weekly Digest, quarterly Newsletter, blogs and various social media platforms. The Chair and ED are also regular contributors in the regional press and media on matters relating to higher education.

As of 31 July 2021, the YU core Executive Team consisted of the following:

Two employees:

- Dr Peter O'Brien, Executive Director (also Company Secretary).
- Monika Antal, Executive Manager.

Four contractors:

- Executive Assistant (Emma Dick).
- Accountant (Mark Hill).
- and two associates who support the ED and Executive Manager in policy development and implementing the strategic and operational plans (Professor Roger Lewis and James Ransom).

One secondment:

- Dr Richard Whittle, Capabilities in Academic Policy Engagement (CAPE) Regional Development Fellow, joined to work with YU and the Place-based Economic Recovery Network (PERN) on 1 July 2021, on an initial 12-month contract facilitated by University College London and CAPE.

Risk management

For membership organisations, such as YU, the principal risks relate to member engagement and maintaining sufficient income levels for the charity to continue and to develop and deliver its work. Additionally, risks are posed by changes in the external macro environment, such as new government policies or economic and societal shocks. These risks are reviewed on a regular basis and action taken as appropriate. YU reviews its strategy continually to ensure it remains current and resilient; the new strategy for 2019-22 was approved by the Board in July 2019. The organisation monitors its staffing complement to ensure it maintains sufficient capacity and appropriate structures to carry out operations aligned with its strategy. The trustees have examined the major strategic, business and operational risks that the charity faces and can confirm that systems have been established to enable regular reviews to be carried out to ensure necessary steps can be taken to mitigate these risks.

Implications of COVID-19

Given the uncertainty and financial pressures caused by the pandemic across the whole of the HE sector, including YU members, a decision was taken at the 1 July 2020 Board meeting to reduce baseline costs in the YU budget, which, as a result, saw overall membership subscription fees revised to £199k for 2020-21.

MISSION

“Through our strategy, we will work collectively and collaboratively with partners to create more prosperous, inclusive and sustainable economies and communities in Yorkshire.”

Vision

“As a regional partnership of higher education institutions, we have a shared commitment to place and to supporting aspiration and opportunity.”

Meeting and reporting on public benefit

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission’s general guidance on public benefit, ‘Charities and Public Benefit’. The structure of the trustees’ annual report allows us to report on our strategic aims, our activities and achievements during the year and also outline our plans for 2021-22. We have embedded examples of how YU meets the public benefit requirement throughout our report. Examples of highlights can be found in the next section; you can find a detailed version of the [YU 2019-22 Strategy on the website](#).

OBJECTIVES AND ACHIEVEMENTS

YU's three-year 2019-22 strategy focuses upon delivering activities against three priorities, each with specific objectives:

1. Ideas: Strengthen HE contributions towards increased research and innovation activity in the region.
2. Talent: Extend and deepen partnership to improve higher level skills pathways into continuous development and learning.
3. Communities: Ensure universities / HE are recognised as influential anchor institutions.

In addition, there are a number of crosscutting enabling mechanisms: governance; finance; communications; partnerships; executive services; intelligence & analysis; monitoring & evaluation; each with specific objectives. A summary is given below of the objectives for each of these four priority areas, together with examples of what has been achieved in the second year of the strategy in 2020-21.

1. Ideas: Strengthen HE contributions towards increased research and innovation activity in the region.

Objectives:

- Promote HE research and innovation (R&I) assets and strengths within Yorkshire.
- Persuade government, UK Research & Innovation (UKRI), Local Enterprise Partnerships (LEPs) and others to create more place-sensitive R&I systems.
- Encourage members to connect R&I capabilities across institutions and disciplines.
- Advocate stronger integration of R&I with economic development policies (including skills' policies), strategies and funding.

Achievements:

- The Regional Development Group (RDG), facilitated by Space Hub Yorkshire (SHY) and supported by YU, took part in an exercise to map member R&D capacity and capabilities in the space sector designed to inform the SHY Strategy submitted to the UK Space Agency.
- This year, in addition to place-based R&D and new funding and financing mechanisms for local growth and development, RDG identified knowledge exchange as a priority area. We issued letters of support for members preparing their institutional KEF narratives and we organised a roundtable with Universities UK and Research England on knowledge exchange and the KE Concordat to stimulate closer YU member collaboration.
- We supported the development of research and innovation frameworks in the region by being an active member of the West Yorkshire (WY) Innovation Network leading to the creation of a new WY Innovation Framework.
- To encourage stronger research collaborations and closer place-based innovation with business and others as part of a wider eco-system, together with the universities of Bradford, York, Leeds, Leeds Beckett, Leeds Trinity and Huddersfield, YU hosted a highly collaborative session on opportunities for business and universities to work together at the inaugural WY Innovation Festival.

- We successfully leveraged grant funding from CAPE for a new Regional Development Fellowship to lead an innovative project tasked with strengthening the use and application of university research to inform public policy in WY. In his first month in position, Dr Richard Whittle presented initial ideas from research he has conducted on the future of cities and towns, at a meeting of the West Yorkshire Economic Recovery Board, chaired by the new Mayor of West Yorkshire that was received positively.
- YU also contributed to the region's economic recovery plans through working closely with the Chair of the YU Board, Professor Shirley Congdon who is an active member of the WY Economic Recovery Board and the Leeds City Region (LCR) LEP Board.
- In the continued effort to champion, raise profile and awareness, together with PERN, YU convened a roundtable of academics from across the region to review the West Yorkshire Combined Authority's (WYCA) Business Productivity and Resilience Plan.
- We co-organised a roundtable with National Centre for Universities and Business (NCUB) and Mike Rees who led a Research England Commission into university-investor relationships, on ambitions and aspirations for university-investor links in R&D in Yorkshire & the Humber. We then facilitated the contribution of YU members and partners into the NCUB's 'Research to Recovery', Research & Development Taskforce Report.
- We have been strengthening our relationships with other regional university networks, such as the N8 Research Partnership, Midlands Innovation, London Higher and G4W, in an effort to increase our influence over the proposals and actions planned by government in relation to place-based R&D in the form of joint publications.

Related consultation responses:

- [UK Research & Development Roadmap consultation response](#)
- [YU / N8 Joint submission to the Higher Education Commission's Public Call for Evidence: University Research & Regional Levelling-up Inquiry](#)
- [YU response to the Subsidy control consultation – Designing a new approach for the UK](#)

Related think pieces and communications:

- [YU in support of the Sheffield City Region Strategic Economic Plan \(SEP\)](#)
- [Yorkshire Universities response to the Spending Review](#)
- [YU's response to the 2021 March Budget.](#)
- [Innovators without borders](#)
- [The contribution of Yorkshire's universities to economic recovery](#)
- [Yorkshire's Universities and Business are key to the building the future economy of the region](#)

Joint publications:

- [Boosting regional research and development: The role of regional university networks by Dr Peter O'Brien, YU with Dr Diana Beech, London Higher](#)

- Regional Policy, 'Levelling Up' and R&D: a north of England perspective by Dr Peter O'Brien with Dr Annette Bramley, N8
- The creative industries matter to London, Yorkshire and the nation by Dr Peter O'Brien, YU with Dr Diana Beech, London Higher
- Ambitions and aspirations for University-Investor links in R&D in Yorkshire and the Humber YU with the National Centre for Universities and Business (NCUB).

Speaking roles and presentations:

- Sheffield Universities Managing Directors' Club - Exploring Innovation Culture panel session
- West Yorkshire Innovation Festival Thought leadership panel
- Places for Growth - Yorkshire roundtable by the Cabinet Office.

2. Talent: Extend and deepen partnership to improve higher level skills pathways into continuous development and learning

Objectives:

- Strengthen knowledge of the supply and demand for higher level skills in the region.
- Work with members and partners to improve graduate retention and job accessibility in the region.
- Align technical and vocational training, skills and learning to key sector and industry needs.
- Increase knowledge exchange and diffusion to support high growth, innovation and scaled-up firms.

Achievements:

- YU has been an active member of the West Yorkshire Skills & Employment Panel and the Local Digital Skills Partnership Board who have been instrumental in developing and structuring work programmes around the mayoral pledges.
- The publication of the FE White Paper and YU's analysis of it served as basis for in-depth conversations with the West Yorkshire Consortium of Colleges and for further strengthening relationships with colleagues and the Board of GoHigher West Yorkshire.
- YU has been invited to the core group tasked with rebooting the LCR Skills Network as the new West Yorkshire Skills Partnership. The Chair of the YU Board was invited to speak at the annual skills conference. These have all helped build and strengthen the strategic dialogue with the FE sector at a regional level.
- We have also convened a region-wide network with the four sub-regional Widening Participation/Uni Connect teams in Yorkshire to share knowledge and information between the teams and with YU.
- YU was invited to join the Association of Graduate Careers Advisory Services (AGCAS) Regionalisation Working Group of AGCAS. Through this group, we contributed to the development of a toolkit designed for members to better understand their regions and graduate labour market, identify and bid for regional funding and to use regional data for different career service activities.

- Building on the report YU prepared last year, we convened a roundtable session between YU members and the WYCA Trade and Investment team to discuss the role of universities in inward investment and region's trade strategy.
- YU has been invited to help facilitate the dissemination of new MIT-REAP enterprise support programmes in LCR and we have convened member universities to meet with programme managers to connect new schemes with students and graduates that have an interest in enterprise.
- We commissioned Dr Charlie Ball (JiSC) to undertake a bespoke piece of analysis on the current state of the graduate labour market in Yorkshire, and future prospects for graduates. To analyse and discuss the findings, we convened a WY and a Yorkshire-wide roundtable and with the approval of YU's Board, a task and finish group will be established in 2021/22 to identify actions that universities and regional institutions could take in partnership to support graduates entering the labour market.

Related consultation response:

- [Response by Yorkshire Universities to the Skills for Jobs White Paper](#)
- [YU's submission to the Inward Foreign Direct Investment inquiry – International Trade Select Committee.](#)

Think pieces and communications:

- [YU briefing on the Further Education White Paper and recent Higher Education policy developments](#)
- [Response to the HEPI report on the future demand for higher education](#)
- [Yorkshire's future depends on higher and further education](#)
- [Graduate labour market analysis and post-pandemic skills \(Part 1 of 2\)](#)
- [Graduate labour market analysis and post-pandemic skills \(Part 2 of 2\)](#)
- [Graduates, Jobs and Levelling Up Yorkshire](#)

3. Communities: Ensure universities / HE are recognised as influential anchor institutions.

Objectives:

- Support members to address the issues arising from climate change.
- Stimulate and share learning on civic universities and anchor institution strategies and activities.
- Promote the public value of HE in and for the region.
- Strengthen partnerships between HE, health and other sectors to drive more inclusive growth and well-being.

Achievements:

- YU has been providing in-kind support to the recently established Yorkshire & Humber Climate Commission and has been invited to service the Research & Evidence Panel to help coordinate contributions from YU members. Together with the Panel we are also undertaking a regional audit of climate change research within YU members and actively contributing to the development of the Regional Climate Action Plan.

- YU is recognised as an external stakeholder in the COP26 University Network. The Network has published several influential policy briefings in the run up to COP26 and has written to the Prime Minister, asking the government to commit to a new plan to cut carbon emissions in the UK. The Chair of YU, Professor Shirley Congdon, was amongst the signatories to the letter.
- YU has also been granted expert witness status on the Climate Commission for UK Higher and Further Education Students and Leaders – established in partnership between the Association of Colleges, EAUC, GuildHE and Universities UK.
- We reaffirmed our support for the low carbon ambitions set out in the Humber Local Industrial Strategy, the Sheffield City Region Strategic Economic Plan and the circular economy plans of York, North Yorkshire LEP. YU is also a member of the West Yorkshire Combined Authority’s Green Skills Partnership convened by the WY Mayor.
- YU continued to make the case for universities, acting as anchors institutions with the health and care sector, local government and other partners. We celebrated the anniversary of the Why Health for Growth conference with a [One Year On webinar](#) organised by Yorkshire and Humber Academic Health Science Network (YHAHSN), YU & the NHS Confederation exploring the role of health in driving economic renewal and social inclusion.
- YU Chair, Professor Shirley Congdon has been leading on the Health and Social Care Recovery Task Force Steering Group that had two workstreams linked to it: Skills, Training and Workforce and Research and Innovation. She also agreed to be a co-leader of a 12-month joint Civic University Network and NHS Confederation work programme.
- We’ve been strengthening our relationship with Public Health England (PHE): supported their regional webinar on COVID prevention and outbreak management in university and college settings. YU helped collect and collate the lateral flow test results from the university campuses across Yorkshire to gain a better understanding of this programme and gather lessons learnt. We co-organised a webinar with PHE on supporting positive mental health during COVID-19: a good practice sharing event for universities in Yorkshire. Together we established a community of practice and are looking to develop a Mental Health and Wellbeing Framework for the region.

Think pieces and communications:

- [The climate emergency requires local and regional action in Yorkshire](#)
- [Climate + culture + collaboration: a reflection](#)
- [A special day celebrating a special place](#)
- [Visualising a path to local engagement](#)
- [Twelve examples of how to extend university ‘civic’ engagement](#)
- [Collaboration is key: insight into civic partnerships in Leeds](#)

Speaking roles / presentations:

- NHS Confederation and Civic University Network Roundtable: Reimagining the relationship between universities and the NHS.

4. Enabling mechanisms

Objectives:

- Strengthen our relationships with national, regional and local partners to influence policy and strategy.
- Operate as an outstanding membership-based organisation.
- Embrace continuous learning and development.
- Use innovative methods to communicate our messages to members and external audiences.
- Act as a 'knowledge hub' of information, intelligence and new ideas, drawing upon high-quality research and examples of successful practical action.
- Monitor and evaluate performance to ensure key indicators and measures of success are met.

Achievements:

- YU has been an active member of the Yorkshire & North Lincolnshire APPG on behalf of YU members.
- Convened meetings between the YU Board and the Yorkshire and the Humber Local Authority Chief Executive Group, to discuss how best to define levelling up and what it means in practice for Yorkshire, higher education and local government. These discussions resulted in the parties agreeing a number of shared priorities and signing a new Memorandum of Understanding in July that will provide a framework for a long-term, strategic partnership between local government and higher education in Yorkshire and the Humber.
- We continued to convene the Leeds City Region Vice-Chancellors' meeting with Roger Marsh and Councillor Susan Hinchcliffe.
- Continued to schedule a series of 1-2-1 meetings between the YU Chair, Executive Director and Board members in order ensure that member priorities, in what has been an uncertain and evolving environment, continued to be recognised and reflected by YU.
- The YU team has been able to work remotely in a seamless fashion.
- Published a comprehensive three-year strategy, designed for external communication and made widely available on all YU communication channels. This is underpinned by detailed delivery plans for internal use and evaluation.
- Completed the independent examination, produced the 2019-20 Annual Report and accompanying Executive Summary and submitted them to statutory bodies, respecting deadlines.
- Each week in 2020-21 we collate policy developments in the areas relevant to HE, economic and regional development, skills, and R&I and produced a 'YU Weekly Digest' for nearly 200 recipients to read. Disseminated two newsletters to over 400 readers summarising YU activity in the first and second half of 2020-21.

Established groups and panels that YU participated in this year and made the case for our members and HE in the region:

- Universities UK Task and Finish Group on Universities and Economic and Social Recovery, Leeds Beckett University External Engagement Advisory Group, Yorkshire & Humber Academic Health Science Network Strategic Advisory Board, Y&H Strategic Migration Group, Y&H Applied (Health) Research Collaboration Strategy Board, Welcome to Yorkshire Tourism Recovery Task Force, COP26 University Network, Y&H Climate Commission Core Steering Group, AGCAS Regionalisation Working Party.

West Yorkshire Combined Authority (WYCA) and Leeds City Region (LCR) groups YU was involved in 2020-21:

- European Structural and Investment Funds (ESIF) Committee, Inclusive Growth and Public Policy, Innovation Network (and Framework development, Skills Network, Business Innovation and Growth Panel, Business Communications Group, Employment and Skills Panel, Local Digital Skills Partnership Board
- The YU Chair is also a member of the LCR LEP Board and West Yorkshire Economic Recovery Board.

Related communication:

- [Yorkshire and Humber Councils and Yorkshire Universities agree new Memorandum of Understanding](#)

Speaking roles and presentations:

- Times Higher Live 2020: 'What shape will UK research take post-COVID and post-Brexit?'
- The Future of Devolution in the North: Power, identity, and politics
- P&C roundtable on levelling up R&D funding - The key role of universities to places, to rebalancing the economy and recovery
- Future role of Local Enterprise Partnerships - roundtable discussion by the Cities and Local Growth Unit (CLGU).

FUTURE PLANS

In looking ahead to 2021-22, we will continue to deliver the objectives set out in the 2019-22 YU Strategy, but we are mindful of the context that members and the wider economy and society face as a result of COVID19 and the economic crisis. Therefore, we will remain flexible and agile to anticipate and respond to opportunities and challenges as they arise.

1. Ideas:

YU will continue to promote university research and innovation capabilities in Yorkshire; support the development of 'place sensitive' innovation systems; and encourage greater connectivity between YU members' different capabilities to harness the potential of multi-institution and multi-disciplinary research and innovation.

2. Talent:

YU will continue to help to strengthen member and partner knowledge of the supply and demand for higher level skills within Yorkshire's labour markets; work with members and partners to improve graduate retention, employability and employment in the region; and work with partners, especially business and further education, to ensure technical and vocational training, skills and learning reflect the social and economic priorities of the region.

3. Communities:

YU will continue to promote and disseminate the social, economic and public value of HE within Yorkshire; provide a strategic framework for YU members to identify and share learning and good practice to encourage civic university and anchor institution activity within different places in the region; facilitate place-based leadership and public engagement actions between YU members and other anchor institutions (such as those operating in the health sector) and work with partners to address the challenges (and realise the opportunities) facing Yorkshire presented by climate change.

In 2021-22, we will also start the process of developing a new three-year Strategy, which we will develop in consultation with the Board, members and our partners.

FINANCIAL REVIEW

Membership subscriptions of £199k (2020: £199k) represent the overwhelming majority of YU's voluntary income for 2020-21. During the year, YU received £224k in general and designated funding (2020: £237k). YU expenditure incurred was £211k (2020: £227k).

At the end of the year, we are taking forward £105k (2020: £90k) of unrestricted reserves. The use of funds is described in note 9 in to the '[Notes to the financial statements](#)'. This includes a new designated West Yorkshire CAPE Programme fund, which was at £23k on 31 July 2021 (2020: nil).

We hold £137k (2020: £96k) of these balances in deposit accounts, in excess of the actual fund balances. Funds are invested on bank deposit at the best rate obtainable, with recognised financial institutions and banks.

Reserves policy

Our reserves policy sets unrestricted reserves to be held to meet the working capital requirements of the organisation, to meet specific costs (e.g., staff cover for illness and maternity leave) and to meet contractual liabilities should the organisation have to close. The policy requires the organisation's unrestricted reserves to be between a fifth and a sixth of its unrestricted budget expenditure. This was between £42k and £50k for anticipated unrestricted costs in 2021-22. Our unrestricted reserves have comfortably exceeded the target.

As explained in pension costs note 3 in '[Notes to the financial statements](#)', we also carry a long-term pension provision of £50k (2020: £50k), which the Board does not expect to crystallise.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 22 November 2021 and signed on its behalf by:



Professor Shirley Congdon
Chair of the Board

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF YORKSHIRE UNIVERSITIES

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 July 2021, which are set out on pages 16 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mark Heaton FCCA DChA FCIE
KM Chartered Accountants
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Block C, The Wharf
Manchester Rd
Burnley
BB11 1JG

STATEMENT OF FINANCIAL ACTIVITIES

(including the income and expenditure account)
for the year ended 31 July 2021

	General funds 2021 £	Designated funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income				
General subscriptions income	198,952	24,000	222,952	235,448
Investment income: bank interest	970	-	970	1,732
Other incoming resources	-	-	-	134
Total income	<u>199,922</u>	<u>24,000</u>	<u>223,922</u>	<u>237,314</u>
Expenditure				
Total resources expended	<u>207,698</u>	<u>1,096</u>	<u>208,794</u>	<u>226,528</u>
Net (expenditure) / income and movement in funds for the year	(7,776)	22,904	15,128	10,786
Reconciliation of funds				
Total funds brought forward	<u>90,338</u>	-	<u>90,338</u>	<u>79,552</u>
Funds carried forward	<u>82,562</u>	<u>22,904</u>	<u>105,466</u>	<u>90,338</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All incoming resources and resources are expended in the current year.

BALANCE SHEET as at 31 July 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	5	2	2
Current assets			
Debtors	6	2,392	2,881
Cash at bank		38,882	58,285
Cash on deposit		137,142	96,102
Total current assets		178,416	157,268
Liabilities:			
Creditors: Amounts falling due within one year	7	(23,152)	(17,132)
Net current assets		155,264	140,136
Creditors: Amounts falling due after one year	7	(49,800)	(49,800)
Net assets		105,466	90,338
The funds of the Charity			
Unrestricted revenue accumulated funds			
General funds		82,562	90,338
Designated funds		22,904	Nil
Total funds		105,466	90,338

For the year ended 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities

The directors have prepared accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by Companies Act 2006 and are for circulation to the members of the company.

The financial statements were approved by the YU Board on 22 November 2021 and were signed on its behalf by:



Professor Shirley Congdon
(Chair of the Board)

The ['Notes to the financial statements'](#) form part of these accounts.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

a. Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and in accordance with Section 1a of Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland, and the Statement of Recommended Practice – “Accounting and Reporting for Charities: revised 2015” (Charities SORP 2015 FRS102) and the Companies Act 2006. YU meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b. Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of YU. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a specific purpose. Designated funds are funds which have been set aside from unrestricted funds by the trustees for specific purposes. General Subscriptions income represents member subscriptions and unrestricted grants. There are no restricted funds.

c. Incoming resources

All income is accounted for as soon as YU has entitlement to the income, there is certainty of receipt and the amount is quantifiable. Subscriptions are accounted for in the year to which they apply.

d. Resources expended

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Direct costs, including directly attributable salaries, are allocated on an actual basis to the key strategic areas of activity.

e. Pension Fund

The institution participates in the Universities Superannuation Scheme (USS). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 “Employee benefits”, the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss

account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

f. Fixed assets

Individual assets with an individual or aggregate cost when acquired in excess of £2,000, and which are intended to be of ongoing use to YU in carrying out its activities, are capitalised as fixed assets. Depreciation is charged on tangible fixed assets at 25% of cost per annum, so as to write them off over their expected useful lives. Computer assets are fully depreciated in the year of purchase.

2. Employee information

The full-time equivalent number of staff employed at the end of the year was 2 (2020:2). Contractor costs are not included in staff costs. Total employee costs during the year were £148k (2020: £142k) broken down as follows (all figures in £000s):

	2021	2020
Salaries	117	102
Social security costs	13	12
Employer pension	25	21
Change in pension shortfall accrual	0	9
Change in leave outstanding at year end	(3)	1
Employment allowance	(4)	(3)
	<hr/>	<hr/>
Total	148	142
	<hr/> <hr/>	<hr/> <hr/>

Note that contractor costs are not included in staff costs. There is one employee whose emoluments for the year are in a bracket of £70,000 and £80,000.

3. Pension costs

The total cost charged to the Statement of Financial Activities is £25k (2020: £21k) as shown in Note 2. The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole. The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The provision figures have been produced using the following assumptions as at 31 March 2018:

	Valuations:	2018	2017
Discount rate Yr 1 (CPI+)		+0.14%	-0.53%
Discount rate Yr 11 (CPI+)		+2.52%	+2.56%
Discount rate Yr 21 (CPI+)		+1.55%	+1.70%

In accordance with FRS102 an accrual has been made for the amortised anticipated costs of pension shortfall recovery payments that might be anticipated now but be payable in future years. A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 6% from 30 September 2021. The deficit recovery liability reflects this plan. The liability figure has been produced using a discount rate of 2.59% (2020: 2.59%), and growth of 2.00% (2020 4.20%). The liability was maintained this year at £49.8k (2020 £49.8k).

More detail of the costs and valuations for the USS pension scheme are available at: <https://www.uss.co.uk/how-uss-is-run/2018-valuation>

4. Resources expended

a) Analysis of resources expended / £000s	Staff costs	Support costs	Total 2021	Total 2020
Core	148	60	208	225
WY CAPE (Designated)	-	1	1	2
Total expended	148	61	209	227

b) Analysis of support costs / £000s	Core	WY CAPE (Designated)	Total 2021	Total 2020
Independent examination	1		1	1
Director insurance	1		1	1
Premises	2		2	3
Self-employed administrator & consultants	38		38	49
Phone, office and website	3		3	4
Travel costs	0		0	11
Subscription	4		4	2
Professional fees & insurance	11		11	13
Equipment	1	1	2	0
Other Non-staff	(1)		(1)	1
Total	60	1	61	85

5. Tangible fixed assets

	Office equipment £	Fixtures & fittings £	Total £
Asset cost			
At 1st Aug 2020	1,414	664	2,078
Additions	2,377	-	2,377
Disposals	-	-	-
At 31st July 2021	3,791	664	4,455
Accumulated depreciation			
At 1st Aug 2020	1,413	663	2,076
Charge for the year	2,377	-	2,377
Released on disposal			
At 31st July 2021	3,790	663	4,453
Net book value			
At 31st July 2020	1	1	2
At 31st July 2021	<u>1</u>	<u>1</u>	<u>2</u>

6. Debtors

	2021 £	2020 £
Debtors	732	1,279
Accrued income	10	100
Prepaid expenses	<u>1,650</u>	<u>1,500</u>
Total	<u>2,392</u>	<u>2,879</u>

7. Creditors and commitments

	2021 £	2020 £
Short Term		
Trade creditors	3,129	2,261
Accrued expenses	1,611	2,530
Employment Related	<u>18,413</u>	<u>12,341</u>
Total	<u>23,152</u>	<u>17,132</u>
Long term		
Pension shortfall accrual	<u>49,800</u>	<u>49,800</u>

8. Related party transactions

There were no transactions with related parties undertaken during the year such as are required to be disclosed in detail (2020: none). No remuneration was paid to any trustee during the year (2020: £Nil). There were transactions with the institutions represented by the

charity's members that were all undertaken at arm's length, or at nil profit. Principal among these are costs from the University of Leeds for accommodation and supplied services.

9. Analysis of movement in funds

All figures in £000s	Brought forward	Incoming	Outgoing	Total 2021	Represented at bank (see below)
Unrestricted funds: General funds	90	200	208	82	152
Designated fund: WY CAPE	<u>0</u>	<u>24</u>	<u>1</u>	<u>23</u>	<u>23</u>
Total	<u>90</u>	<u>224</u>	<u>209</u>	<u>105</u>	<u>175</u>

The analysis of funds shows our funds are fully available in cash. The unrestricted general fund held as part of our bank and deposit balances is now £82k (2020: £90k).

The expectation is that the £23k closing balance on the Designated fund will be spent out during the forthcoming year. We hold no restricted funds.

