

ANNUAL REVIEW/ FINANCIAL STATEMENTS 2019



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INTRODUCTION

I am pleased to introduce this year's annual review which, while setting out a challenging context for the University, also recognises the significant work that has gone on this year as we continue to offer an excellent education experience, research-informed teaching across a wide range of subjects at our Canterbury and Medway campuses and in our four European study centres, and to actively engage with our local communities through our access and outreach work and our focus on public engagement.



The UK Higher Education sector as a whole is facing unprecedented financial, regulatory and political challenges. The University of Kent is among a growing number in the sector whose finances have been squeezed. For us, this is driven primarily by the changed recruitment environment, with increased competition for all students combined with a demographic dip in the number of 18-year-olds being especially difficult, alongside rising costs. However, we have identified our issues, put a plan in place to address them and are now actively driving change across our University to take actions that will see us move from a deficit position within the next few years. Our plan is based on a programme of actions designed to change the size and shape of the University through managed contraction in some subject areas and growth and expansion of others, and re-profiling our work force. We are also changing the way we are organised to build in resilience and provide opportunities for sustainable development, building a new leadership team that brings academic activity into the heart of our decision making, supported by excellence in professional services. We are fundamentally reviewing what we do and how we do things and doing things differently.

All of our change activity is designed to build on what is great about Kent. Our students continue to come to us from a wide range of backgrounds and nationalities and we want this to continue. We provide opportunities to help each of them to transform their lives and enable them to have choices about their future. We have a TEF Gold ranking for teaching excellence and are working to retain this. We achieved a Times Higher Award last November for the second time running, for our work in supporting students to succeed. Our graduates continue to be highly employable and we are ensuring that the subjects that we teach, and how we teach them, respond fully to their future needs.

Our research helps to transform lives through new discoveries and advances in knowledge. We have research links across the world and have continued to be successful in bids for European research funding as well as postdoctoral training, developing the research workforce of the future. Our research and innovation income is growing year on year and we are working on a set of Signature Research Themes for our University that will serve to profile and promote the very best of our work here that cuts across disciplinary boundaries and changes the way we understand the world.

The University continues to work with its communities locally, regionally and internationally. This year, we have received a multi-million pound award from the Cultural Development Fund to support investment in creative, cultural and heritage initiatives that will create new jobs in the Thames Gateway region. We are making excellent progress, with our partners Canterbury Christ Church University, on the new Kent and Medway Medical School, designed to help solve the chronic shortage of medical practitioners in our region, which opens its doors in September 2020.

So while we are in challenging times, and our University is changing we are building on a great platform and working with great strengths. I look forward to continued working with my able colleagues across the University to ensure our future sustainability and success.

Professor Karen Cox
Vice-Chancellor and President

HIGHLIGHTS OF THE YEAR

20 Years in Europe


Celebrating 20 years since the opening of our first European Centre in Brussels.

20 YEARS IN EUROPE



£300 m+

Universities at Medway contributed nearly £144m to the south east economy, plus £158m spent by students with local businesses and services.




THE Award

Outstanding support for students recognised for the second year running at the Times Higher Education (THE) Awards.




Breakthrough research

Research into using Vitamin B12 in plants to improve vegetarian/vegan diets listed among the UK's 100 Best Breakthroughs of the last century.



Medical school

Started work on a building for Kent and Medway Medical School (KMMS), ready for first students in 2020.



Business support

Small Business Charter presented to Kent Business School for supporting small businesses and student entrepreneurship across campus.



12th award

Received Best University Accommodation for Groups award for the 12th consecutive year at the Group Travel Organiser's Awards.



Research funding

Ranked 32nd out of 149 UK Higher Education Institutions for success rate in national research funding.



Sustainability

Sustainable food strategy launched to reduce environmental impact of University catering, and promote use of local, seasonal produce.



Design awards

More design accolades for the Sibson Building, including a Canterbury Society Design Award and Kent Design and Development Award.



£4.3m grant

Awarded £4.3m from the Government's Cultural Development Fund to invest in creative, cultural and heritage initiatives.



Community garden

Opening of Kent Community Oasis Garden – a new outdoor space in Canterbury for staff, students and the local community.

KentCOG





MEMBERSHIP OF THE COUNCIL

Membership of the Council

Chair of the Council	Sir David Warren
Deputy Chair of the Council / Chair of the Finance and Resources Committee Vice-Chancellor and President Senior Deputy Vice-Chancellor and Provost Senior Deputy Vice-Chancellor and Chief Operating Officer President of Kent Union:	Bob Scruton Professor Karen Cox David Nightingale Denise Everitt Aaron Thompson (to 31 July 2019) Sasha Langeveldt (from 1 August 2019)
External members	Dame Ursula Brennan Colin Carmichael Martin Cook Neil Davies Sarah Gibson Kim Lowe Gabriel MacGregor Angela McNab Mark Malcolmson Andrew Newell Mark Preston
Staff and Student representatives	Laura Carlin (from 1 August 2019) Mark Ellis Dr Owen Lyne Professor Charlotte Sleight Zarafshaan Tahir (from 1 August 2019) Zoe Wood Alexis Zouechtiagh (to 31 July 2019)
Total Membership	25
Secretary of the Council	Dr Keith Lampard
The Chairs of Council committees were as follows:	
Audit Committee	Andrew Newell
Ethics Committee	Sarah Gibson
Finance and Resources Committee	Bob Scruton
Honorary Degrees Committee (Joint Committee with Senate)	Professor Karen Cox
Lay Nominations Committee	Sir David Warren
Remuneration Committee	Sir David Warren
Safety Health and Environment	
Executive Committee	Denise Everitt

PRINCIPAL OFFICERS

Visitor	The Lord Archbishop of Canterbury
Chancellor	Gavin Esler
Chair of the Council	Sir David Warren
Vice-Chancellor and President	Professor Karen Cox
Deputy Chair of the Council	Bob Scruton
Senior Deputy Vice-Chancellor and Provost	David Nightingale
Senior Deputy Vice-Chancellor and Chief Operating Officer	Denise Everitt
Deputy Vice-Chancellor, Research & Innovation	Professor Philippe De Wilde
Deputy Vice-Chancellor, Education and Student Experience (interim)	Professor Christina Hughes
Deputy Vice-Chancellor, Academic Strategy, Planning and Performance (interim)	Professor Georgina Randsley de Moura
Director of Finance	Lisa-Jane Crudgington-Higham
Director of Human Resources and Organisational Development	Alison Ross-Green
Dean of the Faculty of Humanities	Professor Simon Kirchin
Dean of the Faculty of Sciences	Professor Mark Burchell
Dean of the Faculty of Social Sciences	vacant
Dean of the Graduate School	Professor Paul Allain
Dean for Europe	Professor Jeremy Carrette
Dean for Internationalisation	Anthony Manning
Dean of KentHealth	Peter Nicholls
Dean of the Kent and Medway Medical School	Professor Christopher Holland
Secretary of the Council (and the Court)	Keith Lampard
Director of Student Services	Rosie Holden
Master of Darwin and Woolf Colleges	Jonathan Friday
Master of Eliot College	Stephen Burke
Master of Keynes College	Chloé Gallien
Master of Rutherford College	Peter Klappa
Master of Turing College	Emma Bainbridge
College Master for Medway	Jane Glew





UNIVERSITY'S PUBLIC BENEFIT STATEMENT FOR 2018/2019

The University of Kent is an exempt charity regulated by the Office for Students (OfS). The University's Royal Charter of 1965 established the University Council as the supreme governing body of the institution. The University Council serves as the University's board of trustees and has overall responsibility for the University's strategic aims and direction in the furtherance of the objects defined by the Charter.

Members of the University Council have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. They also refer to the guidance issued by the Office for Students in its role as principal regulator.

From the Royal Charter, the objects of the University are:

"to advance education and disseminate knowledge by teaching, scholarship and research for the public benefit."

The University of Kent Strategy 2025 was approved by Council in November 2018 and includes a vision for the University, that by 2025:

"We will be delivering one of the best education and student experiences among UK universities that enables and inspires our students. We will be internationally known for a transformative student experience and employability outcomes regardless of background. Our discoveries and research will emphasise existing and new signature areas, where we match the best in the world. Our education and research, and the talents of our staff and students, will support social, economic, cultural, intellectual and public life in ways that will make us one of the leading civic universities. We will have a balanced portfolio of programmes having deepened our science and engineering base, grown our cultural, creative and digital offer, and opened the new Kent and Medway Medical School. We will remain distinctive amongst our peers in operating with a major stake in continental Europe, with a strong European dimension in our academic activity. We will be delivering education in a variety of ways face-to-face, online and through alternative routes in particular higher and degree apprenticeships."

To deliver this vision the University has re-stated its ambitions and actions in relation to the University's core activity of Education, Research and Engagement and identified a set of strategic priority areas to focus on.

a) Education and student experience

The University of Kent aims to work in genuine partnership with its students to build an exceptional student experience, to enhance opportunities and to change lives for the better. The University is committed to develop, recognise and value excellent education, to support students to achieve their potential regardless of where they start and to help graduates emerge as independent learners with the ability to shape the changing world in a sustainable and creative way.

In September 2017, the University was awarded a gold rating, the highest, in the UK Government's Teaching Excellence Framework (TEF), with the TEF Panel judging that Kent delivered consistently outstanding teaching, learning and outcomes for its students. The TEF Panel reported that Kent "students from all backgrounds achieve consistently outstanding outcomes... The metrics indicate very high levels of student satisfaction with teaching, academic support and assessment and feedback."

The University is committed to encouraging student feedback and to building an academic community where students and staff work alongside each other. Examples of improvements made at the behest of student feedback are:

- students can join academic societies free of charge if they are directly linked to the programme they are studying;
- a lecture capture policy has been developed with students so that this helpful teaching tool is used more widely;
- the range of study abroad opportunities has expanded with a network of over 190 universities in 39 countries.

"We will be internationally known for a transformative student experience and employability outcomes regardless of background."

The University has made significant progress towards the objective of widening participation and has set challenging targets across all stages of the student life cycle within the Office for Students' Access and Participation Plan policy requirements.

The University works via a series of collaborative arrangements with organisations such as the Kent and Medway Progression Federation (KMPF), and in partnership with local schools and Partner Colleges. The University is also working to improve admission to the University through using a contextualised approach to admissions.

32% of the University's UK first-degree new entrants have non A-level qualifications on entry and 36% come from Black and Minority Ethnic (BME) backgrounds. The Teaching Excellence Framework (TEF) statement of findings highlighted that 'very high proportions of students from all backgrounds continue with their studies and then progress to employment, notably exceeding the provider benchmarks.'

The University has provided £14.5m for student scholarships from its own resources and raised a further £4.3m from other external sources to provide significant financial help to students to ensure that the costs of being a student are not a barrier to participation in higher education at the University. There is a focus on providing support to students from areas of low participation in higher education. Other University of Kent scholarships and bursaries are available, for academic excellence, studying abroad, sport, music and for international students. 695 awards were made under the Kent Financial Support Package for the 2018/19 academic year and over 1,200 further awards were provided from



University and other sources. The University makes further extensive provision for students experiencing financial hardship during their studies.

The University has successfully rolled out the Higher Education Access Tracker (HEAT) database, used for tracking participation in outreach and measuring impact, and the service is now embedded within 84 HEI partners. The University is also lead of a local HE and schools' consortium for a two year £4.3m HEFCE initiative, the National Collaborative Outreach Programme (NCOP). Kent's outreach work, schools' sponsorship and national monitoring and evaluation through HEAT has attracted national praise from the Office for Students (OfS) and the Department for Education (DfE).

Since 2015, the University has invested in its Student Success (EDI) Project that investigates student attainment and retention. The Project is in response to the rapid pace of change in student demographics and addresses the sector-wide issue of lower rates of attainment and progression amongst students from low socioeconomic groups, those with disabilities and students from black and minority ethnic (BME) groups. The research includes the development of interventions to support student success. This project has an unparalleled resource commitment and is considered to be pioneering.

The University's Student Support and Wellbeing service is committed to improving access to learning and providing a wide range of student support. The University won the Outstanding Support for Students award at the 2017 Times Higher Education (THE) Awards for the Student Success Project, which "stood out from the pack with its

impressive and innovative approach to improving academic outcomes for the least advantaged students." The University also won the Outstanding Support for Students award again in 2018, this time for its OPERA (Opportunity, Productivity, Engagement, Reducing barriers, Achievement) project which is a collaborative University-wide initiative to embed inclusive practices in key processes for learning and teaching and curriculum design, and to create a more accessible information environment for all Kent students, maximising student attainment and outcomes. The aim of the project is to progressively mainstream reasonable adjustments for students with disabilities, wherever possible, whilst offering a universal benefit to all Kent students and staff.

Support for students with mental health and well-being issues is provided by a specialist team of practitioners, the University Medical Centre and the Nursing Service. In addition to that there is a Nightline service and use of the Big White Wall. The latter is an online 24/7 Care Quality Commission registered service recognised nationally through awards by the NHS and is a safe environment overseen by qualified therapists.

The University has an outstanding record and reputation for employability and positive student outcomes. The University has worked with the Students' Union, employers and graduate recruiters, to outline seven graduate attributes that top employers are looking for and to show how to gain these attributes whilst at Kent. The University now plans to embed these attributes further into its curricular and co-curricular programmes using a variety of assessment tasks so that students can develop key skills, for instance, starting group projects to enhance communication and team working skills; journaling to aid

UNIVERSITY'S PUBLIC BENEFIT STATEMENT (CONT)

reflection on learning and planning next steps; and essays to develop critical thinking and writing skills.

Other initiatives to embed graduate attributes included an internationalisation networking series ('Global Hangout') with 1000 students attending a series of five events; Worldfest and the Global Officers Leadership Development Programme (GOLD), a co-curricular activity for home and international students to collaborate on internationally focused projects to promote the merits of curriculum internationalisation. In April 2019, the University also held the first Innovations in Internationalisation at Home conference, which encouraged staff from Kent and colleagues from across the UK sector to share good practice on approaches to supporting internationalised student experience.

The Careers and Employability Service (CES) organises the University's annual Employability Festival, which attracted over 200 graduate recruiters, and CES worked in partnership with academic Schools, Kent Union and professional service departments to put on 216 hours of activity, including the largest event, the Careers Fair.

"We will have a balanced portfolio of programmes having deepened our science and engineering base, grown our cultural, creative and digital offer, and opened the new Kent and Medway Medical School."

The University is reviewing its portfolio to ensure that it offers an attractive, intellectually vital and sustainable portfolio, which is flexible and can adapt to market demands. The University seeks to ensure that its portfolio provides programmes that students want to study, that are forward looking, that supply students with the tools they need for employability and finally, that encourage them to become an active and responsible member of society.

The University has created an Institute of Cultural and Creative Industries to build on its strengths in design, media and digital arts and work with strategic bodies such as the Creative Industries Federation and Nesta, to equip students with the necessary skills to support the development of the creative and cultural industries in the region. The University has also been working to introduce a new degree in Mechanical Engineering for 2020.

In March 2018, the joint bid with Canterbury Christ Church University to develop the Kent and Medway Medical School (KMMS) received approval from the Higher Education Funding Council for England (HEFCE) and from Health Education England (HEE). Funding was awarded for 100 undergraduate medical school places per annum to start in September 2020. The bid had a focus on widening participation on medical programmes and the development of a better understanding of health inequalities to generate the greatest health gains in Kent and Medway.

"We will remain distinctive amongst our peers in operating with a major stake in continental Europe, with a strong European dimension in our academic activity."

The University's strong European identity is founded:

- on its links with universities throughout Europe, as well as many more worldwide (more than 400 in total);
- its specialist postgraduate centres in Athens, Brussels, Paris and Rome;

- its dual UK and European qualifications (international double awards) at Bachelor's, Master's and Doctoral level;
- its participation in the Erasmus+ scheme with over €1.1 million to support student and staff mobility across Europe;
- it being the only UK university selected to host two prestigious Erasmus Mundus Joint Doctoral programmes;
- its strong history of research collaboration with other European universities.

Kent acts as a gateway to Europe for students from the UK and across the world. With 159 nationalities represented in the student body, and 40% of the University's teaching and research staff from outside the UK, Kent celebrates intellectual and cultural diversity with a commitment to educate its students to become global citizens.

The University's updated Internationalisation Strategy confirms the objective to embrace, embed and enhance European and international cultural awareness and diversity inside and outside the classroom, through the achievement of globally focussed graduate attributes and that the University will support its commitment to knowledge diplomacy through transformative international education and research. It also includes new objectives to increase the proportion of international students and to develop the use of new technologies and alternative pathways to give students across the globe wider access to Kent's world-class academic provision.

Kent has maintained a high level of international students and staff, ensuring that the educational provision and research is delivered and undertaken in a diverse context by internationally experienced individuals who support the University in its ambitions to provide an internationalised curriculum.

The Times Higher Education (THE) University World Rankings 2019 placed Kent in the top 10% of the world's universities for international outlook. This is a significant indicator regarding the University's international profile and the ongoing attraction of international talent to the Kent region.

"We will be delivering education in a variety of ways face-to-face, online and through alternative routes in particular higher and degree apprenticeships."

The University is embracing the opportunity to try new approaches to teaching, learning, assessment and feedback, respecting the need for quality and to protect high academic standards whilst embracing a culture of enhancement and improvement. The University is also seeking more opportunities for its students to engage, to make the university experience more fulfilling and enjoyable and to celebrate the changing and broadening demography of its student body, ensuring accessibility for all whilst celebrating equality, diversity and inclusivity.

Kent has also continued to widen access to learning opportunities through evening classes and online opportunities. The University's engagement with Future Learn through MOOCs has now reached more than 86,000 participants. The University is further diversifying its modes of delivery and by procuring a partner to work on more online provision to launch new online degrees in September 2020.

The University of Kent provides students with the opportunity to complete an intercalated “Year in Computing,” “Year in Industry” such as Marketing or Forensic Science and “a year abroad.” A new intercalated BSc in Management in Primary Care will be available to students at the Kent and Medway Medical School when it opens in 2020.

The number of students undertaking a year of study or work abroad as part of their academic programme remains high and international mobility is encouraged wherever possible. In the last academic year, student engagement with international exchange opportunities involved more than 374 outgoing and 539 incoming individual students, across a range of periods of study. In response to increased demand for shorter forms of international student mobility, the University provided a range of summer schools, for instance at the Hong Kong Baptist University, one of the University’s overseas strategic partners.

In addition to degree-level provision, more than 396 students, staff and members of the local community registered for the institution wide language programme, “Language Express”, which now offers 10 languages. 307 registrations showed that students are keen to add a language to their degree through credit-bearing modules, also offered by the Centre for English and World Languages (CEWL).

The University of Kent has delivered higher apprenticeships since 2011 and launched the Centre for Higher and Degree Apprenticeships in 2016 to build on this experience. The Centre works in partnership with regional and national employers to develop apprenticeships tailored to their needs, working with industry-leading employers including GlaxoSmithKline, Pfizer, AstraZeneca, Novartis and Unilever. The Centre supports the academic schools of the University on all aspects of delivering apprenticeship training. New apprenticeships under development include the social work degree apprenticeship. The University also launched the first degree-level apprenticeship in economics, signing a partnership with the UK Civil Service to create new routes to careers in the Civil Service for young people who would prefer to study for a degree whilst working.

The University of Kent was one of just 15 prestigious universities to have been selected as a Q-Step Centre and was awarded £19.5m to deliver training and work-placement opportunities to its students. Q-Step is a nationwide programme designed to promote quantitative skills in undergraduate social science teaching. The Kent Q-Step Centre applies the values of the University of Kent to the Q-Step initiative; combining an exciting range of new programmes with innovative teaching methods, creative uses of technology and an active presence in the wider community, including a monthly series of informal lectures and discussions in Canterbury, called pubTALK, featuring a short talk from an expert on a particular topic followed by an open question and answer session, and a popular podcast series aimed at sixth form students, the first series being focussed on the difficulties of forecasting election and referendum results in recent years.

The University of Kent offers its students a wide range of opportunities to gain essential employability skills and enhance their graduate employment prospects by participating in experiences of work, including students undertaking work placement years as part of their programmes of study. The Kent Experience of Work bursary has provided over 200 students with financial support, enabling them to

undertake high quality work experience. The Work-Study Scheme, which supports the University’s widening participation agenda by providing students with employment opportunities, has increased year on year since its inception in 2014. The team was awarded the Barbara Morris Prize for learning support for a sustained and impactful effort to improve employment possibilities for students.

The University’s Employability Points Scheme engages students in skills development to enhance their future employability. 154 companies have been involved in this project and over 8,600 students participated in 2018/19 with 860 employability rewards offered. The Employability Points Scheme has been nationally recognised as a case study for best practice within business/university collaborations and in 2015 was shortlisted for the second time for a Times Higher Education Award in the category, ‘Outstanding Support for Students’.

b) Research and innovation

“Our discoveries and research will emphasise existing and new signature areas, where we match the best in the world.”

We will undertake research and innovation that is of the highest standards judged by international comparators.

The University is committed to research for the public benefit. Its research is openly published and disseminated, with over 11,000 records publicly available in the Kent Academic Repository. It takes active steps to apply research where economic and social benefits are identified, to tackle global challenges from age discrimination to viral epidemics.

The University’s research has an international dimension. It hosted a major international Global Challenges Research Fund (GCRF) conference in June and July 2019. The University has been a key beneficiary of the Fund, which was set up to respond to global challenges, with Kent academics spearheading numerous GCRF funded research projects in recipient countries. These projects have included building capacity in eastern Europe and central Asia to the development of disease prevention strategies for the Malaysian fish farming industry.

The University’s “Signature Research Themes” will promote the working of groups of scholars across disciplinary boundaries to find answers to diverse and complex challenges. The themes, which will span the faculties, will have an international profile, attract external income, engage and create impact. The University has already established Research Centres which cross Faculty boundaries, such as the Centre for Cognition, Kinesthetics and Performance, the Kent Interdisciplinary Research Centre in Cyber Security and the Centre for Cognitive Neuroscience and Cognitive Systems.

The University also has strong UK collaborations in place:

- **The Eastern Academic Research Consortium (EARC)** was created to strengthen current collaboration and develop new cross-disciplinary research between its three member universities, East Anglia, Essex and Kent. Each partner in the Consortium acts as lead in one of three areas: Digital Humanities, led by the University of Kent; Quantitative Social Science, led by the University of Essex and Synthetic Biology, led by the University of East Anglia (UEA);

UNIVERSITY'S PUBLIC BENEFIT STATEMENT (CONT)

- **The South East Network for Social Sciences (SeNSS)** is a consortium formed of 10 leading UK universities, including Kent, as part of an ESRC doctoral training partnership;
- **ARIES**, a NERC-funded doctoral training partnership, aims to address some of the challenges facing contemporary society by providing excellent multidisciplinary training to a new generation of science and business leaders working in the broad field of environmental science;
- **The Consortium for the Humanities and the Arts for South-East England (CHASE)** is a consortium formed to bring together eight leading institutions as part of an AHRC-funded doctoral training partnership;
- **The South East Physics Network (SEPnet)** is a consortium of nine world-class universities working on high quality research, teaching and outreach activities.

The University will launch its Centre for Studies in Cyber Security and Conflict in 2020. This "super centre" will build on the success of the University's Kent Interdisciplinary Research Centre in Cyber Security (KirCCS) and there will be a number of interdisciplinary postgraduate taught programmes across the University's existing School structure.

The following research projects illustrate the high quality of the University's research for the public benefit:

Dr Shaun May, Senior Lecturer at the School of Arts, was awarded Arts Council funding for an Autism Arts Festival which started in April 2017. The Festival was set up by and for people on the autistic spectrum and aimed to be a celebration of autistic creativity and to develop the idea of a relaxed performance to create an autism-friendly festival. The 2017 Festival was cited in the 2019 British Council Report "Relaxed Performance: Exploring Accessibility in the Canadian Theatre Landscape".

A biennial event, the Festival returned to the University's Canterbury campus in April 2019 and included a mix of performances, screenings and events, again to celebrate autistic creativity and to attempt to develop the idea of a relaxed performance more fully to create an entire festival that was as accessible to neurodivergent people as possible.

Dr May's research has also received much media attention, via the podcast "1800 Seconds on Autism", via BBC News and in the New York Times, which cited Dr May's research publication "Autism and Comedy" from the journal "Research in Drama Education: The Journal of Applied Theatre and Performance".

Professor Jane Reeves is Co-Director of the University's Centre for Child Protection. Professor Reeves has worked in partnership with a variety of statutory and third sector agencies and has led and co-written several immersive simulations, which tackle complex issues such as sexual abuse, neglect, radicalisation and extremism, paedophilia and child sexual exploitation. The completed simulations have attracted a variety of

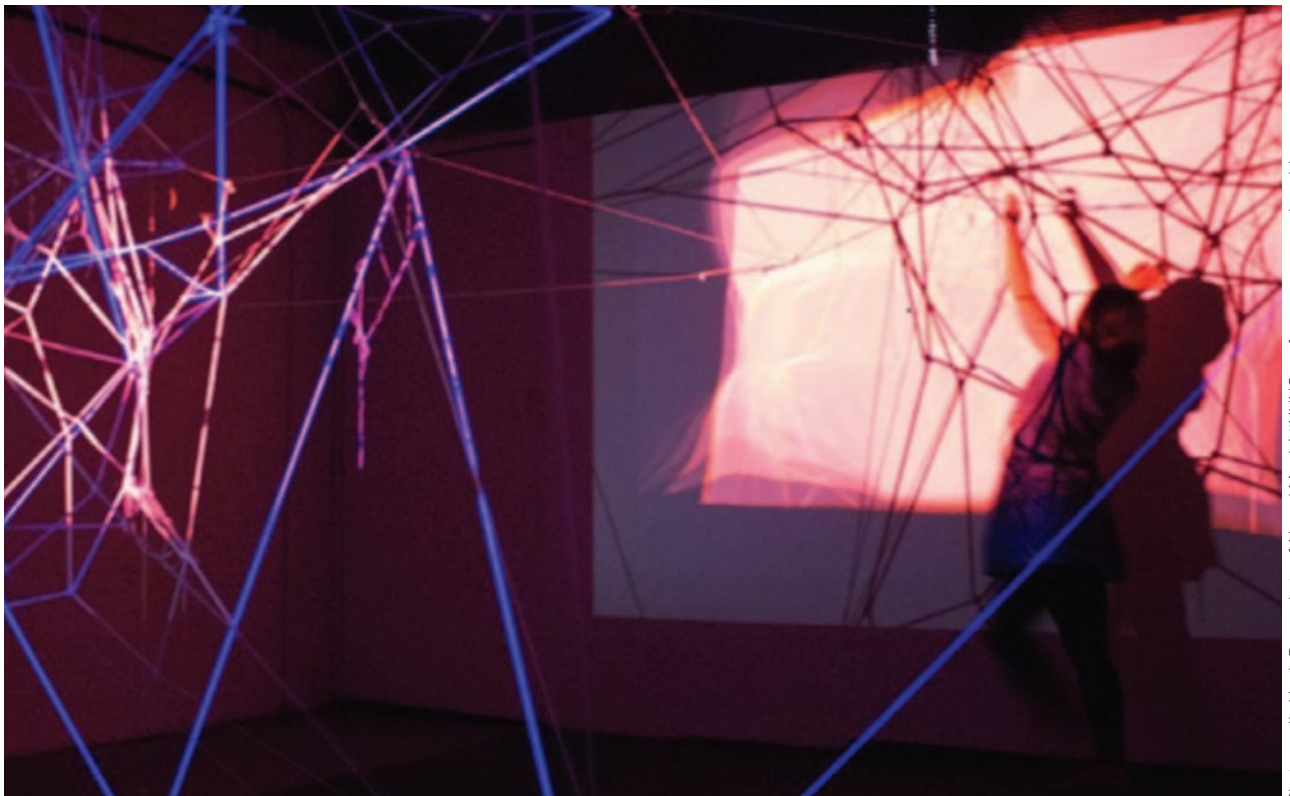
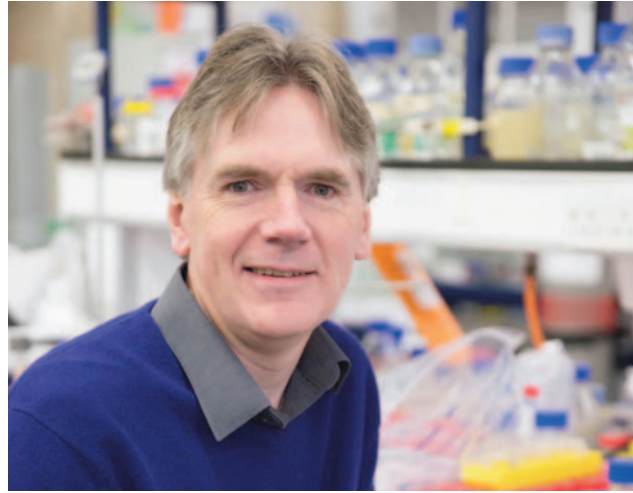


Photo credit: Hugh Pryor, photo of Naomi Morris' #NUNO performance research residency



awards and are being widely used across the UK and internationally including by the South Australian Government. Additionally, Professor Reeves has been working with the Home Office rolling out a second simulation on radicalisation to Prevent priority areas across the UK.

Professor Reeves has also led on an Innovation Grant from the Department for Education to investigate how traumatised young people use technology and whether technology can be used more effectively for young people in care to keep them safe. She is working on a European Erasmus Project with the University of Stirling, looking at how child protection is taught across Europe. Professor Reeves is currently editing a book on human trafficking and modern day slavery, and has applied for a large grant working with stakeholders across the health, social care and education sectors to address gangs and knife crime, by designing a simulation for young people using gaming techniques, to encourage them to engage and think critically about these issues.

Professor Martin Warren of the School of Biosciences was awarded a Biotechnology and Biological Sciences Research Council (BBSRC) Professorial Fellowship in 2007 to work on the bioengineering of complex metabolic pathways. In 2015, Professor Warren also received a BBSRC Strategic Longer and Larger (sLoLa) grant of nearly £3.5m to research the production of bacterial cells with enhanced internal organisation. This work led to a new technique for manipulating small cell structures for use in a range of biotechnical applications including the production of biofuels and vaccines. Professor Warren's work has drawn the attention of major chemical companies such as DuPont and BASF which now sponsor projects that build on these areas to help improve industrial processes.

In 2018 Professor Warren secured a Royal Society Industry Fellowship, for a four-year project working with a company called Mologic to develop a simple diagnostic test for vitamin B12. Also in 2018, Professor Warren's research was named as one of the UK's 100 Best Breakthroughs of the last century, for its significant impact on people's everyday lives. The Universities UK list included Professor Warren for his research on how the diets of vegetarians and vegans could be improved by increasing the amount of vitamin B12 in plants, which normally lack this nutrient. Subsequently, he was awarded a £1.8m BBSRC global challenge grant alongside colleagues in Durham and Cambridge, to work with

researchers in Mumbai and Pune in India to develop ways of enhancing B12 levels in culturally appropriate foods and thereby address the problem of providing a nutrient-complete vegetarian diet.

Other research highlights at the University were celebrated at an annual awards presentation for academic staff, for achievement in teaching, research and innovation.

The award for Early Career Researcher in Knowledge Exchange was won by Dr Kaitlyn Regehr, a Lecturer in the School of Arts, who has already established an exceptional research profile. Her 2018 research project was commissioned by the Mayor of London and used documentary and digital storytelling to map diverse women's experiences of advertising in public space. The resulting report influenced policy changes with respect to gender-based advertising in London's public spaces and was used by the Advertising Standards Authority in its "Advertising Guidance" on gender stereotypes. In addition, Dr Regehr's work on sex education, gender and digital youth cultures has led to high-profile media attention.

The University aims to maximise the positive impact its research has on society and, in particular, its region. From science festivals and arts exhibitions to health workshops and business seminars, the University is committed to public engagement with research:

- In June 2019, the School of Anthropology and Conservation (SAC) organised a second Soapbox Science Canterbury event to promote women's research to the public. Women scientists from SAC alongside colleagues from the Schools of Biosciences and Physical Sciences at Kent and from other universities, talked about their research on a broad range of topics including forensic anthropology, planetary science, molecular biology, illegal wildlife trade, biological anthropology and conservation science, in Westgate Gardens in the centre of Canterbury;
- The University of Kent Pint of Science Team has been delivering research events in pubs in the month of May for the past three years in collaboration with the international Pint of Science organisers. To date, twelve events have taken place in Canterbury, Medway and Tonbridge and thirty-six research staff and students have shared their research with 500 members of the public;

CONTINUED OVERLEAF

UNIVERSITY'S PUBLIC BENEFIT STATEMENT (CONT)

- The University hosted a series of free events during November 2018 looking at issues of immigration and refugees as part of Being Human 2018, the UK's only national festival of the humanities;
- The University's partnership with the Canterbury & District University of the Third Age (U3A) continues to deepen. Over 80 members of the U3A have contributed to Kent research, receiving training in knowledge and skills. Members have also benefited from media training open to both Kent staff and external stakeholder groups. In May 2019, the University hosted 185 members of the public at the second U3A Kent Research Showcase. The event highlighted both individual and joint research projects through short talks, presentations and posters, as well as workshops, performances, guided visits and demonstrations. Thirty research staff and students joined the U3A members in delivering the Showcase. The National Chief Executive of the U3A attended and said that the collaboration was a great example of what can be achieved from a partnership between a University and the U3A working together as equal partners.

c) Engagement, impact and civic mission

"Our education and research, and the talents of our staff and students, will support social, economic, cultural, intellectual and public life in ways that will make us one of the leading civic universities."

Kent and Medway Medical School

The new joint (Kent/Canterbury Christ Church University) Kent and Medway Medical School will deliver graduates able to practice person-centred care and to work inter-professionally to develop solutions to care delivery for the future. In years one and two of the novel curriculum, medical students will have one day of placement experience every week in approved educational settings within Primary and Community Care, across Kent and Medway. In years three to five, the programme content will be delivered by undergraduate medical tutors in approved educational settings in every acute care provider in Kent and Medway. The launch of KMMS will have a significant regional impact in enhancing capability for attracting, training and retaining talented staff working in the health and care professions, and in due course lead to improved health outcomes for the people of Kent, Medway and beyond.

Arts and culture

The University recognises that to make a significant social and economic impact, collaboration and partnership is vital. In 2018, a Memorandum of Understanding (MoU), signed with Arts Council England, articulated a shared commitment to work together on research in arts, health and wellbeing and to promote the engagement of all children and young people in Kent with arts and culture, addressing inequalities of opportunity. The MoU also recognised Medway's potential to become a thriving Creative and Cultural Industries hub and confirmed a shared commitment to widen access and improve the quality of arts and culture across Kent. The University works in close partnership with Medway Council, chairing the Medway Cultural Partnership, as well as the steering groups for the bid to be UK City of Culture 2025.

The University secured an award of £4.3m from the Cultural Development Fund (CDF) to contribute to the development of the Thames Estuary area as Europe's largest creative corridor. Plans for this funding include building a programme of activity that develops critical cultural infrastructure, R & D and innovation, training and capacity building for local businesses and the commissioning of new cultural

products. The investment will support the creation of over 500 creative industry jobs, provide skills and qualifications to 200 workers and provide 60 apprenticeship opportunities for young people in the region.

Work took place with Kent Refugee Action Network with weekly arts sessions for unaccompanied young asylum-seekers and refugees. This included supporting one participant to apply to study at the School of Arts and that student is now about to enter his second year studying drama. The Radical Roots spoken word project engaged with disadvantaged young people across Kent, bringing young people on to campus for workshops and performances at the Radical Roots festival, from April to June 2019. The MUSIC31 project brought disadvantaged young people from Thanet and young people from BAME communities in Gravesend together to create a bhangra – hip-hop fusion track on campus that was performed at bOing! Festival in August 2019.

Business and community

The University's activities as a whole, combined with the £300m that students spend off-campus, support 9,448 full-time equivalent (FTE) jobs in the South East. In addition, more than 132 companies have been created at the University's Hub for Innovation and Enterprise in Canterbury since 2010, creating 190 new jobs and contributing £8.8m to the local economy¹.

The business community's business and innovation gateway into the University is delivered through the University's dedicated department, Kent Innovation and Enterprise (KIE). KIE takes an innovative and creative approach to building strong links between research, business and industry, to better develop and support business and economic growth, and some of its initiatives are detailed below:

- **Innovation, Creativity and Enterprise (ICE)** – has continued to be a successful platform for engagement with the business community with enhanced links with businesses of all sizes and the public sector, to support innovation and development;
- **Inspire, Challenge, Excel (iceP)** – is a support programme for women: students, staff and businesswomen, to bridge the gap between the University and business communities and to create opportunities to support women at all stages of their lives and careers;
- **Industrial Strategy** – the government priority for the Industrial Strategy is of significant importance to the University and the business community and it is focusing strategic support for innovation and enterprise around the key sector themes. The University is taking a proactive approach to developing partnerships with industry in order to take advantage of collaborative funding opportunities to enhance productivity and innovation.

Increasingly, the University's students are developing innovative skills and KIE runs a number of pathways for students to engage in innovation and enterprise such as the Employability Points Scheme; the Innovation Weekender; Kent i-Teams and the scheme for Professional Opportunities for Postgraduates (POP).

Students are also able to access dedicated business start-up support run by the University's Business School ASPIRE team. The Business Start-up Journey, is an inspirational 12-week programme, providing a step-by-step guide to starting a business in the School's purpose-built facilities.

¹ www.kent.ac.uk/about/impact/files/regional-impact-driving-economic-growth-2019.pdf



Local and regional engagement has continued to grow with the University playing a key role in many stakeholder networks. The University has been actively involved in working with businesses located at Discovery Park (Enterprise Zone) and provides support to the tenants at the Park to ensure the University provides a first point of contact for partnership development on research and innovation. In addition, KIE is actively supporting the development of the second Enterprise Zone in Kent, North Kent Enterprise Zone. The Zone covers Medway, Ebbsfleet and Maidstone, providing a wide range of support for the region on health, specifically health care and medical devices, with innovative business premises and a high focus on developing skills. The University is a key member of the strategic partnerships and boards.

The University continues to support the South East Local Enterprise Partnership, the Federated Kent & Medway Economic Partnership, the Business Advisory Board and the University's Director of Innovation and Enterprise is President of the Kent Invicta Chamber of Commerce. The increased regional stakeholder engagement, and business support, is firmly positioning the University as an Anchor Institution committed to Civic Mission priorities.

Partnerships and access

The University is committed to leading initiatives that ensure benefits to the region and partners with regional economic and development organisations to support economic growth, continuing to engage with them to ensure the University's activities best meet the needs of employers and the local economy.

The University is the lead sponsor of the University of Kent Academies Trust (UKAT) comprising Brompton Academy and Chatham Grammar

School for Girls in Medway. Students at both academies benefit from the knowledge, experience and resources that the University has to offer and the University is committed to supporting the Trust in designing and delivering a range of courses for adults as well as family learning programmes for parents/carers and their children.

The University's Medway Campus has provided new opportunities for young people in the region. The University has worked with colleges in its region (MidKent College, East Kent College and West Kent and Ashford College) to offer a range of vocationally related higher education qualifications.

The Universities at Medway, including Canterbury Christ Church University, the University of Greenwich and the University of Kent contributed nearly £144m to the South East economy in 2015/2016, with their students spending another £158m with local businesses and services. The Universities also support almost 1,600 jobs in the area and welcome more than 1,200 students a year from the Medway area to the shared Chatham Maritime campus.

Outreach

The University has continued its outreach work with partner secondary schools in Kent and Medway and schools within the KMPF to help raise the aspirations of those from non-higher education backgrounds. In the last year, contacts have been made with just under 17,000 pre-higher education students and over 262 Student Ambassadors have been recruited, employed and trained to support this work. In summer 2019 four residential summer schools were offered to 118 school and college students from years 10, 12 and further education who sampled life at Kent when they attended the Canterbury campus, giving them an

UNIVERSITY'S PUBLIC BENEFIT STATEMENT (CONT)

opportunity to experience university life and to attend lectures and seminars on a variety of subjects. The University also offers routes into higher education for adult learners through its Access to HE Diplomas that are run at Brompton Academy and at Hartsdown Academy.

The University has successfully piloted the new University Entrance Diploma (UEd) in Medway over the last two years. The programme, based on Access to HE diplomas, has been targeted at younger students from a widening participation background. Given the success of the approach, work is now underway to develop the UMed which will be an innovative new two year programme for younger widening participation students to enter Medicine at the new Kent and Medway Medical School.

The School of Physical Sciences holds public engagement at the forefront of its strategy and has run programmes to engage the wider community with chemistry, forensic science and physics. The team works closely with The Ogden Trust and SEPnet (South East Physics Network) to bring events to the community and the community to the University. Events include mobile planetarium visits, hands on forensic science days, interactive liquid nitrogen shows and local science festivals. Students from the School of Physical Sciences run multiple workshops across the year with the same school pupils, to build their confidence in science and help make higher education more accessible to them. The team also runs pioneering public engagement projects with the Beacon Observatory, getting school students and amateur astronomers involved with astronomy research. There are residential courses in chemistry and forensic science for students from schools across the UK. In 2019 the School held the 20th annual University of Kent Space School, providing an intensive three day experience to introduce 15 to 18 year olds from across the world to the different fields of space science at the University of Kent, and raising awareness of the career possibilities to become tomorrow's space professionals.

Volunteering and fundraising

The University has a commitment to volunteering, by students and staff for the benefit of the community. Volunteering through Kent Union plays a crucial role in the university experience, from welcoming students over arrivals weekend, to running a student group, being a student rep or running a campaign. Examples of student volunteering include helping local charities and working with schools to encourage children to consider further study and to promote positive community relationships. Student Action for Refugees held a charity football tournament with Kent Refugee Action Network which gave young refugees a chance to make use of Kent Sport facilities, joining teams made up of students and the local community, amongst other fundraising activities.

Kent Union coordinates the KSCV Scheme (Kent Student Certificate for Volunteering) which recognises student volunteering and records the development of employability skills on the Higher Education Achievement Report. Student volunteers attend training programmes that raise skill levels so they can carry out their roles to the best of their ability, including leadership, running an event, campaigning, first aid and safeguarding training. Last year over 1,300 individual students attended 3,500 hours of training.

The University has agreed arrangements which allow members of staff to undertake up to 25 hours of unpaid leave a year (pro rata for part-time staff) to support volunteering activities.

Kent RaG (Raise and Give) is Kent Union's fundraising society, which supports other student groups, counts all of the money raised and runs fundraising events and challenges. The 2018/19 total raised by fundraising undertaken by University of Kent Students was £238,732.80. Kent RaG's challenges alone raised £136,030.67, including climbing Kilimanjaro for Meningitis Research Foundation and building playgrounds in Uganda. This total was the biggest fundraising total ever raised by Kent students and Kent Union and the University are incredibly proud of their student's impact on local, national and international charities.

Contribution to the community

The Kent Law Clinic is a partnership between students, academics, solicitors and barristers in practice locally. It has two objects, to provide a public service for the local people who need legal advice and representation and cannot afford to pay for it, and to enhance the education of students in the Kent Law School through direct experience of legal practice. The Clinic goes from strength to strength and has continued to provide free legal advice and help including coming to the assistance of two claimants in Kent, who were helped to secure £22,000 in benefit arrears from the Department of Work and Pensions after a successful Personal Independence Payment appeal.

The University's Sport department, Kent Sport, hosts many events, including Canterbury's parkrun on the University of Kent's Canterbury Campus, and supports local and national charities, including hosting events for the Pilgrims Hospice as part of its public engagement work. Kent Sport also sponsors the Canterbury Ladies Hockey 1st Team, holds weekly physical activity sessions with adults with learning disabilities and has an active retirement group which uses six hours of facility time each week.

Many of the University's facilities are open to the general public, attracting visitors from Kent and further afield, covering a breadth of activities including a diverse range of cultural activity engaging students, staff, professional artists and the local community; with open lectures and visiting speaker events, sports facilities and open days.

In Canterbury, the University offers an innovative, engaging and high quality arts programme for students, staff and the community with its award winning Colyer-Fergusson Concert Hall and Gulbenkian theatre and cinema. Gulbenkian is an Arts Council of England National Portfolio Organisation in recognition of its groundbreaking work and commitment to the creative empowerment of children and young people. In 2018 over 11,000 people attended the bOing! International Family Festival; a further 104,000 attended cultural events on campus and 8000 young people participated in arts projects. On the Medway campus, the University is working in partnership with Medway Council to develop an arts programme in the Galvanising workshop and Royal Dockyard Church, including the Chineke Orchestra, the first professional orchestra in Europe to be made up of a majority of black and minority ethnic musicians.



FINANCIAL STATEMENTS / STRATEGIC REPORT

Financial highlights for the Year to 31 July 2019

Financial performance and investment:	2018/19	2017/18	Movement
Total Comprehensive Income / (Expenditure) as % total income	(£60.1m) -22.5%	£3.4m 1.3%	↓£63.5m
Underlying financial performance (see Financial Summary, p36)	(£7.9m)	£4.5m	↓£12.4m
Adjusted Net Operating Cashflow (ANOC) ¹ as % total income	£11.4m 4.3%	£20.8m 7.8%	↓£9.4m
Total income	£266.4m	£267.8m	↓£1.4m (-0.5%)
Tuition fee income	£163.5m	£166.6m	↓ £3.1m (-1.9%)
Residences and Catering income	£36.7m	£36.4m	↑£0.3m (0.9%)
Staff expenditure for the year ² as % total income	£158.5m 59.5%	£151.0m 56.4%	↑£7.5m (5.0%)
Capital Expenditure	£31.8m	£33.1m	
Liquidity, debt and financial viability:	2018/19	2017/18	
Current asset ratio ³	1.01	1.61	
'Available cash reserves' ⁴ as days' expenditure	51 days	93 days	
Net debt (Outstanding loans less cash held)	£79.6m	£68.6m	
Net assets (including impact of increase in pension provision related to 2017 USS Valuation)	£254.5m	£314.6m	

1 A measure of cash received in the year that could be used to meet future commitments, (Net cash inflow from operating activities plus cash received from investment & endowments, less interest paid on borrowing).

2 Total staff costs less the movements in provisions for pension deficit recovery plans and redundancy payments in relation to restructuring schemes.

3 A liquidity measure of ability to pay short term debts, calculated as the ratio between current assets and current liabilities.

4 Measured as cash in hand, short-term deposits and 90% of the market value of current asset investments.

Summary

Universities change lives. Kent's reputation for teaching and research is well established, and in our newly refreshed strategy to 2025 we look forward to delivering one of the best education and student experiences in the UK that enables and inspires our students. Our discoveries and research will emphasise existing and new signature areas, where we match the best in the world. Our education and research, and the talents of our staff and students, will support social, economic, cultural, intellectual and public life in ways that will make us one of the leading civic universities.

We will further develop on past successes, generating a graduate body that is thoughtful, articulate and globally aware and creating research outputs that influence international thought. We will work alongside our regional community to improve prospects and enrich minds. Over this period, to our 60th anniversary, we will open our new joint medical school, the Kent and Medway Medical School ('KMMS') to enhance careers and prospects for medical professionals in the region, we will further grow our new but successful Centre for Higher and Degree Apprenticeships to provide increased educational prospects and we will develop our leading research in key areas of Bioscience and Molecular Medicine and Cyber Security, amongst others.

Higher Education Institutions face increasing scrutiny from government, the public and the press and we will work to increasingly demonstrate the public good that we deliver, for students, for thought leadership, for our region and internationally.

As we continue with the implementation of our strategy there are significant challenges, including funding for universities, increased competition for students in a constrained environment, cost pressures and the prospect of Brexit. We will look to renew our academic offer to remain relevant and attractive to prospective students, and we will critically challenge current structures and ways of working to ensure we are sufficiently agile and lean to cope with these concerns.

The deficit reported this year of £60.1m is significant, but is primarily caused by an increase in the pension provision as a result of the finalisation of the 2017 Actuarial Valuation for the Universities Superannuation Scheme ('USS'). Similar deficits will be reported across the sector in other institutions that have a high membership in this scheme. Throughout the year, Kent has been taking steps to ensure its long-term financial sustainability in response to the increased competition for student recruitment being seen throughout the sector and the financial squeeze as a result of some significant staff cost increases in a period of levelling income and constraints over fee levels, control over which is largely outside the University's sphere of influence.

One such action has been the launch of the Kent Voluntary Severance Scheme ('KVSS') in April 2019, which aimed to reduce staff numbers by circa 250 FTE over a 12-month period. So far, 147 staff have left, or are leaving, under this scheme and provision for the associated cost, £6.7m, has been made in these 2018/19 Financial Statements. This increases the deficit reported this year but will result in a reduced staff cost base moving forward. The remaining redundancies will be agreed later this year as part of a wider restructuring and organisational change programme, known as "Organising for Success".

On an underlying operating basis, Kent's 2018/19 financial performance did however decline with a deficit of £7.9m being reported, compared to a surplus of £4.5m in 2017/18. While this decline had been largely anticipated, the extent and timing was both greater and earlier than expected and as a result, recovery plans to address the situation have had to be accelerated. Kent is not alone in facing these challenges, arising as a result of an overall unsustainable operating model for HE in the UK, which is driving extreme behaviour in the recruitment of students and the over-recruitment in some institutions at the detriment of others; this is a situation that is only likely to lead to a poorer all-round experience for students, wherever they study. Kent is however working actively to address these challenges, grow income streams in areas where demand has been maintained and reduce costs in areas experiencing declining trends of income generation. This reshaping of the University's offer will happen gradually, so as not to adversely impact our existing or future students but is essential if we are to navigate this difficult period and remain agile enough to grow again once the demographics of young persons pick up once again from 2022. Throughout this period, we are however committed to ensuring that we meet the needs of our students for academic and social development, leading to valued employment and benefits to society. In 2018/19 alone we spent £31.8m on capital works as part of a programme of estate renewal and development of new and existing academic facilities, to improve the experience for our existing students and in preparation for a sustainable future. Further detail on the capital programme is provided on p43. The University balance sheet remains strong, with net assets in excess of £250m in spite of this decline in operating performance, and we enter 2019/20 with a range of performance improvement plans that are underway and which we anticipate will turn this position around in a reasonable period of time. Further detail on Kent's financial performance, position and capital programme is given below in the "Financial Summary".

This strategic review outlines the major areas of focus underpinning the University's aims to 2025, demonstrates the valuable benefits Kent bring to its students, reviews progress and financial performance to date and assesses the outlook for the future, including an evaluation of the major risks that may affect the achievement of the University's strategy.

Delivering excellent academic experiences for our students

In 2018/19 our student population was 19,831 with 82% of our students based at Canterbury, a further 10% based at Medway, and the remainder studying at our European centres, in partner institutions or by distance learning. The 2018/19 student population was 2% lower than the previous year due to a reduction in both EU and overseas undergraduate numbers at our Canterbury campus. Our postgraduate headcount remained stable.

The reduction in our overall full-time student headcount, however, was partly offset by an increase of 11% in part-time undergraduate new

entrants mainly due to expansion of our higher degree apprenticeship provision; part-time postgraduate taught new entrants also increased by 13%.

Kent is committed to offering a fulfilling university experience to students from a range of diverse backgrounds. 31% of our UK first degree new entrants have non A-level qualifications on entry, 13% have a known disability, 38% come from Black and Minority Ethnicity (BME) backgrounds and 46% have been identified as coming from widening participation backgrounds. The proportion of students with each of these characteristics has increased over the last five years since 2014/15.

Currently we are ranked at 49th out of 131, 54th out of 131 and 65th out of 121 in the Complete University Guide, The Times Good University Guide and The Guardian respectively, but at positions lower than where we would be typically aiming. Primarily this has been linked to a decrease in our average National Student Survey (NSS) satisfaction levels and the on-going impact of us revising our calculation of the Student:Staff ratio in 2018, following updated guidance. We take these results seriously, listening to what our students say, comparing our results to NSS subject benchmark data and continuing to implement changes in response to both the metrics and student comments. This work includes improving our understanding of the needs of our changing student population starting with a focus on welcome, induction and transition. A new programme of activity was launched at registration including our new 'One Hour Degree Game' to aid transition and further work is ongoing to address the needs of commuter students and to explore ways to develop a more student centric timetable which would support students balancing a complex array of priorities alongside their studies. The aim of this work is not only to improve student satisfaction but to help address attainment gaps and to introduce the building of career enhancing skills right from the start of their time with us so that our graduates are better placed to fulfil their career aspirations.

Undergraduate recruitment for 2019/20 was also challenging as our initial undergraduate application figures were significantly lower than the previous cycle. This is partly due to the declining UK young demographic and increased competition for students between Universities, but it has not been possible to account for the total extent of this drop, which was higher than expected considering our performance metrics. Other factors which may have impacted this cycle include our subject mix which is predominantly humanities and social science based. A number of subjects in these areas have attracted significant negative media attention regarding employment outcomes, which are not borne out in our data relating to the Destination of Leavers from Higher Education (DHLE) and Longitudinal Educational Outcomes (LEO), which look at what students do after completing their degree, and how much they are earning. Another factor which, in the current political climate, may have negatively affected this cycle is our long standing strong affiliation to Europe.

Full-time postgraduate recruitment has been in decline at Kent since 2016/17, possibly a consequence of the higher levels of Home/EU undergraduate tuition fees and government policies that make postgraduate study and work for overseas students more difficult. There is, however, still a strong postgraduate community here at Kent, one that we will continue to seek to grow in the coming years.

The University is looking to mitigate the shortfall in student numbers with further expansion of our degree apprenticeship offer in 2019/20, and

STRATEGIC REPORT (CONT)

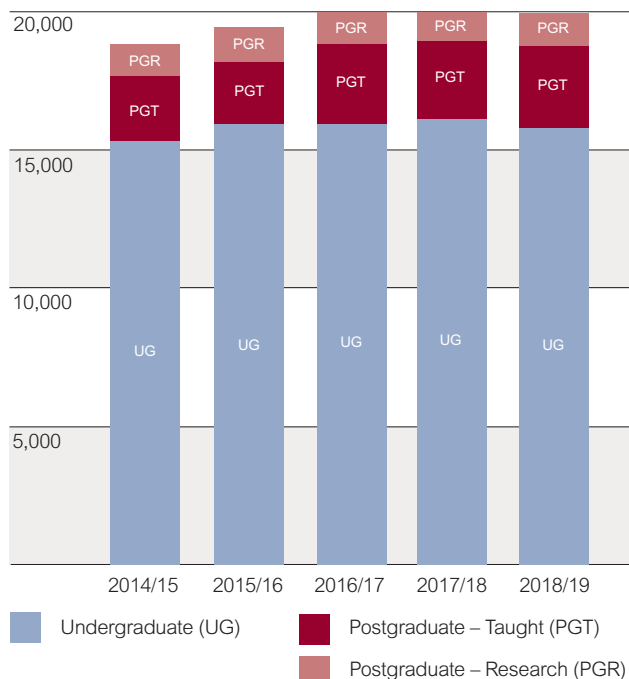
possible expansion of January starts for overseas postgraduate taught students in light of the government announcement of the visa extension. In the longer term work is ongoing to develop our online learning / distance provision.

Looking ahead, the University is still facing a challenging student recruitment environment, with the UK young demographic in decline for the next three years and increasing competition for students between universities. There is also a risk that Brexit may impact our recruitment for 2020/21 more than institutions in other regions through possible disruption to transport links across the county during the 2019/20 academic year. Plans are in place to try to address this issue, but it is well evidenced that campus visits play an important role in recruitment as the environment and facilities at Kent underpin the student experience we offer.

The portfolio at Kent will change dramatically from 2020 to help address these challenges which alongside the implementation of our Education and Student Experience strategy will embed good practice and consistency of academic experience. Firstly with the launch of the Kent and Medway Medical School in partnership with Canterbury Christ Church. Preparations for this opening are well advanced having reached GMC stage 6 and we have attracted over 1,500 applications for 2020/21, giving us confidence that we will open with a full cohort of 100 students in September 2020.

In addition to this exciting prospect we are further rebalancing our portfolio from Humanities to STEM subjects with the opening of Mechanical Engineering in September 2020 together with further expansion of our Higher Degree Apprenticeship offer.

Five year analysis of students studying for Kent qualification (headcount)



Supporting students and aiding their progression

At Kent, staff work in partnership with students to deliver services and systems and create communities and culture that support and realise the rights of every student to experience safe, successful, independent study. The University Strategy prioritises the student experience, with particular focus on supporting student attainment, providing mental health support, and enabling employability. Work over the 2018/19 year has similarly been focussed on these areas of strategic importance.

The University's commitment to supporting our students has been recognised nationally by winning the Outstanding Support for Students award for a second year running at the 2018 Times Higher Education (THE) Awards for the OPERA Project, to improve access to learning for all by implementing a range of accessibility initiatives.

In common with other universities, an increasingly higher proportion of Kent's students are identifying mental health concerns and seeking support. In 2018/19 we continued to strengthen our provision, re-locating our 24/7 Nursing Service adjacent to Campus Security, in the heart of the Canterbury campus, and recruiting for an out-of-hours mental health support role. The University has co-partnered with Canterbury Christ Church University and our respective Students' Unions to introduce Nightline, a student-led listening support and information service to students experiencing emotional difficulties – our Nightline has already received accreditation in its first year. This supplements our existing support and wellbeing arrangements delivered through the Wellbeing and Counselling teams, our College Offices and student support officers in our academic schools.

Other initiatives delivered to support students and aid their progression in 2018/19 have included expansion of support for students with autism, opening of the Kent Oasis Community Garden, delivery of an extensive programme of events and activities such as Mindfulness sessions, wellbeing workshops, Enhance Your Wellbeing Festival and Disability History Month. An online reporting tool for students to report incidents of sexual assault and harassment was launched in May 2019, complementing specialist support within the University for students who have experienced sexual violence.

Our Student Employability Strategy for 2018-21, defines our expectations that our students will become confident, creative, critically reflective, culturally aware and will have integrity, resilience and intellectual curiosity. The strategy supports the development of those attributes to enhance the employability and produce graduates who will make an effective contribution to the world of work.

We offer a range of services including an award-winning Careers and Employability Service and an annual Employability Festival including the Careers Fair. Student numbers accessing the Careers Service for appointments grew by 26% this year to 4,601 attending, highlighting the proactive nature of our students and the need for professional expertise in advising students. Event attendance by students has grown 247% in the last 5 years, with 6,385 recorded attendances in 2018/19.

Our employability rating for graduate prospects remains strong at 78.3%, albeit seeing a slight drop compared to prior years. This has led to the following rankings in the 2019 national league tables for employability, positioning us at 14th out of 121, 16th out of 131 and 55th out of 98 in the Guardian, Complete University and Times Good University Guides respectively.

Our Work Study Scheme offers students from diverse backgrounds the opportunity to acquire workplace skills and training and access to paid employment. The scheme has engaged over 1,615 students with 952 University positions being filled during 2018/19. Since its inception in 2014, the scheme has supported 5,833 students, providing 3,423 roles, in which they earned just under £1.25m. Students unsuccessful in obtaining employment receive personalised feedback and support with future applications.

The University's Centre for Higher and Degree Apprenticeships (CHDA) offers a fully-managed apprenticeship service to employers encompassing workforce recruitment, workplace competency monitoring and advice on apprenticeship funding and policy. In January 2018 a Kent apprentice from GlaxoSmithKline received the top national accolade "Higher or Degree National Apprentice of the Year" at The National Apprenticeship Awards and CHDA was shortlisted for a THE Leadership and Management Award in the Outstanding Employer Engagement Strategy category in June 2018. The growth in programmes for Degree Apprenticeships continues, with a partnership agreement being signed during the year between the School of Economics and the Government Economic Service which will create new routes to careers in the Civil Service.

Providing excellent academic support services for learning and research

The University's Information Services department continues to offer excellent services in support of all aspects of the University's ambitions and actions for education and student experience, research, innovation and engagement, impact and civic mission. Student satisfaction remains high with NSS results of 86.12% for IT and 87.42% for the Library.

Highlights in 2018/19 include:

- Developing the vision for excellent Library and IT services to the joint Kent and Medway Medical School;
- A major review and overhaul of the Reading List service to ensure its continued relevance as a significant support tool for students and academic staff;
- Developing a new Library online skills portal to support and develop students' information literacy skills to be launched in autumn 2019;
- The development of a sustainable open access environment, beyond that required for REF2020, by providing support for post-graduate researchers through improved thesis submission process and new guidance and training, support for dissemination planning including routes for open publishing for research, support for data management plans and open data;
- Significant support to enable the University web site to comply with new accessibility legislation including the launch of a new web editor and new pages for many schools and departments;
- Improvements to the lecture recording service including scaling up the capacity to capture more than 50% of lectures;
- Improving coverage, capacity and quality for the 17,000 daily users of the Canterbury campus Wi-Fi and working with our public sector partners to establish connectivity to the University's wireless network from hospitals, public libraries and other council-owned buildings;
- Building the reputation of the Library at national level including achieving the Talis Aspire User Group Award 2019 and being shortlisted for the Times Higher Education 'Library Team of the Year' and SCONUL 'Library Design' awards.

Planned activity for 19/20 includes:

- Embedding sustainable and resilient research support across library teams;
- Implementing processes to respond to external influences such as Plan S and UK Research and Innovation's open access review;
- Improving the integration of physical and digital library collections;
- Exploring opportunities to interact with and support public sector IT providers across Kent;
- Further developing the IT and Library offer for the Kent and Medway Medical School;
- Supporting and developing KentVision, the new student management system, as it moves into its 'live' phase.

Providing higher education to a diverse range of students

Kent has long been committed to the provision of higher education to all those who could benefit and has delivered major innovation and success in widening participation. We work closely with secondary schools and colleges in the surrounding area to widen access. We have established the University of Kent Academies Trust (UKAT) comprising two secondary schools, Brompton Academy and Chatham Grammar School for Girls in Medway. As a sector trailblazer, we are leading KaMCOP, a local collaborative outreach project which also involves three other local universities, three FE colleges and fifty local schools. We have successfully embedded the £3m Higher Education Access Tracker (HEAT) database, used for tracking participation in outreach and measuring impact, which is now established in 84 English universities. Further developments within Scotland and Wales and internationally with Australia are being pursued.

Our successful student ambassador scheme has continued to grow with undergraduate and postgraduate students working to engage in outreach activities with just under 17,000 pre-Higher Education students. The ambassador scheme is a key contributor to a positive 'student experience' at Kent and improves our students' employment prospects.

We offer financial support to assist students in their academic career. In 2018/19 bursaries and scholarships with a total value of £18.8m were awarded to undergraduate and postgraduate students. Kent continues to attract students achieving top grades at A-level or equivalent qualifications, thus qualifying for the University's Academic Excellence Scholarship. To improve student success outcomes for students the University is developing a new bursary funding model from 2020 that will combine financial and engagement programmes for target cohorts.

Enriching the student experience

Kent Union is an independent charity and the Students' Union at the University of Kent; its mission is to support students by giving them a voice, help them have the best time at Kent and prepare them for life after Kent. The Union provides a wide range of advisory and welfare services, including an Advice Centre that helps around 5,000 students each year, often making crucial interventions to support them to complete their degree programmes; an off-campus housing accreditation scheme, Homestamp, run by Kent Union on behalf of the City Council and the three universities in Canterbury, that drives quality within off-campus student accommodation; a Buddy Scheme that pairs up current students with new students to help them settle into university; a student listening service, Nightline, that Kent Union runs on behalf of

STRATEGIC REPORT (CONT)

the Universities and Students' Unions of both Kent and Canterbury Christ Church; and JobShop, an employment temping agency and job advertising service that helps students find employment while studying.

Last year, Kent Union continued to run its ground-breaking Zero Tolerance initiative, securing funding for a second year from the Kent Police and Crime Commissioner to continue to implement the project across the Canterbury and Medway Districts. The initiative works with night-time economy establishments to create and reaffirm a culture where sexual harassment is not tolerated. Kent Union runs the project on behalf of a partnership, consisting of Kent Police, Canterbury District Council and the Universities and Students' Unions of Kent and Canterbury Christ Church. The project was highlighted by a Parliamentary Select Committee as an example of best practice and showcased by Kent Union at a number of HE sector events last year, including UUK and AMOSHE conferences.

The University course representative system is run by Kent Union; it provides every student with an elected student representative on their academic programme of study. Around 300 students are elected each year and the majority attend Kent Union training and receive ongoing support from Union officers and staff over the course of the year. During 2018/19 Kent Union carried out a democracy review in order to ensure that elected officers are representative of the whole student body, with changes to the range of officer roles including increased representation for part-time and postgraduate students. There has also been a wide range of student networks established, which will lead campaigns, hold forums and socials, and create change through collective action. These changes will be in place for the 2019/20 academic year.

Kent Union provided around 700 students with employment opportunities over the course of the year, paying over £900k to students in 2018/19. The Union once again achieved inclusion in the Sunday Times Best 100 Not-for-Profit Organisations to Work For, the 10th occasion that the Union has been included in this highly prestigious list of top employers in the UK. The Union also provides a wide range of volunteering opportunities and groups. Last year, around 500 students achieved Kent Student Certificate in Volunteering (KSCV) awards, over 2,500 students volunteered through Kent Union and over 75,000 voluntary hours were donated from Kent Union volunteers.

The Union runs a wide range of student activities, including around 300 student-run clubs and societies boasting over 7,500 student members. The University and Kent Union provide students with free membership to academic societies, which has seen their membership continue to grow in 2018/19. Additionally, Kent Union runs an award winning student-run radio station, one of only five student radio stations in the UK to have a full FM licence and the oldest student radio station in the country, and a student newspaper that has been produced since December 1965.

Kent Union continued to run GK Unions, the students' union provision on the joint Medway campus, on behalf of, and funded by, the Universities of Kent and Greenwich. GK Unions provides an advice centre, student activities team, non-alcoholic social and study space, a bar and catering outlet and space for student groups to undertake their activities, in a purpose-built £5m student hub. The Union also works to support students at the University's Centres in Paris and Brussels, providing training for student reps on both sites, supporting student groups and, in spring 2019, running the first ever European Varsity event, with sports fixtures between teams from Medway, Canterbury, Paris and Brussels taking place in Brussels.

In Canterbury, a new students' union facility opened last year in Parkwood, the 'student village' on campus. This £3m new building houses Woody's, the Union's Park Wood bar and catering facility, an IT and study facility, two dance studios for student groups, one of the Union's convenience stores and a social facility. The Union also runs the Venue, a 1,200 capacity, purpose-built night-club on the Canterbury campus of the University, which saw over 100,000 customer visits over the course of the year. The Union prides itself on running the Venue in a socially responsible manner, providing students with a safe entertainment facility on campus. In addition to this, the Union continues to run the Oaks Day Nursery on the Canterbury campus, providing 95 places for children of University and Kent Union staff and students.

Kent Sport continues to develop a diverse and inclusive programme of sport and physical activities for staff and students of all ages and abilities across the Canterbury and Medway campuses. We have created fantastic partnerships with the student services and wellbeing team providing pathways for students combatting mental health or with physical disabilities to access physical activity at an affordable price. After reviewing the results of our membership survey undertaken in partnership with Kent Union, we have launched a new structure for the 2019/20 academic year that we hope will suit the student needs and encourage more to get involved.

We have recently welcomed an honorary graduate to Kent Sport in Barry McGuigan. We have worked with him to provide a training facility for his boxers to prepare for their respective world title fights and we are confident this will be a fruitful partnership. We will continue to work with local facility providers so we can offer as much variety to our programmes as possible to enhance the student experience whilst at Kent.

Construction of the new indoor tennis & events arena is well underway with the expectation being it will be fully operational by September 2020. Funding has also been approved to resurface the existing hockey pitch which after 14 years is finally showing signs of wear and tear.

Medway had a fantastic 12 months with the launch of the Team Medway Social (TMS) which amalgamated the physical activity programmes of the three partner institutions into one, making it simple & easily accessible for students studying there. In total 750 students engaged across many activities and GK Union / Kent Sport continue to discuss further plans and developments for this campus.

The relationship between Kent Sport and Kent Union continues to be healthy with common themes and initiatives being worked on collaboratively to tackle inactivity and enhance the student experience.

Arts and Culture play a significant role in the life of the University of Kent. We are committed to embedding creativity in the lives of our students, staff and local communities, as well as playing a leading role in the development of cultural and creative industries in the UK and beyond. In Canterbury we offer an innovative, engaging and high quality arts programme for students, staff and the community with our award winning Colyer-Fergusson Concert Hall and Gulbenkian theatre and cinema. The Gulbenkian, an Arts Council of England National Portfolio Organisation, continues to develop its ground breaking work and commitment to the creative empowerment of children and young people. Students on both the Canterbury and Medway campuses can also take part in a wide range of extra-curricular music making. At our Medway campus we are working in partnership with Medway Council to

develop an arts programme in the Galvanising Workshop and Royal Dockyard Church.

We also support students studying at our Paris School of Arts and Culture in initiatives such as their MA festival in 2018 – REVOLUTIONS.

Our student engagement programme, Gulbenkian Uncovered, provides mentoring opportunities for students to devise, co-ordinate and manage events across the Canterbury and Medway campuses, including student-led 2forTuesday cinema screenings.

Student residences

Kent's Commercial Services provides a varied choice of quality student accommodation to 6,500 students across our Canterbury and Medway campuses and in 2018/19 we continued our on-going programme to maintain and enhance our high quality bed stock, by completing the refurbishment of Farthings and Grimshill Courts in Parkwood village, to include double beds throughout. Our accommodation continues to be well subscribed and high occupancy levels are enjoyed throughout the academic year and during vacation periods. The Accommodation Office won an Honourable Mention for Outstanding University Housing Office at The Class of 2020 Conference, with them being praised for the 'unprecedented wealth of services' that are provided to students, especially during induction.

Our student dining facilities remain as popular as ever; both Mungo's in Eliot College and Dolche Vita in Keynes College were refurbished to enhance our wide range of exciting venues. Our award-winning residential conference business remained extremely buoyant during vacation periods and the contribution of this activity helps ensure that student rents remain competitive. Visit England once again rated our accommodation as 4-5* across the campus and at the Group Travel Awards the University won the "Best University Accommodation for Groups" award for the twelfth year in succession, which is unprecedented.

Growing internationally respected research and our postgraduate community

Our Research and Innovation Strategy places research at the heart of the University's work, bringing improvements to society, the economy and the environment and encouraging a culture of creativity and intellectual freedom among our students and staff. Following our strategy we aim to increase our delivery of world-leading research, so that our work becomes better known, to ensure that our research is available to and used by those who need it most and to ensure that our research and innovation is fully and appropriately funded, so that we are able to work to the best of our ability and to support and develop our postgraduate community.

Since achieving a strong performance in the most recent national Research Excellence Framework (REF2014) and a ranking of 17th for Research Intensity out of 122 multi-subject universities in the Times Higher, the University continues to increase its research income and to attain the highest standards of research as judged by international measures. Research income increased again in 2018/19, for the sixth consecutive year, to nearly £20m and the value of new awards is higher still. Our research strategy to achieve further growth is being embedded, with the development of a number of interdisciplinary signature research themes to be launched next year. Additionally, the

international reach of our research was demonstrated with the second in a series of Global Challenges Research Fund (GCRF) partnership development workshops with academics and aid agencies from around the world working together to address UN Sustainable Development Goals.

Kent retains its reputation for excellence in international indicators. This consolidated performance, coupled with the increased activity levels, will underpin our submission to REF2021 where we aim to increase the proportion of world-leading (4*) research outputs to 40% as well as the number of highly cited articles by 25%, and help to achieve our goal of being recognised internationally for our research excellence.

Kent's Graduate Strategy aims to establish and support an active postgraduate community that provides an excellent and inclusive student experience. We plan to continue to increase the proportion of our student body undertaking postgraduate study, capitalising on the doctoral loan scheme launched for the 2018/19 academic year onwards. In 2018/19 the University had a postgraduate scholarship fund of over £12m from a range of sources including the UKRI. However, the recruitment environment remains increasingly challenging, as a result of Brexit, cuts to UKRI studentship funding, visa restrictions and the implications of student debt. We are actively reviewing our academic and scholarship offering to postgraduates to ensure it meets their expectations and supports recruitment of top quality applicants.

Our postgraduate researchers make a significant contribution to the University's research profile and will contribute to Kent's Research Excellence Framework, supported by such initiatives as our setting up the new Global Challenges Doctoral Centre from 2018/19 onwards. Our postgraduate training environment is enriched through collaboration with other research-intensive institutions and membership of three prestigious doctoral training consortia as well as numerous partnerships with overseas institutions. We have been awarded a further 5-year round of CHASE funding as part of this humanities consortium. The University came 3rd in the What University Student Choice Awards 2018, showing our excellent student engagement and experience. We also obtained excellent results in the Postgraduate Research Experience Surveys for 2018/19. Kent is placed in the top quarter for Overall Satisfaction (83.4%) and also for Supervision (89%) and Responsibilities (80.5%).

Our Postgraduate Taught Experience Survey results remain strong. Compared with the sector as a whole, Kent is placed in the second quarter for Overall Satisfaction, in the top quarter for Learning Resources, and achieved an improvement in satisfaction across all themes. Our Postgraduate Task Force has made recommendations on how to develop and diversify our offer with more innovative programmes and modes of delivery, including developing use of our European study centres, online courses and block teaching.

Fostering innovation and enterprise in our students and within our region

The University's success with Knowledge Transfer Partnerships contributes to the innovation and productivity growth of businesses, ultimately influencing the productivity growth of the region.

Kent Innovation and Enterprise (KIE), the University's dedicated business and innovation gateway, has a strong regional engagement focus and works with the Local Economic Partnership, SELER, to provide a range of high profile, well-regarded activities for the local business community.

STRATEGIC REPORT (CONT)

This includes the nationally recognised Employability Points Scheme recognising students' employability skills. The scheme is sponsored by over 150 businesses providing internships and work shadowing opportunities. The scheme has approximately 8,600 students engaged in the programme.

In addition to the Employability Points Scheme, KIE run the Student Business Innovation programme. Student Innovation is promoted through KIE's dedicated Hub for Innovation & Enterprise. Students can interact across a range of different pathways:

- **Student Business Innovation** – KIE run a programme aimed at involving students with industry to encourage them to innovate. The programme is focused on solving a strategic business problem by involving the students in developing the solution;
- **Innovation Weekender** – The EIRA Innovation Weekender offers 80 students a residential weekend of teamwork, creative thinking and innovation, working on business challenges set by our industry partners;
- **Kent i-Teams** – this programme links the most innovative and creative students to industry facilitating solutions to real world business challenges. Students are selected from across all academic disciplines, working with the support of their team mentor, the Kent Invicta Chamber of Commerce across a six week period receiving mentorship and training;
- **Student Business Start-up** – Run by the University's Business School ASPIRE team, the Business Start-up Journey, is an inspirational 12-week programme, providing a step-by-step guide to starting a business. Working alongside other student entrepreneurs in the School's purpose-built facilities, students can test the strength of their idea and develop it until it is a fully rounded proposal. Students learn how to assess risk, turn challenges into opportunities and develop leadership, communication, presentation and team working skills;
- **Professional Opportunities for Postgraduates (POP)** – KIE and the Graduate School launched Professional Opportunities for Postgraduates (POP) during the year. POP is a short-term paid placement scheme supported by Industrial Strategy funding, and funding from the placement provider on a 50:50 basis.

Increasing international opportunities and engagement

Kent's commitment to international collaboration and partnership remains a defining feature of our institutional approach.

Our updated internationalisation Strategy, taking us from 2019 to 2025, aligns with our new institutional strategy and links our approach to global engagement with the importance of international knowledge diplomacy. It also seeks to take advantage of opportunities to extend the reach and impact of our education and research.

We continue to attract a large number of overseas and European students ensuring that our educational provision and research is delivered and undertaken in a diverse context by internationally experienced individuals and schools. We are actively engaging with new modes of delivering education and building research impact around the world. This supports the University in its ambitions to provide an internationalised curriculum and to undertake world-class research. The growing global competition to attract international students requires us to continually adjust and develop our approaches to student support and recruitment. There are a wide range of examples of good practice, which the University is currently implementing in order to help us to

continue to attract and sustain high numbers of European and international students. Uncertainty surrounding Brexit is enduring, however our international engagement activity also continues to build in impact, as can be evidenced by our Think Kent Global Showcase events around the world in countries such as, China, Hong Kong, Kenya, India, Pakistan, Thailand and Nigeria.

Our study centres in Brussels, Paris, Athens and Rome embody our European focus and show our ongoing commitment to European engagement and partnerships in the 2025 strategy. They recruit students attracted by high quality research-informed teaching delivered in a location relevant to the subject of study. There is increasing activity and strength across our European focus, with new links to Lille, Ghent and KU Leuven for inter-regional research networks and bilateral links to numerous universities across Europe. The European Centres have explored new modules and new lines of revenue, strengthening existing provision and linking with new developments, such as the MA in Global Health Policy in Brussels to support the Medical School and the new Kent-Paris Research Institute to support many different subjects, including the Medical Humanities. Brussels and Paris continue to flourish and there is continued year-on-year growth in Paris. A new platform of delivery has been set up in Athens to ensure financial stability and the Rome centre continues to explore new developments to build its capacity and establish cross-centre modules for new year-long options with Paris.

Modernising the University estate

The current financial performance of the University means that no new major buildings are planned for construction during the next five years. The focus is therefore on delivering the maximum utilisation from the existing building stock whilst ensuring that these facilities remain fit for purpose. A quinquennial condition survey of the University's built assets is currently being undertaken which will inform investment decisions to maintain the estate in a functional and fit for purpose condition. Despite the current financial constraints, there have been some notable achievements in delivering major capital facilities during 2018/19, namely:

- The completion of the £18.3m new building to house the School of Economics and additional teaching facilities. This building was delivered under budget and on programme. On handover, the building had zero defects and the final account was agreed;
- The new £13.6m building for the Kent and Medway Medical School was commenced in April 2019 and the superstructure is now substantially completed. A topping out ceremony took place in December 2019 with the project due for completion in July 2020. The building is designed to accommodate a 50% growth in current allocated student numbers from 100 to 150 per year. It includes a lecture theatre and a state-of-the-art GP training suite which has already attracted interest from GP practices in the region;
- The £4m covered tennis court project is underway and making steady progress with an anticipated completion date of May 2020. In addition to covered tennis courts, this facility will also provide conferencing and exhibition space that will increase capacity and opportunities to generate additional conference income. Furthermore, the large flat floor area can also be used to provide further, much needed, academic examination facilities.

At an operational level, a new engineering asset register has been produced which supports the introduction of a new planned preventative maintenance (PPM) system. This system works in conjunction with the already established computer aided facilities management software to facilitate paperless maintenance management utilising smart phones and

tablets in the field. These systems combined generate operational efficiencies and enable increases in productivity thus delivering a much more cost effective service to the University.

The Kent Voluntary Severance Scheme (KVSS) has resulted in significant changes to the management structure of the Estates Department. These changes, combined with the reduction in capital budgets, has provided an opportunity to undertake a thorough review of the Department's policies and procedures to ensure that they are able to deliver operational efficiencies and value for money.

The University's Framework Master Plan has now been completed and has been accepted by Canterbury City Council as satisfying the requirements of Policy EMP7 in the current Local Plan. Its formal status as a planning document is that it will be given significant weight by Council planning officers in the determination of future planning applications on the Canterbury campus.

Enhancing our people management

The refreshed institutional plan has been reflected in a revised People Strategy to 2025. This refreshed plan maintains a focus on leadership as a path to repositioning the culture and performance of the University to address a more competitive and compliance driven environment.

During 2018/19, following earlier diagnostic work involving large numbers of staff, the University embarked on a major engagement exercise with its workforce to share new proposals for a revised structure and leadership model. The changes, under the banner "Organising for Success" were accepted by Council in June and the focus in 2019/20 will be on implementation and establishing a different kind of culture with a stronger focus on performance and agility. New leadership roles have been created in the form of Divisional Directors and strategies are already in place to ensure effective assessment and development of individuals as we move forward. Support will also be in place for the wider workforce to get to grips with the new structure and ensure that we become more agile in our approach and that new teams form quickly. These changes will be complimented by a new Reward Strategy and devolution of key PSD functions to better position leaders to be effective in their new roles.

The Organising for Success project builds on important innovations already in place. During 2018/19 the new academic career map, providing clarity on the University's expectations of its academic staff at each career level was launched. This will be added to, for other groups of staff, over time. Initially reflected in the promotions process, the academic career map will ultimately be embedded across all major HR processes. A new Teaching Constraints Policy to facilitate effective timetabling is in place, plus a new Kent Voluntary Severance Scheme to facilitate workforce re-profiling. The Academic Workforce Profile Project aimed at strengthening academic community and the student experience was also completed in 2018/19.

Conscious of the need to maintain the trust and confidence of staff during what will be a period of major change, a thorough review of our handling of the USS related industrial action and the grievances this highlighted was carried out in 2018/19. During the year, and working closely with the University and College Union (UCU) to respond to these issues, our Graduate Teaching Assistant Contracts and the pay mechanism for Hourly Paid Lecturers has been fundamentally changed to ensure better transparency. We have also worked with our Trade

Unions and Staff Representatives to review Kent's Reward Strategy and will present proposals during 2019/20.

We continue to also be focussed on improving the experience of our staff. During 2019/20 we will implement an Employee Assistance Programme, formally sign up to the government's core standards for mental health, will provide support through change and will continue to support workforce development. Momentum around equality will be maintained with new schools achieving accreditation under Athena Swan adding to the five schools who achieved bronze recognition in 2019/20.

Sustainability

The plan to install a new, combined heat and power unit (CHP) has now been cancelled following the outcomes of the cost:benefit analysis. Instead, the University's Energy Centre and associated plant in academic buildings and colleges across the Canterbury campus which are served by the district heating main will be renewed over the next few years. During 2019 new boiler flues were installed and heating plant renewed in buildings on the central campus. Current plans are for further plant room improvements are planned to take place over the next few years with the four boilers eventually being replaced by summer 2023, although the exact timing of works is yet to be finalised. Whilst not achieving the same energy savings, and therefore reduction in carbon footprint, that the CHP would have produced, the new boilers will be more energy efficient. Notwithstanding this, the University will still achieve its CO2 reduction target of 23% in scope 1 and 2 emissions measured against the 2005 baseline by 2020 as set out in our Carbon Management Plan.

Kent's environment management system continues to be compliant with ISO 14,001:2015. However, the long-term vision of the Estates Department and the Safety Health and Environment Unit, who administer the management system, is that sustainability should be embedded within all of the activities of the University as business as usual. Rather than being seen as yet another administrative burden, sustainability should be regarded as reducing costs and generating additional income. The link between saving energy and reducing costs is simple. However, incorporating the principles of sustainability into academic programmes can have the potential of producing new courses of study that are much more attractive to a new generation of potential students who are more environmentally aware. An example could be the design of carbon zero buildings.

Kent's sustainability activities and initiatives are summarised in the 'Sustainability at Kent' report, which can be found on the Estates website: www.kent.ac.uk/estates/sustainability/index.html In addition, 'FutureProof – Building the University of the future' was officially launched in June 2018. Since then we have held six workshops around key sustainability issues at Canterbury and Medway and built a network of 65 sustainability champions representing 43 teams and departments from across the University. 52 of these champions are actively engaging with sustainability issues and activities, with 32 of them working on projects developed in their own departments. These projects range from the Kent Community Oasis Garden, which is a project between the University of Kent, Kent Enterprise Trust, Kent Union and the Whitstable and Herne Bay Beekeepers, to tripling recycling rates. The Futureproof projects booklet can also be found at the above link.

STRATEGIC REPORT (CONT)

Financial summary

The table below summarises the underlying financial performance in each year after adjusting for the impact of significant one-off items, and shows the composition of the deficit for the year reported in these financial statements.

The University's consolidated results for the years ended 31 July 2019 and 31 July 2018 are summarised as follows:

	2018/19 £000	2017/18 £000	Change (%)
Total underlying income	266,339	267,835	(0.6)%
Total underlying expenditure	(274,255)	(263,324)	4.2%
Underlying financial performance	(7,916)	4,511	(275.5)%
One-off increase, and other movements in pension scheme deficit provision	(45,252)	300	
Voluntary severance scheme	(6,911)	-	
Strategic early retirement scheme for academic renewal	-	(1,382)	
Statutory (Deficit) / Surplus for the Financial Year	(60,079)	3,429	(1852.1)%

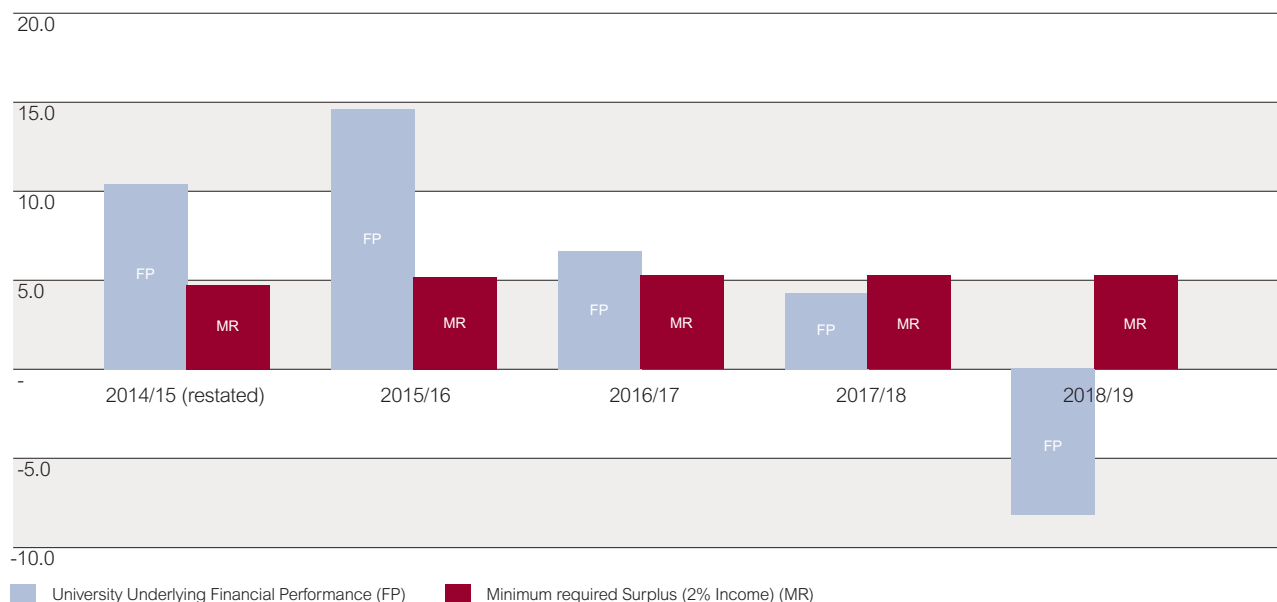
The University has a reported total deficit for the year of £60.1m, although this includes a one-off increase to the provision for the Universities Superannuation Scheme ('USS') deficit recovery plan of £44.8m, arising from the new Schedule of Contributions agreed following the finalisation of the 2017 Actuarial Valuation of the scheme. Similar substantial deficits will be seen in many other Higher Education Institutions that participate in the USS. Following the conclusion of the later 2018 Actuarial Valuation of USS, submitted to the Pensions Regulator in September 2019, a significant reduction in this provision will subsequently be seen in the 2019/20 Financial Statements. For Kent this will result in a release of £30m, leading to a partial recovery of the deterioration seen in the net assets of the University this year.

Removing the impact of the increase in the USS provision, there is a deficit from operations of £15.3m in 2018/19 compared to a budgeted deficit for the year of £5.9m. Much of this increase, above budget, relates to costs of £6.9m for restructuring, mostly due to the first phase of the Kent Voluntary Severance Scheme (KVSS) which was approved and launched in April 2019 as a means of resizing and reshaping the institution by reducing staff costs which had risen to an unsustainable level as a result of external pressures and constraints. The underlying financial performance, excluding these items, fell by £12.4m during the year, reflecting the cumulative impact of increasing staff costs, an increasingly competitive global market for higher education combined with demographic changes in the UK, and the reducing opportunities for income growth, constrained by tuition fee regulations and tightened controls on the recruitment of overseas students.

This underlying financial performance, representing -3.0% of total income (2017/18: 1.7%), is below the 2% minimum required level set in the University's Financial Framework which is designed to ensure that sufficient cash is generated for the maintenance of the estate and new capital investment to meet the estates strategy. The associated Adjusted Net Operating Cashflow as a percentage of income (see Financial

Financial Performance 2014/15 – 2018/19

£m



Highlights, earlier) of 4.3% (2017/18: 7.8%) also falls below our internal target of 9%. This decline in operating performance had been largely anticipated although the extent of the shortfall in student recruitment seen in 2018/19 has accelerated this situation. The University recognises and is addressing these financial challenges, which have arisen due to the sustained external cost pressures and income constraints, many of which are outside of its control, together with the intensely competitive nature of the sector as all institutions attempt to deal with these same pressures.

Income

Total income fell by £1.4m (0.5%) in the year to £266.4m. This fall includes a reduction in tuition fee income of £3.1m (1.9%), with other income generating areas, including research grants and contracts, improving to partly offset this. The reduction in tuition fee income compared to last year is mostly related to a fall in the number of full-time home/EU students (-£3.5m) and reflects the increasingly competitive market for student recruitment in UK HE. This competition is primarily driven by the falling value of the Home/EU undergraduate tuition fee, which has not increased in line with inflation since its launch in 2012, alongside a reduction in the number of 18-21 year-olds available to enter Higher Education. During 2018/19 work has commenced on a number of projects to respond to the challenges of this changing environment, including significant attention to conversion activity following an offer of a place to prospective students and raising awareness of Kent's Clearing opportunities, the appointment of a new Interim Director of Marketing together with increased focus on income generation at academic school level through growth in areas of high demand or the introduction of new programmes. Tuition fee income from overseas students was £0.2m lower than in 2017/18 reflecting the

challenges of recruiting from overseas markets. Kent is continuing with its internationalisation of the University's curriculum and student experience in line with its Strategic Plan and recruitment of overseas students remains a priority despite the increased competition for these students. Income from part-time students has increased by £0.8m from a low base reflecting, in part, the on-going success of our Centre for Higher and Degree Apprenticeships and the continued growth as new Apprenticeship programmes continue to be developed.

Recurrent grants from Funding Councils (OfS and UKRI) were £0.8m lower than last year, with a reduction of £1.3m in the recurrent teaching grant being partly offset by small increases in grants for research and innovation. In addition to this capital grants of £2.4m (2017/18: £2.4m) were received from the OfS and UKRI to support the provision of new and improved teaching and research facilities through the University's capital programme.

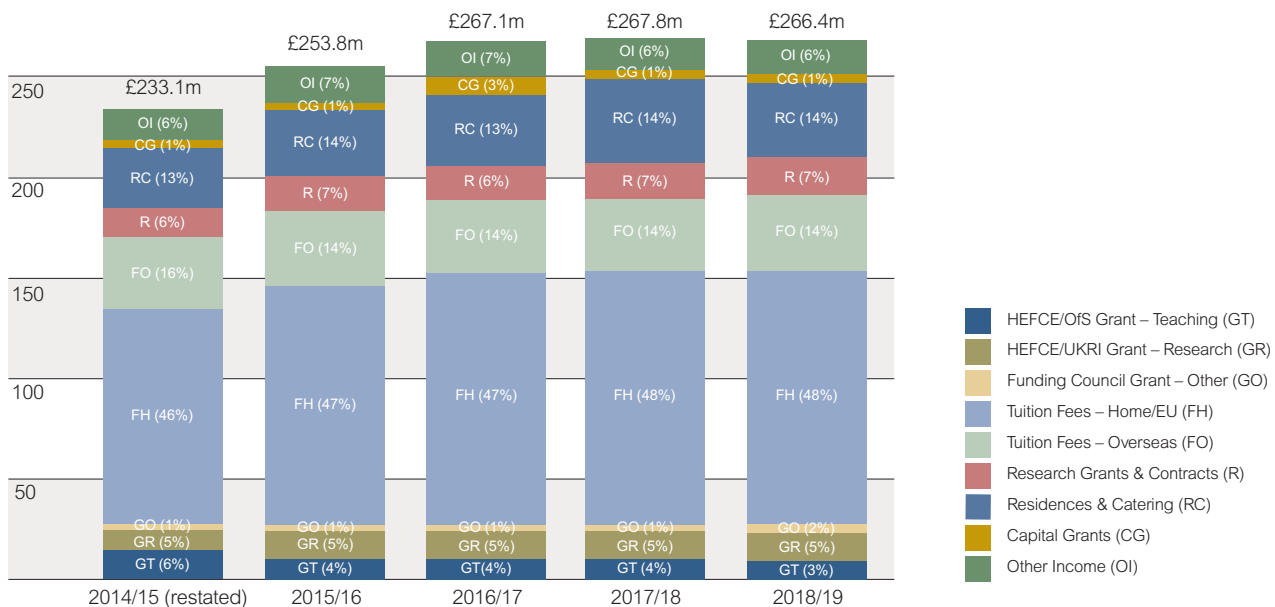
Income received from the Education and Skills Funding Agency (ESFA) in relation to the delivery of Higher Degree Apprenticeship programmes is continuing to grow as new programmes are being set up and amounted to £1.4m for the year (2017/18: £0.5m). This is expected to increase further in future years as activity grows.

Income from Research Grants and Contracts increased by £1.5m (8.6%) in the year to £19.6m. This reflects the increased strategic focus on driving up the level of funded research at Kent and represents some good performance in the face of intense competition across the sector. Income from consultancy and innovation grants and contracts has also increased by £0.6m (21.6%) in the year, partly due to the start of a three year Eastern Arc project underway, part of which is consultancy work with businesses. Work is ongoing to monitor performance and ensure that the activity continues to grow in the future.

Analysis of income 2014/15 – 2018/19

£m

300



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STRATEGIC REPORT (CONT)

Income from Residences and Catering operations continues to grow, with an increase of £0.3m (0.9%) in the year. This reflects the continued growth in catering and conference activities at both the Canterbury and Medway campuses, surpluses from which are ploughed back into the residential estate through a cyclical refurbishment programme, bringing facilities up to date and in line with student expectations. Within this total, income from student accommodation only grew very slightly during the year (£0.2m), with occupancy rates for the year of just 93.7% at Canterbury and 71.0% at Medway, down from 96.5% and 92.8% respectively in 2017/18, reflecting the reduction in student numbers and associated tuition fee income discussed above. Activity undertaken during 2018/19 in response to this has ensured that this will not be a continuing trend, and the level of occupancy for the 2019/20 academic year has risen significantly, particularly at the Canterbury campus.

Income from all other activities has fallen marginally by £0.5m during the year to a total of £13.6m. However, this reduction is largely related to grants received for specific activities, and will be matched by a reduction of expenditure in this area. Donations and endowments received in the year have risen by £0.1m (14.6%), partly due to early donations connected with a Fundraising Campaign for the new Kent and Medway Medical School, which was formally launched in October 2019, with the new school being due to open in 2020/21.

Expenditure

Staff pay expenditure, excluding the movement in the provision for pension deficit recovery plans and exceptional costs relating to major restructuring, increased by 5.4% in the year to £158.4m. Costs have increased in all area with a national pay award of 2.0% plus increments and promotions of circa 1.75%, as well as the increased cost of employers' contributions for the USS pension scheme, which rose from 18% to 19.5% from April 2019. (See Note 27 for more details). On top of this, there have been investments made in staff in the start up of the Kent and Medway Medical School and in academic schools that have continued to successfully recruit students and grow other income streams. This has resulted in an increase of 37 FTE (4.3%) in the number of academic staff and makes up £4.1m of the overall increase of £8.2m in the year. There has also been additional investment during the year in areas that support academic schools in the recruitment to their programmes and in the provision of education, with an overall increase in this area of £0.8m (11%). This includes widening participation activities as well as additional resource for student recruitment and student records staff, partly in relation to the set-up of the new student records system (Kent Vision). Staff Costs in Administration and Central Services have increased by £0.7m during the year, largely due to the additional costs of supporting the major current organisation change project, Organising for Success, but also include the adverse impact of a falling euro-sterling exchange rate on expenditure incurred at our overseas sites.

The University monitors its staff expenditure (excluding movements in pension provisions and costs of major restructuring) as a percentage of income with a financial framework upper limit of 60%. During the year, this measure rose from 56.4% to 59.5%, reflecting increasing numbers of staff following investment and the increased costs of employing staff against income that has now broadly flat-lined. This position will start to be addressed following the launch of a voluntary severance scheme that was launched earlier this year, with the first phase implemented before the 2019 year-end, costing £6.9m. A second phase of this will be

run during 2019/20 for staff whose roles are affected by the University's organisational redesign project, Organising for Success. The University's Change and Turnaround Programme will continue during 2021/22 and 2022/23, to target further recurrent savings of £13.5m in areas of contraction, weaker income generation and non-core activity.

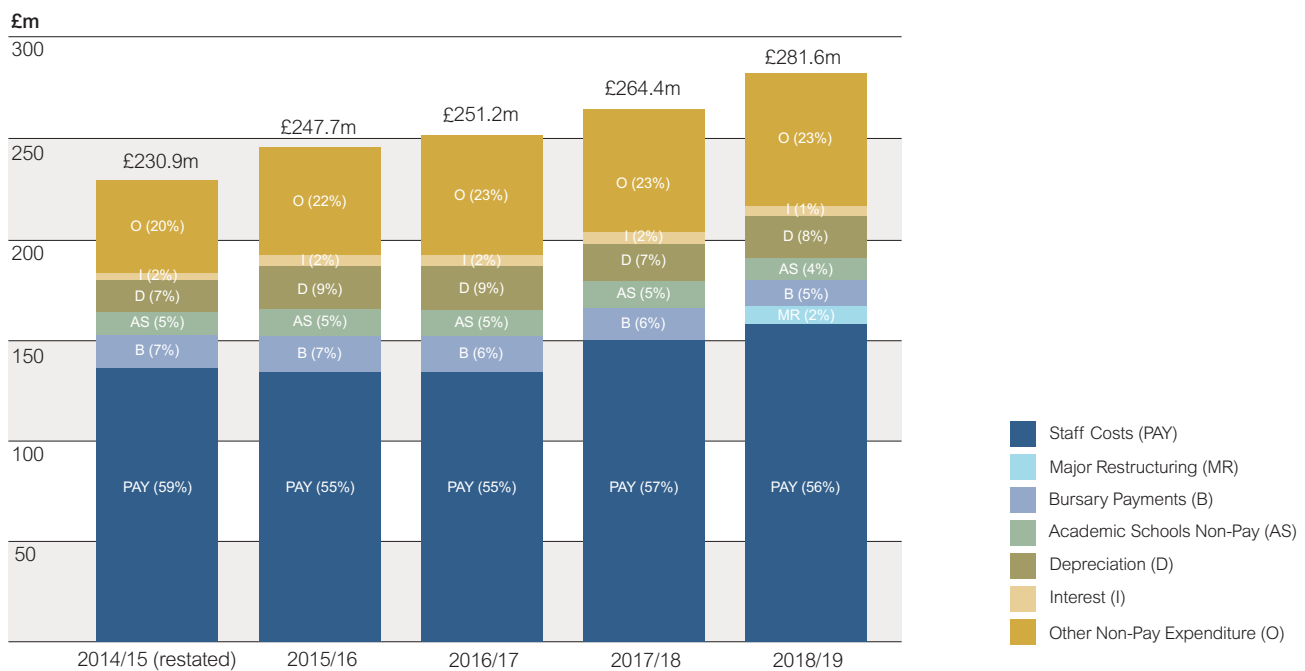
The provision for the USS deficit recovery plan increased by £44.8m during the year as a result of the new schedule of contributions following the finalisation of 2017 valuation of the scheme. Other movements in the provision include the annual release against staff costs during the year, plus other movements reflecting changes in UK gilt yields and updated assumptions on pay inflation and staff growth rates. The total movement in staff costs relating to the movement in the provision for the year is an increase of £44.7m. (2017/18: reduction of £0.8m). There is no provision in relation to SAUL pension scheme as the previous valuation showed the scheme to be in surplus. The 2018 Actuarial Valuation of the USS concluded just after the 2019 year-end and whilst employer contribution rates will increase further from 19.5% to 21.1% in October 2019, and again to 23.7% in October 2021, they will now not increase to the unaffordable levels agreed as part of the 2017 Actuarial Valuation. This outcome, which has also seen increases in the employee contribution rate, is currently being disputed by Trade Unions representing members that participate in the scheme. The University continues to work closely with Universities UK to put pressure on the Pensions Regulator around the framework, which, we believe, is not suited to a scheme such as USS, but also to ensure an affordable and sustainable long-term solution that provides the best post-retirement benefits possible for our staff.

Other Operating Expenses have increased by just £0.4m (0.4%) in the year to £90.6m demonstrating good control over our non-pay expenditure. This slow-down in spend reflects the success of a number of targeted efficiency initiatives led by the Procurement team, as well as the cost reductions in many schools and departments in response to the reduced student numbers in the year. Within this balance, scholarship and bursary payments to students totalled £14.5m, with a further £3.8m of fee waivers, aimed at improving student recruitment, which have been set against reported income from tuition fees. This reflects the continued commitment of the University to widening access to higher education, although there has been an overall reduction of £0.7m due to the reduction in student numbers. Expenditure on running Academic Schools has fallen by £2.9m during the year. This excludes spend on funded Research and Innovation projects, which is shown separately and has increased by £1.1m in the year. The net reduction in spend within Academic Schools of £1.8m is partly due to the reduction of activity with our partner colleges (-£0.4m), but also reflects a high level of investment in equipment in the previous year, particularly within the science schools as well as the impact of savings initiatives during the year.

There has also been an increase of £0.6m in the cost of Student and Staff Facilities, largely in relation to an additional grant made to the Students Union to support improvements in their facilities.

The operating costs of Residences and Catering facilities have risen by £0.9m in the year, largely due to price inflation and the ongoing costs of maintaining the residential estate. Premises costs have also increased by £1.2m during the year, largely in relation to the costs of managing and maintaining the general estate and ensuring our facilities remain fit-for-purpose and up to the expectations of our staff and students.

Analysis of expenditure* 2014/15 – 2018/19



*Excluding movements to the pension provision arising from changes to the deficit recovery plan.

Depreciation charged in the year was £2.1m higher than in 2017/18. Much of this increase relates to new building projects brought into use during the year, including the major refurbishment of academic facilities at the Canterbury campus. This is expected to increase next year as Kennedy, the new building for the School of Economics, is brought into use, and the major project to replace the student record system is expected to be completed.

Interest paid on borrowing is £0.2m lower than last year as existing loans are repaid. The finance cost arising from the unwinding of the provision for pension scheme deficit recovery plans is at a similar level to last year.

Cash flow

Net cash received from Operating Activities during the year was £13.9m, a decrease of £10.1m from 2017/18. This reflects the tightening squeeze on operations as shown in the declining underlying financial performance shown above, alongside movements in working capital, and is £0.5m lower than the budget for the year. Overall cash balances at the end of the year are however £8.6m higher than the budgeted position at £24.8m but includes a transfer from current asset investments discussed below. The University monitors its available liquid reserves and requires a minimum of 40 days expenditure to be held at any time; as at 31 July 2019 these liquid reserves represented around 51 days' expenditure, excluding depreciation, (2018: 93 days). However,

at its lowest point, at the end of April, the value of liquid reserves held by the University fell to around 37 days' expenditure. This reduction in cash levels in April is due to the timing of Home/EU undergraduate tuition fee receipts from the Student Loans Company (SLC), with 50% of this annual income being received in the third week of May.

The value of current asset investments held has decreased by £10.1m during the year, which is in line with the budget, as investments have been partly liquidated in order to maintain the operating cash balance. As at 31 July 2019 the University had net debt of £79.6m (2018: £68.6m) meaning that the cash and cash equivalents held were lower than the outstanding value of loans, but this is within the University's Financial Framework and within financial covenants agreed with lenders.

Balance sheet

The University's Consolidated Balance Sheet has weakened during the year due to the reported deficit and the increase to the provision for pension deficit contributions, but remains strong with Net Assets of £254.5m (2018: £314.6m), Net Current Assets of £0.8m (2018: £32.0m) and a current asset ratio of 1.01 (2018: 1.61). Receivable balances have increased by £2.9m during the year, although this largely relates to accrued income on Research Grants and Contracts and reflects the different timing of activities and receipts in this area. Debtor balances outstanding have risen by £1.8m during the year, with the majority relating to student debtors, although the balance outstanding at the end

STRATEGIC REPORT (CONT)

of 2017/18 reflected a significant reduction, and the current balance reflects a return to previous patterns of payment and is not a cause of major concern. Collections during the year have remained robust and outstanding debts are being actively pursued. The provision for bad debts has increased by £0.2m during the year to £3.6m, largely in relation to accommodation debts. Current liabilities have increased by £7.5m during the year, largely due to an accrual of £6.7m for payments agreed at the end of the year as part of phase 1 of KVSS.

The University's main pension schemes, Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL), are multi-employer schemes and continue to be accounted for as defined contribution schemes in accordance with current Financial Reporting Standards as the University is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis. The University's Balance Sheet recognises a provision for USS at 31 July 2019. This provision reflects the present value of the increased employer contributions being made under the deficit recovery plan agreed as part of the completion of the 2017 actuarial valuation. This has increased during the year by £44.8m compared to the previous recovery plan. The 2018 valuation was finalised in early 2019/20, with the associated change to the recovery plan resulting in a reduction of £30.1m in the provision, this will be included within the 2019/20 financial statements. As discussed below, in the Section "Future Outlook and Risks", work is now underway on a 2020 actuarial valuation for USS which may result in a requirement for increased funding. Dependent on the decisions made this may result in an increase in this provision. Full details of the pension schemes and their annual funding position can be found in Note 27 to the financial statements.

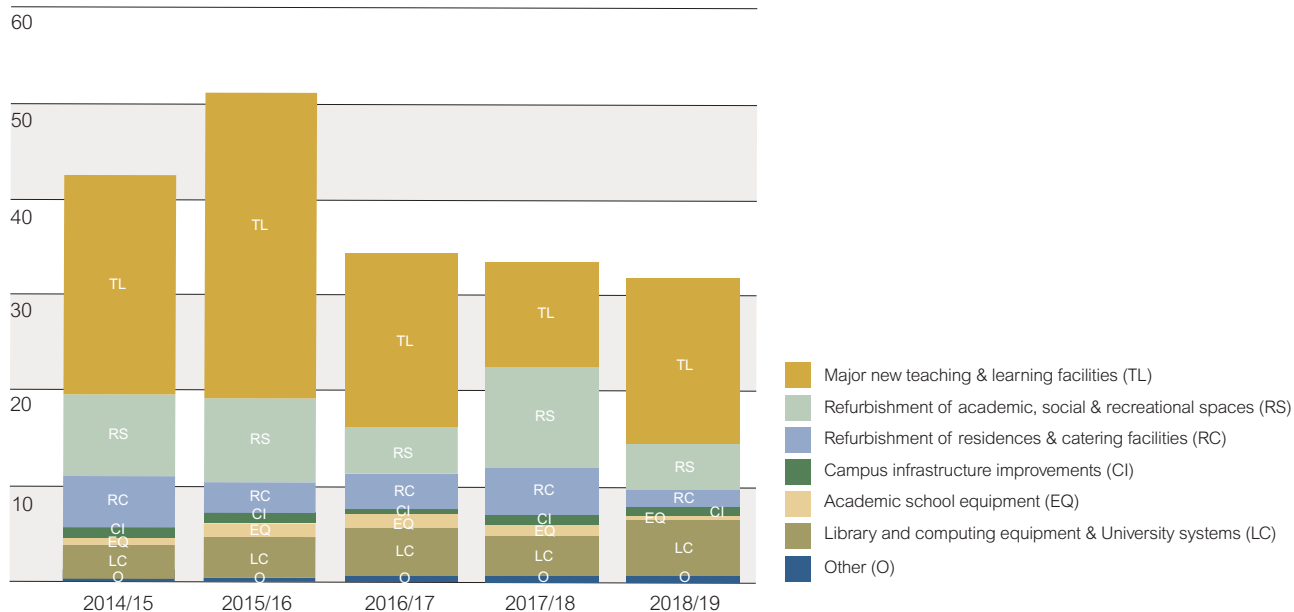
Capital expenditure and long-term borrowing

Capital expenditure amounted to £31.8m (2017/18: £33.1m) in the year, reflecting the on-going investment in the University's estate and systems. This included the completion of a new building for the School of Economics with additional teaching facilities, the start of construction of a new building for the Kent and Medway Medical School, and investment in major refurbishment works to our existing academic facilities to improve the student experience and provide space for our new programmes. The chart below provides a breakdown of expenditure against different elements of the capital programme over the past five years.

The capital programme for the next five years was agreed by the University's Council in June 2019 and has been developed in conjunction with the University's Estates Strategy. Due to further expected challenges in income generation over the next few years and the need to conserve cash, the associated funding strategy minimises the assumptions about the future borrowing and has been drafted to ensure the overall affordability of the operating requirements as well as capital developments. As a result, the projected capital spend for the 5 year period from 2019/20 has been reduced by £120m compared to the assumed forecast spend for that period reported in previous years. Our priorities during this time will be on delivering the facilities for the new joint Kent and Medway Medical School and for the expansion of academic schools that are recruiting well or will be recruiting to new programmes, completing the conversion of our tennis courts, which will provide year-round sports facilities for students as well as high quality space for hiring our during our conference season, as well as ensuring a safe and well-maintained estate at both Medway and Canterbury.

Capital expenditure 2014/15 – 2018/19

£m



Long-term bank loan debt has fallen by £5.5m during the year as existing loans are being repaid. Overall borrowing levels stand at 39% of total income (2018: 41%).

Future outlook, risks and going concern

The three most significant risks being faced by the sector continue to be tuition fee funding, pension cost pressures and student recruitment. As a result, the University is experiencing a period of unprecedented significant financial challenge and a decline in its operating performance, alongside most of the HE sector, with its first deficit in just under 20 years being reported in 2018/19.

The freeze² on undergraduate tuition fees that has been in place since 2012 is forecast to continue with costs continuing to increase with inflation. Further risks are associated with the outcome of the Government review of funding for Higher Education, which, even if it does not proceed in its current form, may see elements being acted on as a result of the mandate set out in the Conservative Government election campaign. The threat of significant reductions or further inflationary freezes to tuition fees, which may not be fully mitigated by top-ups from the Government, remains and continues to put the sector's long-term viability at risk.

This has been further exacerbated by the impact of the 2017 and 2018 actuarial valuations of the USS pension scheme, which have led to significantly increased contribution rates. Without an improvement in financial markets or a change in the valuation methodology, there remains a high risk of future substantial contribution increases or a need to engage with employees about benefit reductions. Kent is fully engaged with the associated consultations and, together with Universities UK, is actively challenging the pensions' regulation framework, which we believe is driving an investment strategy within the USS that appears out of line with the strength, nature and longevity of the sector. It is further hoped that the second phase of a review by the Joint Expert Panel (JEP) will help steer the 2020 Actuarial Valuation in a different direction and one which will lead to an affordable, sustainable and mutual arrangement being agreed by both its members and the participating universities.

Alongside this, the student recruitment environment is expected to remain intensely competitive for all students. With the current demographic reduction in the numbers of 18-24 year-olds in the UK until 2022/23 and the adverse political messages that have been sent across the world following the vote for Brexit, the number of students available and wanting to study in the UK has fallen quite rapidly and significantly. Once Brexit concludes there is a further risk to the recruitment of EU students, as they are likely to face higher fees and reduced access to student loans. This is particularly of concern at Kent as EU admissions comprise around 9% of the student population. A similar proportion of our staff are also from the EU and much of our research is conducted in partnership with European institutions. Kent is therefore seeking to build on its reputation as the UK's European University and action is underway to ensure that international relationships can continue to flourish and that Kent can engage with the global academic community. Notwithstanding these actions we have prudently assumed that our EU recruitment will be adversely impacted in future years.

Although Kent remains a popular University and has seen some significant increases in its student numbers over the last ten years, due to this intense competition across the sector and, particularly, some expansionary activity from universities with very strong reputations and globally recognised brand, the University has seen a significant shortfall in its student recruitment in 2018/19 and 2019/20. This has led to a reduction in income from both tuition and residential fees. With continuing intense competition across the sector for UK, EU and overseas students, a reduced level of income generation is now anticipated to continue for a period of at least four years. This has coincided with a period during which substantial upfront investment, both capital and revenue, is required to be made in preparation for the opening of the new jointly managed Kent and Medway Medical School in September 2020 which is a key part of the government's plan to expand the medical workforce to address the challenges of the ageing population in the UK.

The University has been actively responding to this situation throughout 2018/19 with the development of a Change and Turnaround Programme, aimed at resizing and reshaping the University. Whilst this will, as a priority, address the current staff cost to income imbalance, it also aims to improve the current student recruitment position through the delivery of a series of marketing and brand initiatives, portfolio reviews and projects that focus on enhancing the student experience. 2018/19 saw the launch of a voluntary severance scheme, with the first tranche of redundancies implemented in August 2019 delivering savings of £7m per annum. Overall, this scheme will deliver financial savings of circa £12m per annum by the end of 2020/21. A substantial part of this restructuring will be delivered through a strategic organisational change programme, Organising for Success, which is now well under way. Specifically, this is designed to enhance management focus, improve performance, streamline processes, deliver efficiencies and reduce overheads. This will be implemented via a new strengthened Executive Group, key roles in which have already been recruited to, together with larger divisions of academic activity, replacing an existing broad and diversified school structure.

This Change and Turnaround Programme will continue during 2021/22 and 2022/23, to target further recurrent savings of £13.5m in areas of contraction, weaker income generation and non-core activity. The full impact of this will be seen from the start of 2023 and, together with the actions aimed at improving student recruitment and diversifying income, will bring the University back to a position of financial sustainability.

The 2019/20 budget has been set in the light of this challenging context. It further recognises that income improvement initiatives and cost control measures take a period of time and further cost to implement. The budgeted outcome for the coming year is, consequently, set at an underlying deficit of £17m with an Adjusted Net Operating Cash Flow of -1.6% of income. The challenges being faced in the recruitment of students, as explained above, has been recognised and reflected in this budgeted position; however, 2019/20 has once again been a difficult year and overseas undergraduate and postgraduate recruitment has fallen short of target. At this time, we anticipate being able to mitigate fully any income shortfall arising from this and are not expecting to have to revise the approved budget. Whilst new strategic investment is being limited at this time, the budget does continue to make provision for the completion of essential and high quality facilities to accommodate the first cohort of students that will enter our joint medical school in September 2020, as well as additional academic

2 With the exception of a £250 uplift to the higher £9,000 fee from 2016/17.

STRATEGIC REPORT (CONT)

space, which will enable the launch of a new Mechanical Engineering programme. Students will also benefit from new year-round covered tennis courts, convertible to multi-use flat floor space that will complement our existing conferencing provision and enable the expansion of this activity.

As outlined above, as the University takes steps to manage its staff cost base and bring this back in line with its reduced income levels, the University will incur significant upfront costs of restructuring. This has required the University to work closely with its lenders to ensure that sufficient liquidity is maintained throughout the period of its Change and Turnaround Programme. The financing package agreed provides specific funding of £18.8m to December 2021, together with a seasonal Revolving Credit Facility of up to £15m at peak periods designed to address expected cash flow volatility, and, overall, provides the University with sufficient headroom. Such fluctuation in cash positions is regularly experienced in this sector as a result of temporary timing differences in the receipt of fee income compared to committed expenditure outflows. These mismatches are primarily as a result of the late in-year receipt of amounts due from Home/EU undergraduate students via the Student Loans Company, with 50% of the associated fee income not being received by the University until the third week of May each year. This has a particularly adverse impact on Kent due to the late commencement of the University's third term.

Current projections show that it will take a minimum of three years for the full impact of cost reduction plans to be achieved and for the Change and Turnaround Programme to be fully implemented. The resultant cash flow pressures and in-year volatility are therefore forecast to be particularly acute in April and May of 2022. Discussions will therefore be continuing with the University's lenders to secure the refinancing of the aforementioned facilities, as necessary, until the end of 2024/25. To mitigate this need, the University has already identified a number of further actions it can take to improve underlying performance and, over the coming year, will be continuing to explore alternative methods of financing. This includes targeting a higher level of income improvement from new developments and fundraising campaigns that are already underway, but is presently excluded from any financial projections.

We give below an overview of other significant risks and issues faced by Kent in the period to 2021 and beyond alongside the steps being taken to mitigate their impact. Much of this risk is not unique to Kent and is being experienced across the Higher Education sector:

- Increasing compliance burdens are continuing to be placed on the sector, particularly in connection with the next stage of the Teaching Excellence Framework, UK Visa and Immigration requirements, data reporting, Competition and Markets Authority guidance and requirements of the sector regulator, the Office for Students (OfS). These can prove onerous and add to the overall administrative burden, and operating cost, without leading to immediate tangible benefits to the student experience. At Kent these areas of regulation are monitored regularly to ensure we remain compliant;
- Kent's goal to increase the volume of research activity and achieve increased international recognition for its research in the 2021 REF is ambitious in a very competitive arena. Research award levels have increased significantly since the Research Strategy was put in place but the full scale of planned growth will prove challenging in an increasingly competitive national and international environment. Work is underway to foster international research partnerships, to focus on

quality and to bid for larger funds, to develop early career researchers and to ensure we retain those with strong research credentials.

After making appropriate enquiries, which include the review of new medium term forecasts and consideration of the nature and extent of the risks identified above, the Council considers that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason the financial statements have been prepared on a going concern basis.

Management of performance and risks

The University measures its performance against peers and internal targets and reports annually on relevant key performance indicator (KPI) data to the University's Council. Following the recent Strategy refresh exercise, our KPI measures focus on five key areas to track delivery against the plan to 2025. These are Education, Research, Civic Mission, Sustainability and Governance. Monitoring is performed over baskets of individual KPIs. Specific areas of sustainability assessed include student recruitment, income generation, cash reserves and adequacy of the estate.

Other indicators monitored within this process include sector positioning, student satisfaction, completion and employability, research income generation and research impact as well as a range of measures of social and environmental impact. Each individual KPI is reported using a traffic light system to determine whether performance is on target or whether intervention or remedial action is required to improve performance. This information is consistent with data reported in returns submitted to OfS in the Annual Accountability process. Throughout the year, Council members received reports across the range of the University's activity, summarising performance in these areas. These included updates on student applications and registration, national and international league table rankings, research awards and partnerships and equality, diversity and inclusivity. The University also reports progress made against objectives set out in the Institutional Plan.

Conclusion

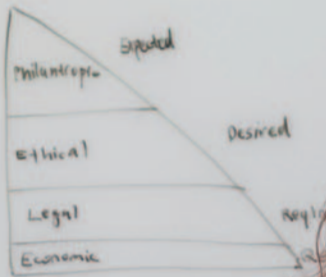
We are under-going a challenging but exciting period of change at Kent. We are continuing to develop the University strategy, Kent 2025, to enhance further our education and student experience, our discoveries and research, and our engagement and civic mission. We continue to target ways to grow our income, and have strengthened our student recruitment activities.

We are also implementing a major review of our structures. Organising for Success is designed to simplify our processes, deliver Kent 2025, respond better to the needs of our students and reduce overall costs.

Kent has a strong leadership team and good governance and we are well placed to manage our response to the difficulties faced by the sector. We have some real opportunities to do things differently. I look forward to working with my able colleagues across the University to ensure our future sustainability and success.

Professor Karen Cox
Vice-Chancellor and President
31 January 2020

Carroll's CSR model



Economic - goods & services → profit
Legal - following economic activities within the law
Ethical - ethical exp. of a company

Motivations engaging in CSR

- 1. Value driven
 - Successes already helps them win
 - meeting stakeholders expectations
 - winning something too

Stakeholders

- any group of people who can affect or are affected by a company's activities

... have rights of their stakeholder groups!
 ... responsibility for the effect of their decisions!



STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL

The Statement which follows is provided to enable readers of the Annual Review and Financial Statements of the University to obtain a better understanding of its governance and legal structure and applies to the 2018/19 financial year and to the date of the approval of the audited financial statements.

Values

The University of Kent is committed to providing high quality teaching, scholarship and research for public benefit. The University's values, published in its Strategy 2025 are as follows:

"We have always been a university that equally values education and research, believing that one enhances the other. We work as a community, based on collegiality. Freedom of speech within the law and freedom of inquiry are fundamental. We are outward looking, we embrace change and are willing to do things differently and see things differently. We value excellence and we support potential, wherever it may be found. **Our university is based on equality, diversity, respect and we value each other. We are international in outlook.**"

The University published its Ethics Code in May 2019 and conducts its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and with the guidance to universities given in The Higher Education Code of Governance published by the Committee of University Chairs (CUC) in December 2014. The University conducts its affairs in an open and transparent manner. Its constitutional documents, its financial statements (including the corporate governance statements) and details of its governance structures (including membership of the Council and all related committees) are publicly available on the University's website www.kent.ac.uk/governance/charity.html. The agendas and minutes of Council meetings are published on the University's website and are available to all staff and students of the University. The University is committed to achieving best practice in all aspects of Corporate Governance.

Constitution

The University is an exempt charity whose legal status derives from a Royal Charter originally granted in 1965 and subsequently updated. The University's objects, powers and framework of governance are set out in the Charter and supporting Statutes and Ordinances. The Charter and Statutes require the University to have three separate bodies, each with clearly defined functions and responsibilities, to oversee and manage its activities, as follows:

The Council is the supreme governing body, responsible for the exercise of the University's powers, oversight of the management and administration of the revenue and property of the University and its affairs. Council is responsible for ensuring the sustainability of the University and the protection of its reputation. It has overall responsibility for the mission and strategic vision of the institution and for ensuring that the interests of key stakeholders are met. Council membership consists of staff, students and lay members who are external to the University. The majority is held by the lay membership and the chair and deputy chair must be lay members. Members do not receive any payment for their work in relation to the Council. Members may, however, claim reimbursement of associated travel costs and expenses.

A Statement of the Council's Primary Responsibilities may be found on the University's website at www.kent.ac.uk/governance/council/documents.html.

This encompasses matters relating to the University's mission, vision and strategic aims; the appointment of senior officers and external members/officers; amendments to the University's Royal Charter, Statutes and Ordinances; corporate level financial matters and decisions; institutional performance and other requirements arising from the University's constitutional framework, external institutions and legislation.

The Senate is the academic authority of the University and draws its membership (currently 49 members) mostly from the academic and research staff and students of the University. Senate is responsible for the teaching and research work of the University. The Vice-Chancellor and President is ex officio Chair of Senate. The Senate has a range of boards to undertake much of the detailed work including the Education Board, the Graduate School Board, the Research and Innovation Board and the faculty boards.

The Court is a large formal body comprising about 450 members, chaired ex officio by the Chancellor. Many members of the Court are external, representing the regional community and other bodies with an interest in the work of the University. Other members include professorial staff and representatives of academic and non-academic staff and the student body. It provides an opportunity for the region to have an association with the University and provides a forum where members can be briefed and comment on key University activities and developments. The Court meets once a year and receives an annual review of the University and the annual accounts.

The Vice-Chancellor and President, the University's principal academic and administrative officer, has a general responsibility to the Council for maintaining and promoting the efficiency and good order of the University. Under the "Terms and conditions of funding for higher education institutions for the period to 31 July 2019", from the Office for Students, the Vice-Chancellor and President is the Accountable Officer of the University and in that capacity can be required to appear before the Public Accounts Committee. The Vice-Chancellor and President is required to provide an annual report to Council each Autumn on matters delegated by the Council and those arising from the Statutes.

As chief executive of the University, the Vice-Chancellor and President advises the Council on the development of institutional plans, policies and strategy, the identification and planning of new developments and shaping of the institutional ethos. The Senior Deputy and Deputy Vice-Chancellors, Director of Finance and other senior academic and administrative officers all contribute in various ways to aspects of this work but Council, as the University's governing body, has ultimate responsibility for University activities, for determining its future direction and for fostering an environment in which the University's mission is achieved.

The Secretary of the Council (and of the Court) is appointed by the Council under the provisions of the University Statutes. The Secretary has a key role in ensuring good governance. The Secretary maintains a Register of Interests of members of the Council and other staff which is available for consultation.

The Work of the Council and its Committees

Council has four business meetings and one strategy meeting each academic year. Key activities in 2018/19 included: the approval of the updated University Strategy, Kent 2025; the review of organisational structure "Organising for Success"; the reappointment of the Chancellor; ethical implications arising from the Lambeth Conference; the progress of the Kent and Medway Medical School and the approval of capital investment in buildings, infrastructure and IT projects. It has maintained oversight of the University's implementation of its duties under the Counter Terrorism and Security Act, the Modern Slavery Act and its responsibilities to protect free speech within the law.

Council has monitored institutional performance through Key Performance Indicators and league tables. Council is committed to equality, diversity and inclusivity and it has approved an annual report on the University's progress in this area. It has maintained an oversight of donations and fundraising through the consideration of the annual report from the Fundraising Co-ordination Committee and it has maintained an oversight of academic governance. It has received regular reports of the meetings of Senate and reports on student recruitment, the National Student Survey and a report on student complaints and appeals including complaints to the Office of the Independent Adjudicator. Council considered an Annual Report of the Senate, an Annual Provider Review and the Annual Assurance Return and authorised the Chair of Council and the Vice-Chancellor and President to sign the Annual Assurance Return for submission.

Council spent a considerable time discussing the higher education environment in 2018/19, particularly regarding international student recruitment, the National Student Survey and league tables, the Teaching Excellence Framework, the Augar Review, Brexit mitigation and financial sustainability. The aim of the discussions has been to ensure that the University is able to make progress in realising its objectives and take appropriate steps to mitigate risks.

Much of Council's detailed work is initially handled by committees. These committees, listed below, have written terms of reference and specified membership, including external members (from whom Council generally appoints chairs), designated quorums and generally meet two or three times per year.

The Finance and Resources Committee oversees all financial matters of the University and reports regularly to Council. It uses an agreed Financial Framework to guide its deliberations. It is responsible for scrutinising the University's budgets and financial forecasts and makes recommendations to Council for approval. It reports on the financial performance of the University on a quarterly basis and scrutinises the end of year financial statements in the light of comments from the External Auditors and the Audit Committee before making a recommendation to Council. University expenditure is governed by a scheme of delegation. The Finance and Resources Committee considers proposals for large items of expenditure and makes recommendations for items over £2m to Council for approval.

The Audit Committee has responsibility for making recommendations to Council for the appointment of the External and Internal Auditors. The Committee regularly considers reports from Internal Audit and the views of the External Auditors. It considers the annual update of the Risk Register and reviews the Risk Register each term. It considers regular reports on Value for Money and oversees the University's Corporate Standards for Data Quality. The Committee submits regular reports to Council summarising key aspects of its work. On the basis of its work throughout the year, the Committee makes an Annual Report to Council where it provides an opinion on the adequacy and effectiveness of the University's arrangements for risk management, control and governance; for promoting economy, efficiency and effectiveness (value for money) and the arrangements for the management and quality assurance of data returned to the Higher Education Statistics Agency (HESA), The Student Loans Company, and other bodies. The Audit Committee conducted a review of its effectiveness in 2018/19 and reported the outcomes to Council.

The Lay Nominations Committee is responsible for making recommendations to Council for the appointment of lay members. In fulfilling this responsibility it takes account of the balance of skills across the membership and the need for Council to be effective as the governing body. It also takes account of the University's policy on equality, diversity and inclusivity and has made a particular effort to improve the gender balance of Council membership. Four new lay members were recruited to Council for 2018/19 through an open competition.

The Remuneration Committee is responsible for considering the remuneration of the University's Vice-Chancellor and President, Senior Deputy and Deputy Vice-Chancellors and the Director of Finance. In fulfilling this responsibility it considers performance against objectives set and benchmarking information from peer group institutions. The Committee reports to Council and provides a note of its methodology and the rationales for its decisions. The Committee also oversees the senior pay and reward policies for the University.

STATEMENT OF CORPORATE GOVERNANCE & INTERNAL CONTROL (CONT)

The **Safety, Health and Environment Executive Committee** is responsible for the University's safety, health and environment policies, their effectiveness and how they might be enhanced, setting performance standards and determining action where standards are not met. It provides an Annual Report to Council and reports regularly on issues as they arise.

The **Ethics Committee** was established by Council at its meeting in October 2016. The Committee has approved an overarching Ethics Code for the University which was published in 2018/19. The Committee maintains oversight of the Code of Practice for the Protection and Freedom of Speech and the work of other bodies concerned with ethical matters including: the Anti-bribery and Corruption Review Group; the Fundraising Co-ordination Committee; the Research Ethics and Governance Committee and the International Partnerships Approval Panel.

Effectiveness of Council and its Committees

The Review for 2015/16 was led by an external consultant, David Allen OBE, former Registrar and Deputy Chief Executive of the University of Exeter. The overall conclusion of the Review was that: "The University starts from a high base. It is generally regarded as well governed, led and managed, the Council is ambitious and there is an openness to consider new ways of doing things." The Review found the University to be substantially compliant with the Higher Education Code of Governance but identified three areas for further consideration.

- The Code suggests that universities 'might consider adopting a clear scheme of delegation'. The University has agreed a clear scheme of delegation;
- The Code requires that staff and student members of the governing body must not be routinely excluded from discussions. The Council has agreed not to use reserved business on a routine basis but will retain the possibility in case of unforeseen circumstances. There was no reserved business in 2018/19; 2017/18 or 2016/17;
- The Code invites governing bodies to consider reviewing annual reports on the work of appropriate institutional committees in relation to ethics. Council has set up an Ethics Committee.

There was an Internal Review of Council Effectiveness during the 2018/19 academic year conducted by the Secretary to Council. An external consultant has been appointed to lead the next Review in the 2019/2020 academic year.

Any enquiries about the constitution and governance of the University should be addressed to the Secretary of the Council.

Statement of internal control

The University Council is responsible for ensuring the maintenance of a sound system of internal control that supports the achievement of the University's mission and strategic aims and objectives while safeguarding the public and other funds and assets for which the University is responsible, in accordance with the responsibilities assigned to the Council in the University's Charter and Statutes and the requirements of the Terms and conditions of funding for higher education institutions from the Office for Students.

The University's system of risk management and internal control is designed to manage rather than eliminate the risk of failure to achieve institutional mission, strategic aims and objectives. It seeks to identify the principal risks to the achievement of the University's mission, strategic aims and objectives, to evaluate the nature and extent of those risks and to manage them by appropriate controls and mitigation. Risks and Internal Audit reports are monitored regularly so that any necessary remedial action can be taken. This process was in place for the year ended 31 July 2019 and up to the date of approval of the Financial Statements for 2018/19 and it accords with the guidance from the Office for Students. There are no significant control weaknesses that should be disclosed.

In summary, key aspects of the University's overall system of internal control, for which the Council has overall responsibility, are as follows:

- Every three or five years Council approves a new University Plan; the version in effect for the period of these accounts was that for 2020-2025 (and may be seen on the University's website as Our Strategy: Kent 2025). Council approved this at the start of the 2018/19 academic year and will monitor progress towards its objectives;
- Council meets regularly to consider strategic, policy and oversight matters. These include the annual approval of a Risk Register (based on the institutional Plan and compiled on an objective scoring basis, including an evaluation of the likelihood and impact of risks becoming a reality); the annual report on risk management and annual reports from the Audit Committee and the Head of Internal Audit, each including an evaluation of the assurance provided by internal controls;
- The Vice-Chancellor and President and Executive Group are responsible for the management of the University, including oversight of risk management and consideration of termly monitoring reports on risk and value for money (VfM);
- Internal Audit's work, focusing on areas considered to be high risk, plays a valuable role in providing assurance on the adequacy and effectiveness of risk management, control and governance arrangements and VfM. The Internal Audit Strategic Plan is regularly reviewed and flexed to address any issues that may arise;
- The Audit Committee meets four times a year and receives regular reports from the Head of Internal Audit which include an independent opinion on the University's system of control and recommendations for improvement, and the termly monitoring reports on risk management and VfM. It also reviews progress on implementing Internal Audit and External Audit recommendations;

- The University's system of risk management covers the full range of risks across the University, including business, operational, financial and compliance and focuses on reviewing the most important risks, the Significant or Contingency Risks, and the actions taken to mitigate them, in its termly monitoring reports. Risks are identified and scored by Risk Owners annually as part of a "bottom up" consultation process and meetings are also held with members of the Executive Group to review and moderate the output and to identify key themes and any new or emerging risks. The risk-based approach is particularly focussed on the key risks of the University, on horizon scanning and all risks are mapped against the key areas in the University's Strategic Plan. The Risk Register is reviewed by Executive Group, Audit Committee and then approved by Council, usually at its Summer Term meeting (on 28 June 2019 in 2018/19).
- The Significant or Contingency Risks for the year are subject to Risk Owner action plans by heads of professional service departments and the deans/heads of academic schools and termly performance monitoring and re-scoring to ensure that exposure is mitigated to a level that conforms to the University's Risk Appetite. Risk Owners are also given the opportunity to update the overall Register each term in response to changes within the year. Termly reports are reviewed by Executive Group and Audit Committee.

Council has undertaken an overall assessment of the effectiveness of risk management and internal control, informed by reports from the Audit Committee, the External Auditors in their Management Letter, the Internal Auditor, from the Vice-Chancellor and President, from other executive officers.

Council considered that, in the light of all the evidence, the University's internal control was sound for 2018/19 and to the date of its approval of these Financial Statements, and so that is hereby confirmed for the record. The evidence taken into account by Council included the observations of the External Auditors on the Financial Controls, the Internal Audit Annual Report which provided "satisfactory assurance", the outcomes of Internal Audit reviews over recent years and particularly the satisfactory assurance given in relation to the Risk Management Arrangements in 2019, consideration of the arrangements for risk management and value for money and assurances from management on the prompt progress in addressing recommendations.

Signed on behalf of the University of Kent on 31 January 2020 by:

Sir David Warren
Chair of the Council

Professor Karen Cox
Vice-Chancellor and President

STATEMENT OF THE RESPONSIBILITIES OF THE UNIVERSITY'S COUNCIL

In accordance with the University's Charter of Incorporation, the Council is "the supreme governing body of the University and ...[is] responsible for the exercise of the University's powers" (extract from Section 6 of the Charter).

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the University and to enable it to ensure that the financial statements are prepared in accordance with the University's Charter and Statutes, United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice: Accounting for Further and Higher Education (SORP 2015) and any subsequent amendments and the Office for Students' Accounts Directions.

In addition, within the terms and conditions of the Office for Students' Terms and conditions of funding for higher education institutions for the period to 31 July 2019, and the Office for Students' Accounts Directions, the Council, through its accountable officer (the Vice-Chancellor and President), is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and the group and of its surplus or deficit, gains or losses, changes in reserves and cash flows of the group for that year.

In causing the financial statements to be prepared, the Council has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgments and estimates are made that are reasonable and prudent;
- Applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the University will continue in operation. The Council is satisfied that the University has adequate resources to continue in operation for the foreseeable future; for this reason the going concern basis continues to be adopted in the preparation of the financial statements;
- There is no relevant audit information of which the auditors are unaware; and
- Each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the auditors are aware of that information.

The Council has taken reasonable steps to:

- Ensure that funds from the Office for Students/Research England are used only for the purposes for which they have been given and in accordance with the Office for Students' Terms and conditions of funding for higher education institutions for the period to 31 July 2019, the Office for Students' Accounts Directions and any other conditions which the Office for Students and Research England may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Ensure that the University has a robust and comprehensive system of risk management, control and corporate governance, which includes the prevention and detection of corruption, fraud, bribery and irregularities;
- Safeguard the assets of the University and prevent and detect fraud, bribery and other irregularities; and
- Secure the economical, efficient and effective management of the University's resources and expenditure.

The key elements of the University's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic schools and professional service departments;
- 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 financial results involving variance reporting and updates of forecast outturns;
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Council;
- Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Finance and Resources Committee and the Council; and
- A professional Internal Audit Office whose annual programme takes into account matters included in the Risk Register and is approved by the Audit Committee in line with the Statement of Internal Control.

INDEPENDENT AUDITORS REPORT TO THE COUNCIL OF THE UNIVERSITY OF KENT



Grant Thornton UK LLP
30 Finsbury Square, London EC2A 1AG
T +44 (0)20 7383 5100 www.grant-thornton.co.uk

Opinion

We have audited the financial statements of the University of Kent (the 'parent university') and its subsidiaries (the 'group') for the year ended 31 July 2019 which comprise the Consolidated and University statement of Comprehensive Income and Expenditure, the Consolidated and University statement of Changes in Reserves, the Consolidated and University Balance Sheets, the Consolidated Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent university's affairs as at 31 July 2019, and of the group's and the parent university's income and expenditure, gains and losses, changes in reserves and the group's cash flows for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice: Accounting for Further and Higher Education published in March 2014.

Basis for opinion

We have been appointed as auditor under the Royal Charter and report in accordance with regulations made under it. We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent university's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Council are responsible for the other information. The other information comprises the information included in the annual review set out on pages 1-72, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Continued overleaf

INDEPENDENT AUDITORS REPORT TO THE COUNCIL OF THE UNIVERSITY OF KENT (CONT)



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Opinion on other matters prescribed by the Office for Student's ('OfS') Terms and conditions of funding for higher education institutions (issued March 2018) and the OfS's accounts direction (issued June 2018)

In our opinion, in all material respects:

- funds from whatever source administered by the parent university for specific purposes have been properly applied to those purposes and managed in accordance with the relevant legislation;
- funds provided by the OfS and Research England have been applied in accordance with the relevant terms and conditions, and any other terms and conditions attached to them; and
- the requirements of the OfS's accounts direction (issued June 2018) have been met.

Responsibilities of the Council for the financial statements

As explained more fully in the Statement of responsibilities of the Council set out on page 38, the Council is responsible for the preparation of the financial statements and for being satisfied they give a true and fair view, and for such internal control as the Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our Report

This report is made solely to the University's Council, as a body, in accordance with the Charter of the University. Our audit work has been undertaken so that we might state to the university's Council those matters we are required to state to it 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 University's Council as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants, London

31 January 2020

CONSOLIDATED & UNIVERSITY STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 JULY 2019

	Note	Consolidated & University	
		2018/19 £000	2017/18 £000
Income			
Tuition Fees & Education Contracts	1	163,501	166,644
Funding Council Grants	2	29,579	29,783
Research Grants & Contracts	3	19,565	18,019
Other Income	4	52,069	51,813
Investment Income	5	938	888
Donations & Endowments received	6	783	683
Total Income		266,435	267,830
Expenditure			
Staff Costs	7	158,446	150,261
Restructuring Costs	7	6,911	112
Increase to pension provision arising from change in Schedule of Contributions	7	44,777	-
Other Operating Expenses	9	90,584	90,199
Depreciation	11	21,474	19,406
Interest & Other Finance Costs	8	4,226	4,428
Total Expenditure		326,418	264,406
(Deficit)/Surplus before other gains		(59,983)	3,424
(Loss)/Gain on Investments		(96)	5
(Deficit)/Surplus and Total Comprehensive (Expenditure)/Income for the year		(60,079)	3,429
Represented by:			
Endowment comprehensive expenditure for the year		(384)	(409)
Restricted comprehensive income for the year		341	10
Unrestricted comprehensive (expenditure)/ income for the year		(60,036)	3,828
		(60,079)	3,429

All income and expenditure recognised above relates to continuing operations.

STATEMENT OF CHANGES IN RESERVES

FOR THE YEAR ENDED 31 JULY 2019

	Statement of Comprehensive Income and Expenditure			
	Endowment £000	Restricted £000	Unrestricted £000	Total £000
Consolidated				
Balance at 1 August 2017	5,528	444	305,193	311,165
Surplus for the year	111	224	3,094	3,429
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	(520)	(214)	734	-
Total comprehensive income for the year	(409)	10	3,828	3,429
Balance at 1 August 2018	5,119	454	309,021	314,594
Surplus/(deficit) for the year	168	633	(60,880)	(60,079)
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	(552)	(292)	844	-
Total comprehensive income/(expenditure) for the year	(384)	341	(60,036)	(60,079)
Balance at 31 July 2019	4,735	795	248,985	254,515

	Statement of Comprehensive Income and Expenditure			
	Endowment £000	Restricted £000	Unrestricted £000	Total £000
University				
Balance at 1 August 2017	5,528	444	305,158	311,130
Surplus for the year	111	224	3,094	3,429
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	(520)	(214)	734	-
Total comprehensive income for the year	(409)	10	3,828	3,429
Balance at 1 August 2018	5,119	454	308,986	314,559
Surplus/ (deficit) for the year	168	633	(60,880)	(60,079)
Other comprehensive income	-	-	-	-
Release of restricted funds spent in year	(552)	(292)	844	-
Total comprehensive income/ (expenditure) for the year	(384)	341	(60,036)	(60,079)
Balance at 31 July 2019	4,735	795	248,950	254,480

BALANCE SHEETS

AS AT 31 JULY 2019

	Note	Consolidated		University	
		2019 £000	2018 £000	2019 £000	2018 £000
Non-current assets					
Tangible Fixed Assets	11	428,163	417,809	428,163	417,809
Fixed Asset Investments	13	1,385	1,372	1,385	1,372
		429,548	419,181	429,548	419,181
Current assets					
Stocks		832	790	832	790
Trade & Other Receivables	14	21,912	18,973	21,912	18,973
Current Asset Investments	15	13,152	23,230	13,152	23,230
Cash & Cash Equivalents		24,797	41,359	24,797	41,359
		60,693	84,352	60,693	84,352
Creditors: amounts falling due within one year	16	(59,855)	(52,401)	(59,890)	(52,436)
Net current assets		838	31,951	803	31,916
Total assets less current liabilities		430,386	451,132	430,351	451,097
Creditors: amounts falling due after more than one year	17	(105,408)	(111,327)	(105,408)	(111,327)
Provisions					
Pension Provisions	18	(70,463)	(25,211)	(70,463)	(25,211)
		(70,463)	(25,211)	(70,463)	(25,211)
Net assets		254,515	314,594	254,480	314,559

	Note	Consolidated		University	
		2019 £000	2018 £000	2019 £000	2018 £000
Restricted reserves					
Endowment reserves	20	4,735	5,119	4,735	5,119
Restricted reserves	21	795	454	795	454
		5,530	5,573	5,530	5,573
Unrestricted reserves					
General Reserve		248,985	309,021	248,950	308,986
Total reserves		254,515	314,594	254,480	314,559

The financial statements on pages 41 to 69 were approved by the Council on 31 January 2020 and signed on its behalf by:

Professor Karen Cox,
Vice-Chancellor and President

Robert Scruton, Chair of the Finance
and Resources Committee

Lisa-Jane Crudgington-Higham,
Director of Finance

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2019

	Note	2018/19 £000	2017/18 £000
Cash Flow from Operating Activities			
(Deficit)/surplus for the year		(60,079)	3,429
Adjustment for non-cash items			
Depreciation	11	21,474	19,406
Loss/(Gain) on investments		96	(5)
(Increase)/decrease in stock		(42)	10
(Increase) in debtors	14	(2,837)	(1,436)
Increase in creditors	16/17	9,896	2,494
Increase/(decrease) in pension provision	18	45,252	(300)
Increase/(decrease) in other provisions	18	-	(250)
Adjustment for investing or financing activities			
Investment income	5	(938)	(888)
Interest payable	8	3,670	3,948
Endowment income	20	(47)	(38)
Capital grant income	2/4	(2,478)	(2,410)
Net cash inflow from operating activities		13,967	23,960
Cash flows from investing activities			
Capital grant receipts		2,478	2,410
Investment income	5	945	884
Payments made to acquire fixed assets	11	(34,888)	(31,674)
New non-current asset investments	13	(219)	(995)
Withdrawal of deposits		10,188	695
		(21,496)	(28,680)
Cash flows from financing activities			
Interest paid	8	(3,596)	(4,189)
Endowment cash received	20	39	113
New unsecured loans	17	-	25,000
Repayments of amounts borrowed		(5,476)	(4,365)
		(9,033)	16,559
(Decrease)/increase in cash and cash equivalents in the year		(16,562)	11,839
Cash and cash equivalents at beginning of the year		41,359	29,520
Cash and cash equivalents at end of the year		24,797	41,359

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

A Basis of preparation

These financial statements have been prepared in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice (SORP): Accounting for Further and Higher Education 2015. They have also been prepared in accordance with the 'carried forward' powers and duties of previous legislation (Further and Higher Education Act 1992 and the Higher Education Act 2004) and the new powers of the Higher Education and Research Act 2017 during the transition period to 31 July 2019, the Royal Charter, the Accounts Direction issued by the Office for Students (OfS), the Terms and conditions of funding for higher education institutions issued by the Office for Students and the Terms and conditions of Research England Grant.

The University has opted to apply early adoption of section 12d of the 2019 Accounts Direction (OfS 2019.41) in relation to the calculation of pay ratios in Note 7. In all other aspects, these financial statements have been prepared in accordance with the 2018 Accounts Direction (OfS 2018.26).

The University is a public benefit entity and has applied the relevant public benefit requirements of FRS 102.

The financial statements have been prepared under the historical cost convention modified by the revaluation of certain fixed assets and investments.

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

Going concern

After making appropriate enquiries, which include the review of new medium term forecasts and consideration of the nature and extent of the risks identified and discussed in the section of the Strategic Report on Future outlook, risks and going concern on pages 31-32, the Council considers that the University has adequate resources to continue in operational existence for the foreseeable future. For this reason the financial statements have been prepared on a going concern basis.

B Basis of consolidation

The consolidated financial statements include the University and all of its subsidiary undertakings. Intra-group transactions are eliminated fully on consolidation. In accordance with FRS102, the activities of Kent Union have not been consolidated because the University does not exert control or dominant influence over those activities.

C Income recognition

Tuition fees

Income from tuition fees is stated gross and recognised over the related study period. Where the tuition fee has been reduced by a payment discount or University fee waiver, the income receivable is shown net of the discounted amount. University funded bursaries and scholarships paid to students are accounted for gross as expenditure.

Revenue grants

Grants from Government sources are recognised as income within the Consolidated Statement of Income and Expenditure in line with the related costs for which the grant is intended to compensate. Where part of a Government grant is deferred it is retained as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants from non-government sources are recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the University is entitled to receive the income and performance related conditions have been met. Any income received in advance of these conditions being met is retained as deferred income within creditors.

Donations and endowments

Non-exchange transactions without performance related conditions are accounted for as donations or endowments.

Donations and endowments with restrictions on the use of the funds (which do not amount to performance conditions) are recognised as income within the Consolidated Statement of Comprehensive Income and Expenditure when the University becomes entitled to them. This income is held within a restricted reserve until such time that expenditure is incurred in line with the restrictions. This income is then released to unrestricted reserves through a reserve transfer.

Income in respect of donations and endowments without donor imposed restrictions is recognised within the Consolidated Statement of Comprehensive Income and Expenditure when the funds are receivable and recorded within unrestricted reserves.

Investment income

Income from cash deposits and investments is credited to income in the period in which it is earned.

Capital grants

Grants or Donations received from any source for the purpose of purchasing or constructing fixed assets are recognised as income as performance conditions are met. This will normally be at the point the asset is brought into use, or in line with phased completion of large construction projects, depending on the terms of the grant.

Other income

All other income, including Residences and Catering, is recognised within the Consolidated Statement of Comprehensive Income and Expenditure in the period within which it is earned.

D Agency arrangements

Any funds that the University receives and disburses whilst acting as agent on behalf of a funding body and where the University is exposed to minimal risk or enjoys minimal economic benefit in relation to the transaction, such as externally funded bursaries and scholarships where the funder determines the recipient, are excluded from the Consolidated Statement of Comprehensive Income and Expenditure. Any commissions received in this respect are credited to the Consolidated Statement of Comprehensive Income and Expenditure as earned.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONT)

E Maintenance of premises

The University has a long-term rolling maintenance plan, which forms the basis of the ongoing maintenance of the estate. The cost of long-term and routine corrective maintenance is charged to the Consolidated Statement of Comprehensive Income and Expenditure as incurred.

F Foreign currency translation

Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling either at year end rates or, where there are related forward foreign exchange contracts, at contract rates. All resulting exchange differences are taken to the Consolidated Statement of Comprehensive Income and Expenditure in the period in which they arise.

G Employee benefits

Short-term employee benefits

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

Post-employment benefits (pensions)

Retirement benefits for most employees of the University are provided by the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL).

From 1 October 2016 USS changed from a defined benefit only scheme to a hybrid pension scheme, providing defined benefits (for all members) as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The University is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by section 28 of FRS102 "Employee benefits", the University therefore accounts for the scheme as if it were a wholly defined contribution scheme.

The University has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit. A provision is recorded on the Balance Sheet for additional contributions payable under the Recovery Plan representing the present value of future payments agreement under the Recovery Plan. The associated expense is recognised in the Consolidated Statement of Comprehensive Income and Expenditure in the year in which the deficit recovery plan was agreed.

The cost charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the total contributions payable to the scheme in respect of the accounting period, less the unwinding of the provision for the Recovery Plan over the period of the recovery plan.

SAUL is a multi-employer defined benefit scheme. The assets of the scheme are held in separate trustee administered funds. The scheme operates as a "Last Man Standing" scheme so that in the event of the insolvency of any of the participating employers, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participating employers and reflected in the next actuarial valuation. The University is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent and reasonable basis and therefore, as required by FRS102, accounts for the scheme as if it were a defined contribution scheme.

As a result, the amount charged to the Consolidated Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the accounting period. Informal reviews of the position of the schemes are carried out between formal valuations.

H Tangible fixed assets

Land and buildings

Land held was valued as at 31 July 2014 by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. A valuation was prepared in accordance with the requirements of the RICS Valuation – Professional Standards, April 2015, and FRS 102. The valuation was undertaken on a Fair Value basis and has been reported under the special assumptions to exclude any value of development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced.

In keeping with the transitional rules set out in FRS102 this land valuation is retained to be used as its 'deemed cost' going forward. Land purchased since 1 August 2014 is shown at cost. Freehold land is not depreciated.

Buildings are included in the Balance Sheet at cost together with subsequent refurbishment expenditure less accumulated depreciation.

Finance costs which are directly attributable to the purchase or construction of land and buildings are capitalised as part of the cost of those assets.

Buildings under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred to 31 July. They are not depreciated until they are brought into use.

Once a building is brought into use any elements with significant value and a materially different life are depreciated separately from the main structure.

Depreciation on buildings is provided on a straight-line basis over their expected useful economic lives as follows:

Building structure	80 years
Roofing & windows	30 years
Mechanical & electrical systems	25 years
Refurbishment of general facilities	15 years
Refurbishment of residential facilities	10 years
Refurbishment of dining & trading facilities	5 years

Where assets are recognised in respect of service concession arrangements or finance leases they are valued at the present value of future minimum lease payments. These assets are depreciated over the length of the lease term, or where lower, the useful economic life of the asset as above.

Where material, a depreciable asset's anticipated useful economic life is reviewed annually and the accumulated and future depreciation adjusted in accordance with FRS102. A review of the impairment of a fixed asset is also carried out if events or changes in circumstances indicate that the carrying value of the fixed asset may not be recoverable.

Site works

Site works on University campuses, when capitalised, are depreciated over useful economic lives as follows:

Infrastructure works	30 years
Groundworks & landscaping	25 years
Roads, footpaths & car parks	15 years

Equipment

Equipment costing less than £20,000 per individual item or group of related items is written off in the year of acquisition. All other equipment is capitalised at cost. Costs relating to major system developments in progress are not depreciated until the system is brought into use.

Capitalised equipment is depreciated over its useful economic life as follows:

General equipment and furniture	5 to 10 years
Major Management Information System developments	8 years
Computer equipment and systems	3 to 5 years
Equipment acquired for specific research or other projects	Project life (generally 3 years)

All depreciation charges are calculated annually from the year in which they come into use.

Where Tangible Fixed Assets are acquired with the aid of specific grants, the cost capitalised and depreciated in accordance with the above policy, with the related grant income recognised in line with Accounting Policy C.

I Investments

Fixed asset investments that are not listed on a recognised stock exchange are carried at historical cost less any provision for impairment of their value.

Other investments are initially recognised at cost and subsequently measured at fair value at each reporting date. Where fair value cannot be reliably measured or investments are not publicly traded, they will be measured at cost less impairment.

Investments in funds intended to be held for the long term in order to generate ongoing income to fund activities are reported as fixed asset investments. All other funds are reported as current asset investments.

Any subsequent increase or decrease in value is recognised within the Consolidated Statement of Comprehensive Income and Expenditure and transferred to restricted or unrestricted reserves as appropriate.

J Stocks

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

K Taxation

The University is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and as such is a 'charitable company' within the meaning of Paragraph 1 of Schedule 6 of the Finance Act 2010. Accordingly, the University is potentially eligible for exemption from taxation in respect of income or capital gains received within categories covered by section 471 and sections 478-488 of the Corporation Tax Act (CTA) 2010, and section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied only to charitable purposes of the University and the extent to which any such exemption is not disapplied by Section 492 of the CTA 2010 in respect of any 'non-exempt amount' arising from non-primary purpose trading.

In the event that non-primary purpose trading losses arise, the University treats the trades concerned as falling within Section 44 of the CTA 2010 as being carried out on a commercial basis with a view to realisation of gain within the larger undertaking of the University so that Section 37 of the CTA 2010 applies to allow the non-primary purpose loss to be offset against the surplus for which tax exemption is disapplied by virtue of the existence of the non-primary purpose trading loss.

The University receives no similar exemption in respect of VAT. Irrecoverable VAT incurred is included in the costs of the respective expenditure; this also applies for that incurred on the purchase of tangible fixed assets.

As commercial organisations, the University's subsidiary companies are subject to corporation tax and VAT.

L Financial instruments

The University has applied the recognition, measurement and disclosure requirements of sections 11 and 12 of FRS 102 in relation to basic and complex financial instruments.

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the legal form. Financial liabilities are initially measured at transaction price (including transaction cost) and subsequently held at amortised cost.

Cash & 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.

STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (CONT)

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. These include term deposits and other instruments held as part of the University's treasury management activities.

Cash deposits with recognised banks and building societies with a duration of 3 months or less invested in accordance with the University's Cash Management Policy are treated as cash equivalents in the University and Consolidated Balance Sheets. Cash deposits with a duration of more than 3 months invested in accordance with the University's Cash Management Policy are treated as Investments in the University and Consolidated Balance Sheets.

Cash and cash equivalents contains sums relating to endowment reserves which have restrictions on their use. Note 20 summarises the balances of restricted endowment funds.

Loans

Loans are measured at amortised cost using the effective interest method and are subject to an annual impairment review.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised immediately in the Statement of Comprehensive Income.

M Provisions

General

Provisions are recognised when the University has a present legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Pension

Provisions are recognised in respect of the University's pension schemes as detailed in Accounting Policy G.

N Leases & service concession arrangements

Operating leases

An operating lease is defined as one where the lessor retains most of the risks and rewards of ownership of the asset.

All operating lease payments are included in the Consolidated Statement of Comprehensive Income and Expenditure in the period to which the payment relates. Future liabilities under such operating leases are disclosed as a financial commitment in the notes to the accounts.

Rental payments received are credited to the Consolidated Statement of Comprehensive Income and Expenditure in the period to which the income relates. Lease premiums received at the start of a lease are credited to the Consolidated Statement of Comprehensive Income and Expenditure as rental income over the minimum lease term.

Finance leases

Leases in which the University assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases.

Assets acquired by finance lease and the associated lease liability are stated at the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses.

Service concession arrangements

Service concession arrangements are lease arrangements whereby the lessor also provides services (eg, maintenance and operation) alongside provision of the assets and any significant residual value of the asset passes to the University at the end of the lease. Any service concession arrangement liability is valued at the present value of future minimum lease payments with a corresponding asset being created within Property, Plant and Equipment assets and depreciated line with Accounting Policy H.

O Accounting for jointly controlled assets and operations

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

The University accounts for its share of the transactions from joint operations and jointly controlled assets in the Statement of Comprehensive Income and Expenditure.

P Reserves

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

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

Q Significant estimates and judgements

The University considers the following areas to be significant areas of estimates or judgements which could have a significant impact on the financial statements.

Service concession arrangements

Contracts have been reviewed and judgement applied in determining whether they meet the criteria for Service Concession arrangement. The treatment of these arrangements is shown in accounting policy N, and information on these contracts and their impact in the financial statements is shown in Note 11.

Depreciation

The useful economic lives used in the calculation of depreciation charges are a significant area of estimate. The lives used in these financial statements for all groups of fixed assets are shown in accounting policy H and the impact can be seen in Note 11.

Revaluation of land

The valuation of the land now taken forward as deemed cost is a significant judgement, based on an external valuation as at 31 July 2014 but reviewed annually by management for any impairment. Further information on the basis of the valuation and the impact on the financial statements can be seen in Note 11.

Pension Scheme assumptions

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as that provided by USS. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense is recognised in the surplus or deficit for the year in accordance with section 28 of FRS102. The University is satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the Recovery Plan in existence at the date of approving the financial statements.

The recovery plan arising from the 2017 actuarial valuation requires employers to contribute 5% of salaries over the period 1 April 2020 to 30 June 2034 towards the scheme deficit.

The 2018 actuarial valuation of USS has been undertaken but this was not completed before the end of the year. It has now been completed, as set out in Notes 27 and 28.

In the judgement of the University, as the 2018 valuation was not formally completed as at the year-end, and there remained various stages of consultation around the key factors specifically relating to the funding of the past deficit, including the level of contributions required, the period of the recovery plan and the level of asset performance over the period, it is appropriate to account for the past deficit obligation in accordance with the plan agreed after the 2017 actuarial valuation.

NOTES TO THE ACCOUNTS

1 Tuition fees and education contracts

	2018/19 £000	2017/18 £000
Full-time Home & EU Students	119,423	122,920
Full-time International Students	36,772	36,992
Part-time Fees	4,291	3,537
Research Training Support Grants	1,590	1,694
Short Course Fees	1,425	1,501
	163,501	166,644

2 Funding council grants

	2018/19 £000	2017/18 £000
Recurrent Grant		
Teaching & Research funding (HEFCE; OfS and UKRI)	23,203	24,124
Higher Education Innovation Fund (HEIF)	1,382	1,287
Capital Grants (CIF)	2,378	2,410
Specific Grants		
Education and Skills Funding Agency (ESFA)	1,375	509
All Other Grants	1,241	1,453
	29,579	29,783

3 Research grants and contracts

	2018/19 £000	2017/18 £000
Research Councils	8,747	7,670
UK Based Charities	2,160	1,806
UK Industry & Commerce	444	346
Government (UK & EU)	7,059	7,138
Other Grants and Contracts	1,155	1,059
	19,565	18,019

4 Other income

	2018/19 £000	2017/18 £000
Residences, Catering & Conferences	36,732	36,396
Other Income Generating Activities	7,097	6,702
Other Revenue Grants	2,423	2,941
Capital Grants (non-funding council)	100	-
Other Income	5,717	5,774
	52,069	51,813

'Other income' includes rental income on University owned properties, fees and charges received in relation to non-commercial activities and income received for the provision of non-standard services to students.

5 Investment income

	2018/19 £000	2017/18 £000
Investment Income on Endowments	358	171
Other Investment Income	372	407
Other Interest Receivable	208	310
	938	888

6 Donations and endowments received

	2018/19 £000	2017/18 £000
New Endowments	47	38
Donations with Restrictions	495	224
Unrestricted Donations	241	421
	783	683

NOTES TO THE ACCOUNTS (CONT)

7 Staff costs

The average number of persons (including senior post holders) employed by the University during the year expressed as full time equivalents (FTE) was:

	2018/19 Avge FTE No.	2017/18 Avge FTE No.
Academic Staff	890	853
Research Staff	193	187
Teaching only Staff *	51	37
Academic Related Staff	582	546
Clerical Staff	706	702
Manual & Ancillary	416	431
Technical	143	142
	2,981	2,898

*Teaching only staff relates to postgraduate students who are also paid a salary for the provision of teaching services to undergraduate students.

The above figures exclude 176 FTE (2017/18: 155 FTE) in relation to employees classified as Casual workers that are paid by timesheet.

Staff Costs for the above persons:

	2018/19 £000	2017/18 £000
Wages & Salaries	125,616	120,120
Social Security Costs	12,523	11,898
Other Pension Costs (Note 27)	20,388	19,023
Movement in Pension Deficit Recovery Plan Provision	44,696	(780)
Restructuring Costs	6,911	112
	210,134	150,373

In 2018/19 the University launched the Kent Voluntary Severance Scheme (KVSS) with the aim of reducing our staff costs in the future. The majority of Restructuring costs in year relate to agreed redundancies through the first phase of this scheme, with the second phase expected in 2019/20 as we move through our organisational change project (O4S). All other Restructuring Costs relate to early retirements and redundancy payments arising from major restructuring of University activities.

The pension provision movement consists of movements to the total provision offset by the unwinding of existing provisions against additional contributions paid in the year. This includes a one-off increase of £44.8m following the completion of the 2017 valuation. This is shown separately from other staff costs on the face of the Statement of Comprehensive Income and Expenditure.

7 Staff costs (cont)

Staff Costs by Department:

	2018/19 £000	2017/18 £000
Academic Departments	90,088	85,997
Academic Services	10,752	10,545
Research Grants & Contracts	9,321	8,831
Student & Staff Facilities	6,820	6,775
General Educational Expenditure	8,247	7,401
Administration & Central Services	14,073	13,415
Residences & Catering	9,995	9,684
Premises	6,179	6,280
Pension provision movements (excluding one-off increase)	(81)	(780)
Other	3,052	2,113
Sub-total	158,446	150,261
Restructuring Costs	6,911	112
Increase to pension provision arising from change in Schedule of Contributions	44,777	-
Total Staff Costs by Department	210,134	150,373
Payments for loss of office included in total staff costs above	7,796	1,761
Number of staff to which this relates	219	106

Included within the cost of payments for loss of office in 2018/19 is £6.7m in relation to KVSS.

Senior Staff pay:

	Number of Staff	
	2018/19	2017/18
Basic annual salary (per 1.0 FTE)		
£100,000 - £104,999	11	3
£105,000 - £109,999	2	5
£110,000 - £114,999	3	3
£115,000 - £119,999	6	2
£120,000 - £124,999	1	1
£125,000 - £129,999	2	3
£130,000 - £134,999	4	3
£135,000 - £139,999	2	-
£140,000 - £144,999	-	1
£145,000 - £149,999	1	-
£150,000 - £154,999	-	-
£155,000 - £159,999	-	-
£160,000 - £164,999	-	1
£165,000 - £169,999	1	2
£170,000 - £174,999	2	-
...		
£240,000 - £244,999	1	1

NOTES TO THE ACCOUNTS (CONT)

7 Staff costs (cont)

Key management personnel

Key management personnel, identified by the University as members of its Executive Group, are those persons having authority and responsibility for planning, directing and controlling the activities of the institution. Staff costs includes compensation paid to key management personnel consisting of salary and benefits including any employer's pension contribution and other equivalent payments.

	2018/19 £000	2017/18 £000
Key management personnel compensation	1,179	1,154

The Executive Group of the University of Kent consists of six (2017/18: six) people including the Vice-Chancellor.

Remuneration for the Vice-Chancellor and President:

	2018/19 £000	2017/18 £000
Professor Dame Julia Goodfellow (to 31 August 2017)		
Basic salary	-	22
Pension contributions and payments in lieu of pension contributions	-	3
Performance-related bonus	-	-
Professor Karen Cox (from 1 August 2017)		
Basic salary	240	240
Pension contributions and payments in lieu of pension contributions	37	37
Taxable benefit – Accommodation ¹	-	22
Total Emoluments for the Year	277	324

¹ The taxable benefit in 2017/18 was a one-off provision made to the new Vice-Chancellor and President in her first year of appointment only, in order to assist her and her family in relocating to Kent.

The Vice-Chancellor and President's basic salary in 2018/19 was 9.42 times the median pay of all staff (2017/18: 9.61 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its staff.

The Vice-Chancellor and President's total remuneration in 2018/19 was 9.66 times the median total remuneration of staff (2017/18: 10.03 times), where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University of its staff.

Where the median pay ratio is calculated on a full time equivalent basis for all staff, the pay ratio is distorted by the inclusion of a high number of (mainly student) staff on flexible/atypical timesheet contracts where we aim to provide employment experience. Given the distorting effect of these contracts on the pay ratio, a ratio which excludes these staff is also given (below) for comparison purposes.

The Vice-Chancellor and President's basic salary in 2018/19 was 7.45 times the median basic salary of all substantive staff (2017/18: 7.44 times). The Vice-Chancellor and President's total remuneration in 2018/19 was 7.39 times the median total remuneration of all substantive staff (2017/18: 7.44 times), where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University to its substantive staff.

Justification for salary of Vice-Chancellor and President

University Context:

With a total revenue of £266.4m the University of Kent is a substantial and efficiently run business which plays an important role in the regional economy of Kent, generating a ripple effect that flows through the region and supports growth and employment in other sectors. The University contributes £907m to the south east economy, supporting 9,448 jobs. We are the largest employer in Canterbury, directly employing over 6,000 staff and supporting one in 10 jobs in the City³.

The University is one of the country's leading academic institutions producing world-class research, rated internationally excellent and leading the way in many fields of study. We are a forward-thinking research institution, committed to the transformative power of education and research and to the development and support of our students and staff. Our aim is to deliver one of the best education and student experiences, enhanced by a research-rich environment that enables and inspires our students.

³ Report by independent consultants Viewforth Consulting Ltd on the Economic Impact of the University of Kent, compiled winter 2017 on behalf of the University.

We attract internationally renowned subject specialists and have a reputation for research excellence that is designed to produce creative and practical solutions. All subjects submitted to the Research Excellence Framework (REF) 2014 were classed as world-leading. 97% of our research is of international quality and the number of research-active staff has increased by 40% since 2008. The University has been awarded a gold rating, the highest, in the UK Government's Teaching Excellence Framework (TEF). Based on the evidence available, the TEF Panel judged that the University of Kent delivers consistently outstanding teaching, learning and outcomes for its students. It is of the highest quality found in the UK.

The University of Kent is committed to driving forward the development of a range of global partnership activity. We are proud of our excellent international reputation and of our interaction with partners overseas. Kent currently has over 400 links with institutions around the world. As the UK's European University we have a strong engagement with Europe. The University community of staff includes 1,071 members from 97 nationalities. We are proud to have been awarded the European Commission's Erasmus Charter for Higher Education 2014-2020 which recognises the quality of Kent's Erasmus activities delivered under the auspices of the Lifelong Learning Programme.

We have multiple collaborative research partnerships and are members of a number of research consortia covering a broad range of disciplines such as Biosciences, Arts and Humanities, Health and Social Care, Engineering and Physical Sciences. The Kent and Medway Medical School (KMMS) is an exciting collaboration between Canterbury Christ Church University and the University of Kent and builds on our existing high-quality clinical teaching and research strengths. From September 2020, our unique school will educate aspiring doctors to train to deliver 21st century medicine.

Higher Education is experiencing unprecedented financial, regulatory and political challenges. Responding positively and doing things differently will require adaptive and strong leadership to face these issues, build on our strengths and ensure that the University emerges from them with a reinvigorated sense of its contribution and purpose.

Value and performance of the Vice-Chancellor and President:

Professor Dame Julia Goodfellow (1 June 2007 to 31 August 2017)

This reward package reflected the University's continuing strong performance in league tables and in the NSS, plus stable student recruitment over a number of years. In addition, the University's reputation was strengthened through the VC's role as President of UUK. This salary is close to the median for VC pay at other similar sized universities.

Due to the timing of retirement (31 August 2017) the VC had no contractual entitlement to an increase in her base pay for the year prior to her departure, but in the light of sustained high performance during her last year in office a one-off payment was awarded.

Professor Karen Cox (From 1 August 2017)

The reward package reflects the role holder's impressive previous track record at a successful Russell Group University and the salary that was offered on joining the University. The figure is though, less than both the median and the mean salaries of VCs at peer group universities. The Vice Chancellor and President's salary was reviewed in January 2019 at which time Remuneration Committee acceded to her request that, in light of the current economic climate, no pay award be made.

Process for determining pay of the Vice-Chancellor and President:

As a part of its commitment to transparency, the Remuneration Committee has developed a Senior Reward Policy, published on the University website. This policy is applicable to the Vice-Chancellor and President, as well as the members of the Executive Group, and incorporates requirements relating to individual performance assessment, including appraisal on detailed objectives, and the link to pay decisions. The Chair of Council prepares a detailed appraisal of the Vice-Chancellor and Presidents' performance against objectives on the basis of 360-degree feedback from internal and external stakeholders, which is submitted to the Remuneration Committee. In addition, as a part of its governance role, the Remuneration Committee monitors the application of Kent's reward policies across all staff groups, including other senior staff.

All decisions on pay for the Executive Group of the University (including the Vice-Chancellor and President) are made by the University's Remuneration Committee, with delegated responsibility for decision-making on these matters from Council. The Committee consists of members of Council, and going beyond the requirements of the CUC Code, a student member and a staff member. The Committee has also agreed that an external advisor, with experience of senior pay elsewhere in the public and HE sectors, should be appointed and this individual will join the Committee in 2019/20.

The Vice-Chancellor is not a member of the Remuneration Committee. No members of staff, including the Vice-Chancellor, are present at Remuneration Committee during discussions about their own remuneration.

A report of the Committee's decisions is made to Council each year. The University makes a transparent and detailed disclosure on how the Remuneration Committee determines senior pay in its Annual Review & Financial Statements, and follows OfS requirements on senior pay and the CUC Governance Code.

NOTES TO THE ACCOUNTS (CONT)

8 Interest and other finance costs

	2018/19 £000	2017/18 £000
Loan Interest	3,857	4,100
Pension Scheme Finance Costs	556	480
Other Interest charged	(22)	22
Less: Capitalised Interest (Note 11)	(165)	(174)
	4,226	4,428

9 Other operating expenses

	2018/19 £000	2017/18 £000
Academic Departments	10,437	13,287
Academic Services	9,106	8,568
Research Grants and Contracts	4,980	4,247
Bursary Payments to Students	14,543	15,492
Student & Staff Facilities	6,284	5,695
General Educational Expenditure	6,553	6,499
Administration & Central Services	2,561	3,021
Residences & Catering	18,344	17,415
Premises	15,931	14,753
Other Expenses	1,845	1,222
	90,584	90,199
Other Operating Expenses include:		
Auditors' Remuneration for audit services for the year	76	66
Auditors' Remuneration for prior year audit services recognised in the current year	19	-
Auditors' Remuneration for non-audit services for the year	49	20
Auditors' Remuneration for prior year non-audit services recognised in the current year	6	-
Operating Lease Rentals:		
Land and Buildings	999	951
Other	366	362
	1,515	1,399

Auditors' remuneration for non-audit services in 2018/19 includes a fee for the triennial audit of US GAAP compliant financial statements, plus the fee for the annual compliance audit, both in respect of the compliant return in relation to US student loans.

10 Deficit/Surplus on operations for the year

The (Deficit)/Surplus on Operations for the Year is made up as follows:

	2018/19 £000	2017/18 £000
University (Deficit)/surplus for the Year	(60,079)	3,429
Surplus generated by subsidiary companies	-	-
Consolidated (Deficit)/surplus for the Year	(60,079)	3,429

Details of the University's subsidiary companies can be found in Note 13.

11 Tangible fixed assets

	Consolidated and University				
	Land and Buildings £000	Service Concession Arrangement Assets £000	Assets Under Construction £000	Equipment and Systems £000	Total £000
Cost or Valuation					
At 1 August 2018	511,741	10,172	21,913	41,581	585,407
Additions	5,888	-	-	8,938	14,826
Assets under construction	-	-	17,002	-	17,002
Transfers	13,844	-	(13,844)	-	-
Disposals	-	-	-	(2,274)	(2,274)
At 31 July 2019	531,473	10,172	25,071	48,245	614,961
Depreciation					
At 1 August 2018	146,663	1,128	-	19,807	167,598
Charge for the Year	16,725	204	-	4,545	21,474
Disposals	-	-	-	(2,274)	(2,274)
At 31 July 2019	163,388	1,332	-	22,078	186,798
Net Book Value					
At 31 July 2019	368,085	8,840	25,071	26,167	428,163
At 1 August 2018	365,078	9,044	21,913	21,774	417,809
Financed by:					
Capital Grant	41,844	-	1,855	-	43,699
Other	326,241	8,840	23,216	26,167	384,464
	368,085	8,840	25,071	26,167	428,163

Land was acquired both by gift and purchase (historic cost of £5.8m) and is stated at a valuation of £133.2m (2018: £133.2m) and not depreciated. A valuation was prepared by Gerald Eve LLP, a regulated firm of surveyors, in accordance with the requirements of RICS Valuation – Professional Standards April 2015, on a fair value basis as at 31 July 2014, and is reported under the special assumptions to exclude any development opportunities for which planning permission would be required and has not been granted or where development has not yet commenced. The land is included in the Balance Sheet at this valuation, which has been taken forward as deemed cost under the exemption on transition to FRS102 and the excess of the valuation over original cost has been taken to the General Reserve. As at 31 July 2019 a review of property values has found no indications of impairment as defined in section 27 of FRS102.

Interest of £0.2m on loans used to finance the construction of buildings has been capitalised in the year (Note 8). This interest relates to the £25m loan drawdown received during 2017/18 and is based on a fixed interest rate of 2.10%. Total interest capitalised to date, included in the cost of Land and Buildings, amounts to £2.7m at 31 July 2019 (2018: £2.5m).

Disposals in the year relate to the removal of fully depreciated assets, which are no longer in use, from both cost and accumulated depreciation.

NOTES TO THE ACCOUNTS (CONT)

12 Service concession arrangements

The University has two service concession arrangements where delivery has commenced. These relate to the student accommodation at the Turing and Keynes developments, built and operated by UPP Limited. For the Keynes Extension the minimum guarantee had expired before 1 August 2014, therefore no liability is recorded in these financial statements. For Turing College the minimum guaranteed payment period expired during 2014/15, therefore no liability is recorded in these financial statements.

The assets relating to these agreements are held within fixed assets and depreciated over the life of their respective agreements.

13 Fixed asset investments

	Consolidated and University	
	2019	2018
	£000	£000
Cost of Investment in Subsidiary Companies	-	-
Cost of Investment in Other Companies (Incl. Spin-Out Companies)	65	65
Investment in funds	1,218	1,134
Bonds	87	143
Long term cash deposits	15	30
	1,385	1,372

During 2017/18 the University restructured its investment portfolio. The new investments during the year in funds, bonds and long term cash deposits shown here are those now held in long term investments, largely in relation to amounts received from permanent endowments.

Name of Subsidiary Companies	Holding	
Canterbury Business School Limited	100% owned	Dormant
Invicta Technology Investments Limited	100% owned	Dormant
Kent Business School Limited	100% owned	Dormant
Kent Enterprise Limited	100% owned	Dormant
Kent Management School Limited	100% owned	Dormant
Kent Property Services Limited	100% owned	Dormant
Summer Academy Limited	100% owned	Dormant

14 Trade and other receivables

	Consolidated		University	
	2019	2018	2019	2018
	£000	£000	£000	£000
Amounts falling due within one year:				
General Receivables	9,740	7,943	9,740	7,943
Research Grants and Contracts	5,667	2,801	5,667	2,801
Prepayments & Accrued Income	6,505	8,229	6,505	8,229
	21,912	18,973	21,912	18,973

15 Current asset investments

	Consolidated and University	
	2019 £000	2018 £000
Short-term investment in funds	11,961	6,949
Short-term bonds	-	-
Short-term deposits	1,191	16,281
	13,152	23,230

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

	Consolidated		University	
	2019 £000	2018 £000	2019 £000	2018 £000
Bank Loans Due for Repayment (Note 17)	5,786	5,476	5,786	5,476
Research Grants Received on Account	11,003	8,544	11,003	8,544
Deferred Income	11,622	10,081	11,657	10,081
Creditors & Accrued Liabilities	25,071	22,452	25,071	22,487
Taxation and Social Security	6,373	5,848	6,373	5,848
	59,855	52,401	59,890	52,436

Deferred Income

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

	Consolidated		University	
	2019 £000	2018 £000	2019 £000	2018 £000
Capital Grants	-	-	-	-
Other Grant income	1,447	3,336	1,447	3,336
	1,447	3,336	1,447	3,336

NOTES TO THE ACCOUNTS (CONT)

17 Creditors: amounts falling after more than one year

	Consolidated		University	
	2019 £000	2018 £000	2019 £000	2018 £000
Mortgages secured on University Buildings	31,966	35,751	31,966	35,751
Unsecured Bank Loans	72,479	74,170	72,479	74,170
Less: Loans repayable within one year	(5,786)	(5,476)	(5,786)	(5,476)
	98,659	104,445	98,659	104,445
Other Long-Term Liabilities	6,749	6,882	6,749	6,882
	105,408	111,327	105,408	111,327
Payable as Follows:				
Due between one and two years	7,130	5,920	7,130	5,920
Due between two and five years	17,034	18,692	17,034	18,692
Due after five years	81,244	86,715	81,244	86,715
	105,408	111,327	105,408	111,327
Lender	Amount £000	Interest rate (%)	Term (years)	Maturity Date
National Westminster Bank plc	5,386	8.8	25	Jan 2022
National Westminster Bank plc	6,755	6.0	25	Nov 2028
National Westminster Bank plc	10,800	5.3	25	Oct 2030
Scottish Widows Limited	9,025	5.5	24	Jun 2029
European Investment Bank	47,479	2.6	25	Mar 2040
European Investment Bank	25,000	2.1	25	Sept 2042
	104,445			

The above loans all meet the criteria for Basic Financial Instruments according to section 11 of FRS102.

Loans from National Westminster Bank plc and Scottish Widows Limited are secured against University owned buildings on both the Canterbury campus (National Westminster Bank plc) and the Medway campus (Scottish Widows Limited).

The £75m loan facility agreed with the European Investment Bank in September 2014 was drawn down in 2 tranches of £50m (2015) and £25m (2017).

18 Provisions for liabilities

	Obligation fund deficit on USS £000	Consolidated and University	
		Other Pension £000	Total Pension £0000
Balance at 1 August 2018	25,161	50	25,211
Utilised in the Year	(623)	-	(623)
Additions in Year	45,875	-	45,875
Balance at 31 July 2019	70,413	50	70,463

Pension Deficit

The obligation to fund past deficits on the University's Superannuation Scheme (USS) arises from the contractual obligation with these pension schemes for total payments relating to benefits arising from past performance in accordance with the agreed recovery plan. Management have estimated the number of future employees within the scheme and salary inflation over the period of the contractual obligation in assessing the value of this provision.

The adoption of the new deficit recovery plan following the 2017 valuation has given rise to a significant increase in the deficit provision, which has increased by £45.3m in the year. £44.8m of this increase is attributable to the change in the deficit contributions contractual commitment. See also Note 7 (Staff costs) and Note 27 (Pension schemes).

Since the year-end, following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed, of which more information is given in Note 27. As at 31 July, and with all other assumptions used to calculate the provision unchanged, this would have resulted in a provision of £40.3m, a decrease of £30.1m from the current year-end position.

The Other Pensions Provision relates to amounts payable to part-time members of staff following decisions by the European Court of Justice, pending the outcome of UK Industrial Tribunal cases. The amount provided is based on assessment of individual cases based on prior claim experience.

NOTES TO THE ACCOUNTS (CONT)

19 Financial instruments

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

	Note	Consolidated		University	
		2019 £000	2018 £000	2019 £000	2018 £000
Financial assets					
Measured at fair value through Income and Expenditure:					
Investments (Incl. endowments)	13/15	13,266	8,226	13,266	8,226
Cash deposits	13/15	1,206	16,311	1,206	16,311
Cash & Cash Equivalents		24,797	41,359	24,797	41,359
Measured at undiscounted amount receivable:					
Trade and other receivables	14	15,407	10,744	15,407	10,744
Measured at cost less impairment:					
Investment in other companies	13	65	65	65	65
		54,741	76,705	54,741	76,705
Financial liabilities					
Measured at undiscounted amount payable:					
Trade and other creditors payable	16	36,074	30,996	36,074	31,031
Salix revolving green fund	17	320	320	320	320
Measured at amortised cost:					
Loans payable	17	104,445	109,921	104,445	109,921
		140,839	141,237	140,839	141,272

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

	Note	Consolidated		University	
		2019 £000	2018 £000	2019 £000	2018 £000
Interest income / (expense):					
Interest receivable from financial assets measured at fair value through Income and Expenditure					
	5	938	888	938	888
Interest payable for financial liabilities measured at amortised cost					
	8	(3,835)	(4,122)	(3,835)	(4,122)
		(2,897)	(3,234)	(2,897)	(3,234)
Fair value gains / (losses):					
Gain / (loss) on financial assets measured at fair value through Income and Expenditure					
		(96)	5	(96)	5
		(96)	5	(96)	5

20 Endowment reserves

	Unrestricted Permanent £000	Restricted Permanent £000	Total Permanent £000	Restricted Expendable £000	Consolidated and University 2019 Total £000	2018 Total £000
Balance at 1 August						
Capital	485	700	1,185	3,495	4,680	5,090
Accumulated Income	-	230	230	209	439	438
	485	930	1,415	3,704	5,119	5,528
New Endowments	-	1	1	46	47	38
Investment Income	39	249	288	70	358	171
Expenditure	(39)	(28)	(67)	(485)	(552)	(520)
Increase in Market Value of Investments	(29)	(177)	(206)	(31)	(237)	(98)
Total endowment comprehensive income / (expenditure) for the year	(29)	45	16	(400)	(384)	(409)
Balance at 31 July	456	975	1,431	3,304	4,735	5,119
Represented by:						
Capital Value	456	538	994	3,080	4,074	4,680
Accumulated Income	-	437	437	224	661	439
	456	975	1,431	3,304	4,735	5,119
Analysis by Purpose						
Chairs & lectureships	-	731	731	560	1,291	1,507
Student financial support	-	74	74	1,530	1,604	1,595
Prize funds	-	6	6	226	232	240
Other	456	164	620	239	859	896
Capital initiatives	-	-	-	749	749	881
	456	975	1,431	3,304	4,735	5,119
Analysis by Asset						
Equities					4,410	4,423
Bonds					87	143
Cash & Short term deposits					238	553
					4,735	5,119

NOTES TO THE ACCOUNTS (CONT)

21 Restricted reserves

	Revenue Grants £000	Donations £000	Consolidated and University	
			2019 Total £000	2018 Total £000
Balance at 1 August	39	415	454	444
New Grants	138	-	138	-
New Donations	-	495	495	224
Expenditure	(106)	(186)	(292)	(214)
Balance at 31 July	71	724	795	454
			2019 £000	2018 £000
Analysis by Purpose				
Scholarships and bursaries			569	351
Research support			31	32
Prize funds			71	39
Other			124	32
			795	454

22 Capital commitments

	Consolidated and University	
	2019 £000	2018 £000
Contractual Commitments at 31 July	11,365	11,584

23 Financial commitments

At 31 July, there were commitments under non-cancellable operating leases as follows:

	Land and Buildings £000	Other £000	Consolidated and University	
			Total 2019 £000	Total 2018 £000
Paid during year	999	366	1,365	1,313
Payable within one year	1,095	250	1,345	1,288
Payable within two and five years inclusive	3,203	308	3,511	3,273
Payable after five years	3,590	-	3,590	4,148
	7,888	558	8,446	8,709

24 Contingent liabilities

A contingent liability exists in relation to the agreement with a third party contractor who continues to maintain student residences it constructed on behalf of the University. Under this agreement the University is contracted to pay the difference between actual rooms occupied and an agreed minimum level of occupation. For the 2018/19 financial year this payment amounted to £1.13m (2017/18 £409k).

Cross-guarantees

On the 23 June 1993 the University entered into a cross guarantee for the indebtedness of Kent Enterprise Limited in favour of National Westminster Bank Plc. This guarantees that the University will underwrite the current account of Kent Enterprise Limited in the event of an overdraft. This account was closed in July 2018 and Kent Enterprise Limited has been made dormant from this date.

25 Related party transactions

GOETEC Limited (formerly Kent Man Limited)

The University was one of five partners in GOETEC Limited, a company formed on 1 April 2002 and limited by guarantee, maintaining micro-wave radio links between Higher Education Institutions in Kent. GOETEC Limited was closed on 31 January 2018 and no balances remain outstanding in relation to this.

Council members: expenses and related party transactions

During the 2018/19 financial year expenses totalling £4,419 (2017/18: £4,262) were paid to 14 members of Council while acting in their role as Trustees (2017/18: 8 members). Council members do not receive remuneration in respect of their Trustee roles.

As the University's Council includes members drawn from public and private sector organisations, some transactions take place with organisations in which a member of Council may have an interest. However, all such transactions are conducted at arm's length and in accordance with the University's Financial Regulations and normal procurement procedures. There is no direct benefit to Members of Council.

The University maintains a Register of Interests and if a potential conflict of interest arises, the member concerned would identify this and not take part in any discussions and decision making on these matters.

The table below summarises the transactions made in the financial year with these related parties:

	Payments due during 2018/19 £	Payments receivable during 2018/19 £	Net balance due (from)/to at 31 July 2019 £
Brompton Academy	114,049	-	12,753
Canterbury City Council	75,456	9,805	16,578
Canterbury Festival Board	4,947	-	1,516
HESA	24,347	-	-
Kent Union	2,944,761	5,878,891	411,746
KM Television Ltd	434,908	-	4,175
Kent Community Health NHSFT	12,110	123,021	3,110
Medway Council	51,803	-	8,010
Mid Kent College	100,077	-	120
Turner Contemporary	3,000	-	1,500
Visit Kent	10,458	-	-

26 Linked charities

The University has carried out a review and does not have any linked charities.

NOTES TO THE ACCOUNTS (CONT)

27 Pension schemes

The two principal pension schemes for the University's staff are the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL).

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

	2018/19 £000	2017/18 £000
Contributions to USS	15,581	14,346
Contributions to SAUL	4,784	4,675
Contributions to Other Schemes	23	2
Total Pension Cost (Note 7)	20,388	19,023

USS Pension Scheme

The total pension cost for the University charged to the Statement of Comprehensive Income in the year 2018/19 was £15,581,244 (2017/18: £14,345,723). This includes £1,374,037 (2018: £1,189,608) outstanding contributions at the balance sheet date.

The University is required to contribute a specified percentage of payroll costs to the pension scheme to fund the benefits payable to the University's employees. In 2018/19 the percentage was 18% up to 31 March 2019, and 19.5% from 1 April 2019 (2017/18: 18%).

The latest available complete actuarial valuation of the Retirement Income Builder section of the Scheme is at 31 March 2017 ("the valuation date"), which was carried out using the projected unit method. As at the year-end a valuation as at 31 March 2018 was underway but not yet complete.

Since the University cannot identify its share of the Retirement Builder Section of the scheme assets and liabilities, the following disclosures reflect those relevant for the scheme as a whole.

The 2017 valuation was the fourth valuation for USS 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 £60.0 billion and the value of the scheme's technical provisions was £67.5 billion indicating a shortfall of £7.5 billion and a funding ratio of 89%. These figures will be revised once the 2018 Scheme Valuation is complete. Further information on the current provision for the deficit recovery plan is included in accounting policy Q – Significant Judgements and Estimates.

The key financial assumptions used in the 2017 actuarial valuation are described below. More detail is set out in the Statement of Funding Principles.

Discount rate (forward rates)	Years 1-10: CPI-0.53% reducing linearly to CPI-1.32% Years 11-20: CPI+2.56% reducing linearly to CPI+1.7% by year 21 Years 21+: CPI+1.7%
Pension Increase (CPI)	Term dependant rates in line with the differences between Fixed Interest and Index Linked yield curves, less 1.3% pa

27 Pension schemes (cont)

The main demographic assumption used relates to the mortality assumptions. These assumptions have been updated for the 31 March 2018 accounting position, based on updated analysis of the Scheme's experience carried out as part of the 2017 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table	<p>Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females</p> <p>Post-retirement: 96.5% of SAPS S1NMA "light" for males and 101.3% of RFV00 for females</p>
Future improvements to mortality	CMI_2016 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females

The current life expectancies on retirement at age 65 are:

	2019	2018
Males (Females) currently aged 65 (years)	24.6 (26.1)	24.5 (26.0)
Males (Females) currently aged 45 (years)	26.6 (27.9)	26.5 (27.8)

The funding position of the scheme has been updated since the valuation date on an FRS102 basis:

Existing Benefits	2019	2018
Scheme assets	£67.4bn	£63.6bn
Total scheme liabilities	£79.2bn	£72.0bn
FRS 102 total scheme deficit	£11.8bn	£8.4bn
FRS 102 total funding level	85%	88%
Key assumptions used are:		
Discount rate	2.44%	2.64%
Pensionable salary growth	n/a	n/a
Pension increases (CPI)	2.11%	2.02%

A new deficit recovery plan was put in place as part of the 2017 valuation and is set out in the new Schedule of Contributions dated 28 January 2019. This requires payment of 5% of salaries over the period 1 April 2020 to 30 June 2034. In accordance with the requirements of FRS102 and the SORP, the University has made a provision for this contractual commitment to fund the past deficit. In the prior year, the deficit payments were 2.1% of salaries up to March 2031.

This significant increase in deficit contributions has given rise to a substantial increase in the deficit provision which has increased from £25.2m to £70.4m as set out in Note 18. £44.8m of this increase is attributable to the change in the deficit contributions contractual commitment. See also note 7 in respect of significant one-off pension costs.

Following the completion of the 2018 actuarial valuation, a new deficit recovery plan has been agreed. This replaces the recovery plan agreed as part of the 2017 valuation and requires deficit payments of 2% of salaries from 1 October 2019 to 30 September 2021 and then payments of 6% of salaries from 1 October 2021 to 31 March 2028. As at 31 July, and assuming all other assumptions used to calculate the provision remain unchanged, this would have resulted in a revised provision of £40.3m, a decrease of £30.1m from the current year-end provision, and would have resulted in a reduction in the cost shown on the face of the Statement of Comprehensive income of the same amount.

NOTES TO THE ACCOUNTS (CONT)

27 Pension schemes (cont)

SAUL Pension Scheme

The University participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings ("CARE") basis.

The University is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer may be spread across the remaining participating employers and reflected in the next actuarial valuation.

SAUL's statutory funding objective is to have sufficient appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2017. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed in June 2018 and are due to be reviewed at SAUL's next formal valuation in 2020.

At the 31 March 2017 valuation SAUL was fully funded on its Technical Provisions basis so no deficit contributions were required. The Trust and the Employers have agreed that the ongoing Employers' contributions will continue at a rate of 16% of CARE salaries.

The University is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole the market value of SAUL's assets was £3.2bn representing 102% of the liabilities for benefits accrued up to 31 March 2017.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The University accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. Cash amounts) in accordance with paragraph 28.11 of FRS102.

As there was a Technical Provisions surplus at 31 March 2017 there is no defined benefit liability (ie. the present value of any deficit contributions due to SAUL) to be recognised by the University.

The SAUL pension cost for the University was £4,784,173 (2017/18: £4,674,780). This includes £399,349 (2018: £397,529) outstanding contributions at the balance sheet date.

28 Events after the reporting period

USS Pension scheme – Deficit Recovery Plan

As set out in Note 27 in respect of the USS pension scheme, a new Schedule of Contributions based on the 2018 actuarial valuation has been agreed. This results in a decrease of £30.1m in the provision for the Obligation to fund the deficit on USS which would have been £40.3m had this been agreed before 31 July 2019. This adjustment will be reflected in the University's Financial Statements for the year ended 31 July 2020.

Financing arrangements

On 29 January 2020 the University entered into new financing arrangements with its existing lenders. This has included agreement of new terms that will apply to its existing borrowing facilities up until 31 December 2021, incorporating a new suite of financial covenants, harmonised across all three lenders.

As a result of this new arrangement, from the date of the related agreement, the interest rates payable on existing loans will change from those disclosed in note 17 to the rates shown below:

Lender	Amount outstanding at 31 July 2019 (£000)	Rate from 29 Jan 2020 (%)	Maturity Date
National Westminster Bank plc	5,386	8.77	Jan 2022
National Westminster Bank plc	6,755	7.43	Nov 2028
National Westminster Bank plc	10,800	6.76	Oct 2030
Scottish Widows Limited	9,025	6.96	Jun 2029
European Investment Bank	47,479	4.25	Mar 2040
European Investment Bank	25,000	3.80	Sept 2042

These new terms also include a re-profiling of the existing repayment schedule, which, compared to the position at 31 July 2019 as reported in the University's Balance Sheet and Note 17, improves the net current assets of the University by £3.4m and increases long-term creditors by this same amount.

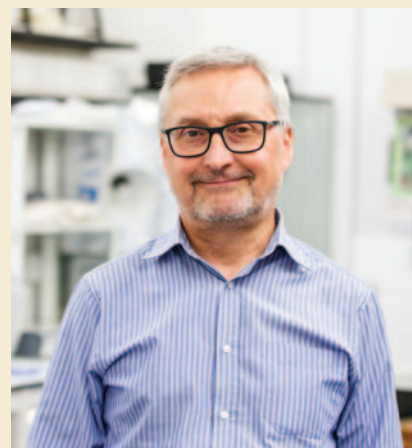
In January 2020, the University also arranged financing through a seasonal Revolving Credit Facility, jointly with Scottish Widows Limited and National Westminster Bank plc to address cash flow volatility at peak pressure points in the year. The facility provides variable levels of funding of up to £14.7m, which will be made available to the University during specified periods, in an agreement that expires on 30 September 2021. There is a non-utilisation charge whilst the funds remain committed but undrawn, the financial impact of which is not significant to the accounts, but which will be expensed to the Statement of Comprehensive Income

All loans are now secured against University owned buildings on both the Canterbury Campus and the Medway Campus.

AWARDS, APPOINTMENTS, PROMOTIONS & DEATHS

Awards

- The University has been awarded a Gold rating in the UK Government's Teaching Excellence Framework (TEF) for consistently outstanding teaching, learning and outcomes for its students.
- Kent School of Architecture and Planning (KSAP) student Joe Bosson has been awarded a prize for excellence from the Royal Institute of British Architects (RIBA) for his project entitled 'wHoo Cares', a community resource for the Hoo Peninsula.
- James Cugley, a PhD student from the School of Engineering and Digital Arts, was shortlisted for the Young Innovator category at the UK Energy Innovation awards 2019.
- Kent Business School has received the Small Business Charter award in recognition of the support it provides to small businesses in the region.
- The University was recognised for the second year running for its outstanding support for students at the Times Higher Education (THE) Awards. Kent's project, known as OPERA, to improve access to learning for all by implementing a range of accessibility initiatives was recognised at the UK HE sector's top awards ceremony on 29 November 2018.
- The University won the Best University Accommodation for Groups award for the 12th year in a row at the Group Travel Organiser's Awards.
- Winners of this year's Kent Student Awards were announced at a Gala Dinner on 31 May 2019. The overall 'Student of the Year' award was presented to Daniel Rozenberg, a Law and Criminology Student who won the Outstanding Contribution to the Local Community award.
- Professor Sally Kendall, from the Centre for Health Services Studies, received an MBE at Buckingham Palace on 31 January 2019, in recognition of 30 years' research in nursing and health visiting.
- Kent student in MA Film with Practice Catriona Blackburn was presented with the Award of Excellence at the One-Reeler Short Film Festival for her film 'The Cracks'.
- Kent Hospitality's catering team was awarded the prestigious 'Member of the Year' Award at the 2019 TUCO (The University Caterers' Organisation) Annual Conference.
- Dr Ben Thomas, from the Department of Art History, was awarded a Vice-Chancellor's Award for Public Engagement with Research in the Project Category at the University of Oxford for his research project 'Raphael – The Drawings'.
- The Society for French Studies 2019 Prize Research Fellowship has been won by Dr Lucy O'Meara, Senior Lecturer in French in the Department of Modern Languages and Acting Associate Dean for Graduate Studies in the Faculty of Humanities.
- Kent Law School Professor Donatella Alessandrini and Dr Sean Molloy of the School of Politics and International Relations have been awarded prestigious British Academy Mid-Career Fellowships. Professor Alessandrini and Dr Molloy were among 30 leading academics from UK universities to be awarded the fellowships.
- Kent Hospitality's Housekeeping department won two awards at the British Association of Cleaning in Higher Education (BACHE) Awards. The team was awarded the 'Best Practice Award 2019' and Ratna Rai won the 'Cleaning Operative of the Year Award 2019'.
- The title of Sportswoman of the Year 2019 at the Team Kent awards has been won by Rebecca Barton-Hagger, MA Linguistics student in the Department of English Language. Rebecca is the squad captain and coach of the University of Kent Karate club (ranked sixth nationally) and a member of the England Karate team.
- Matteo Migliavacca, from the School of Computing, was awarded the 10 Years Test of Time Award by the 2019 ACM International Conference. The award recognises papers published over the past ten to 12 years whose contents are still a vibrant and useful contribution today.
- 'Lichtsuchende', a collaborative project by Rocio von Jungenfeld, Lecturer in Digital Media at the School of Engineering and Digital Arts was shortlisted for the Lumen Prize for Art and Technology.
- Kent student George Turner was nominated as a semi-finalist for the Best Experimental UK Short Film in the London International Motion Pictures Awards (LIMPA) 2019.
- Senior Fellowship of the HEA (Higher Education Academy), through the Route to Recognition for Experienced Staff (RRES), has been awarded to: Sahar Al-Sudani, School of Computing; Dr Maria Balta, Kent Business School; Dr David Hornsby, School of European Culture and Languages; Sue Tarrant, Kent Business School; Dr Jackie Walduck, School of Music and Fine Art; and Dr Sean Williams, School of Music and Fine Art.
- The outstanding achievements of Kent staff in teaching, research and innovation were marked at an awards ceremony in July 2019. The 25 award-winners included: Professor Richard Griffiths, of the School of Anthropology and Conservation, who received the Advanced Research Award;



Professor Gordon Lynch, of the School of European Culture and Languages, who received the Public Engagement with Research Award; Dr Rosalyn Masterton, of the School of Biosciences, presented with the Faculty of Sciences Teaching Award; and Kevin Smith and Julien Soosaipillai, of the Kent School of Architecture and Planning, who received the Technical Support Award. Teams across Student Support and Wellbeing, School of Biosciences, Student Learning Advisory Service and School of Mathematics, Statistics and Actuarial Sciences received the University Learning Support Award.

University of Kent Honorary Degrees 2018/19

At the November 2018 Degree Congregations, the following honorary degrees were conferred:

In Canterbury Cathedral:

- Professor Neil Gow, Doctor of Science
- Professor Dame Julia Goodfellow DBE, Doctor of Civil Law

In Rochester Cathedral:

- Lizzy Yarnold OBE, Doctor of Science
- Timothy West CBE, Doctor of Arts

At the July 2019 Degree Congregations, the following honorary degrees were conferred:

In Canterbury Cathedral:

- Professor Antony Anghie, Doctor of Laws
- Mark Brookes, Doctor of Laws
- John Gallagher, Doctor of Laws
- Libby Jackson, Doctor of Science
- Professor Carl Jones MBE, Doctor of Science
- Akaliza Keza Ntwari, Doctor of Science
- Ellie Goulding, Doctor of Arts
- Stephanie Flanders, Doctor of Science
- Joanna Roper CMG, Doctor of the University
- John Hern, Doctor of the University

In Rochester Cathedral:

- Mavis and Ray Nye, Doctors of the University
- Patience Agbabi, Doctor of Letters

Appointments

- Professor Gerry Adler, Acting Head of the Kent School of Architecture and Planning
- Dr Emma Bainbridge, Master of Turing College
- Professor Susan Barker, Head of the Medway School of Pharmacy
- James Corbin, Head of Careers and Employability
- Jordan Hall, Head of Data Protection
- Rosie Holden, Director of Student Services
- Professor Georgina Randsley de Moura, Interim Dean of the Faculty of Social Sciences
- Professor David Stirrup, Acting Head of the School of English

Promotions

Promotions to Professor

Faculty of Humanities

- Dr Vybarr Cregan-Reid, School of English
- Dr Sophia Labadi, School of European Culture and Languages
- Dr Axel Staehler, School of European Culture and Languages
- Dr Ellen Swift, School of European Culture and Languages
- Dr Karen Jones, School of History
- Dr Jan Loop, School of History

Faculty of Sciences

- Dr Scott Wildman, Centre for Higher Degree Apprenticeships
- Dr Daniel Mulvihill, School of Biosciences

Faculty of Social Sciences

- Dr Patricia Lewis, Kent Business School
- Dr Jesse O'Hanley, Kent Business School
- Dr Robert Smith, School of Anthropology and Conservation
- Dr Alastair Bailey, School of Economics
- Dr Adrian Pabst, School of Politics and International Relations
- Dr Michelle McCarthy, School of Social Policy, Sociology and Social Research

Promotions to Reader

Faculty of Humanities

- Dr Nancy Gaffield, School of English
- Dr Antonio Lázaro-Reboll, School of European Culture and Languages
- Dr Timothy Bowman, School of History
- Dr Ben Marsh, School of History

Faculty of Sciences

- Dr Mark Wass, School of Biosciences
- Dr Wei-Feng Xue, School of Biosciences
- Dr Gang Lu, School of Engineering and Digital Arts
- Dr Christopher Bowman-Scargill, School of Mathematics, Statistics and Actuarial Science
- Dr Alfredo Deaño Cabrera, School of Mathematics, Statistics and Actuarial Science
- Mr John Millett, School of Mathematics, Statistics and Actuarial Science
- Dr Jennifer Hiscock, School of Physical Sciences

Faculty of Social Sciences

- Dr Adolf Acquaye, Kent Business School
- Dr Jose Bellido, Kent Law School
- Dr Luis Eslava, Kent Law School
- Dr Matthew Struebig, School of Anthropology and Conservation
- Dr Amanda Klekowski von Koppenfels, School of Politics and International Relations
- Dr Edward Morgan-Jones, School of Politics and International Relations
- Dr Anna Brown, School of Psychology

Promotions to Senior Lecturer

Faculty of Humanities

- Dr Margrethe Vaage, School of Arts
- Dr Robbie Richardson, School of English
- Dr Juha Virtanen, School of English
- Dr Heide Kunzelmann, School of European Culture and Languages

Faculty of Sciences

- Dr Cleopatra Branch, Medway School of Pharmacy
- Dr Elizabeth Curling, School of Biosciences
- Dr Tim Fenton, School of Biosciences
- Dr Caroline Li, School of Computing
- Dr Fernando Otero, School of Computing
- Dr Owen Lyne, School of Mathematics, Statistics and Actuarial Science
- Dr Robert Barker, School of Physical Sciences
- Dr Penelope Wozniakiewicz, School of Physical Sciences

AWARDS, APPOINTMENTS, PROMOTIONS & DEATHS (CONT)

Faculty of Social Sciences

- Dr Antonis Alexandridis, Kent Business School
- Dr Jaideep Oberoi, Kent Business School
- Dr Maggie Zeng, Kent Business School
- Dr Rose Parfitt, Kent Law School
- Dr Joseph Bull, School of Anthropology and Conservation
- Dr Brandon Wheeler, School of Anthropology and Conservation
- Dr Katsuyuki Shibayama, School of Economics
- Dr Nadine Ansong, School of Politics and International Relations
- Dr Eleni Skoura-Kirk, School of Social Policy, Sociology and Social Research
- Dr Jennifer Leigh, Unit for the Enhancement of Learning and Teaching
- Dr Tom Parkinson, Unit for the Enhancement of Learning and Teaching

Promotions to Senior Research Fellow

Faculty of Sciences

- Dr Gunnar Möller, School of Physical Sciences

Faculty of Social Sciences

- Dr Sarah Hotham, School of Social Policy, Sociology and Social Research
- Mrs Tracy Pellatt-Higgins, School of Social Policy, Sociology and Social Research

Deaths

- Jessica Ashdown, who died on 4 August 2019, started work at the University in 1988 as a Secretarial Assistant in the Registry, Academic Division. In 1990 she was appointed PA to the Registrar and by the time that she left the University, in 2000, Jessica had worked for three different Registrars. Registry colleagues and friends remember Jessica as a wonderful colleague and a kind and gentle person.
- Dr John Court, former Senior Lecturer in Theology, died on 31 March 2019 after a long illness. Dr Court, who was appointed Assistant Lecturer in Theology at the University in 1968, was promoted to Senior Lecturer in 1987. Dr Court retired from teaching in 2001 and in the course of a distinguished and versatile academic career, which included thirty years at the University of Kent, he served as General Editor of the prestigious Cambridge University Press "Society for New Testament Studies" monograph series.
- Ann Hadaway, long serving member of the University's administrative staff, died on 3 January 2019. Ann started work at the University in 1987, at the then Canterbury Business School, now Kent Business School (KBS), as an office manager. Ann worked at KBS until 2000 and then moved to the School of Politics and International Relations as an Undergraduate Secretarial Assistant until her retirement in June 2011.
- Jan Hol, who died in March 2019 a few weeks before his 95th birthday, started at the University in 1966 as a Lecturer in French at the Language Centre. He retired in 1985, but remained connected to the University after that as he held a part-time post teaching German for the Erasmus scheme and after that was appointed Honorary Lecturer and Honorary Research Fellow.
- Dr Kazimierz (Kaz) Krynicki, who was appointed to an Assistant Lectureship in Physics in October 1964 and appointed Lecturer in 1965, died on 18 July 2019. Dr Krynicki worked in Physics (now the School of Physical Sciences) until 1993, when he was made an Honorary Research Fellow. When first appointed Assistant Lecturer at Kent, Dr Krynicki lived on the grounds whilst the University was being built and helped to set up the first Physics and Chemical Physics courses at Kent.
- Charles (David) Murray, former Senior Laboratory Superintendent in the Physics Department, died in July 2018. Charles, who was also known as David, started at the inception of the Physics Department in 1964, when the lab was still under construction, and retired in 1984, having taken part in many research projects and contributed to research papers. In 1977 he received the Queen's Silver Jubilee Medal for his services to the University.
- Professor Mike Oliver, disability rights activist, died on 2 March 2019. Following his PhD in Sociology at the University of Kent in 1979, he immediately moved to a position as Course Director at the University for a new Masters programme aimed at social work professionals working with disabled people, believed to be the first postgraduate course in what later became known as Disability Studies. Professor Oliver also taught on the Masters in Social Work degree programme from 1979 to 1982. At the time of his retirement, Professor Oliver was Emeritus Professor of Disability Studies at the University of Greenwich.
- Professor Donald Read, Emeritus Professor of Modern English History, died on 1 October 2018. Professor Read was appointed to a Senior Lectureship in History in September 1964 and so was one of the earliest appointed staff at the University. He became a Reader in 1969 and Professor in 1974. Professor Read retired from the University in 1990 and published the official history of Reuters, *The Power of News*, in 1992.
- Dr Lewis Ryder, formerly Senior Lecturer in Physics, died on 17 December 2018. Dr Ryder joined the University of Kent at Canterbury in 1967 as one of the first cohort of Physics staff and, despite retiring in 1997, he continued to play a key role in the School of Physical Sciences and the University until very recently. Dr Ryder authored books on Quantum Field Theory, General Relativity and Elementary Particles and Symmetries, which became classics in the field and were used by thousands of students over many decades. Dr Ryder was also a very gifted musician, becoming an Associate of the Royal College of Organists and a Deputy Organist at Canterbury Cathedral, and often played the organ for University degree ceremonies in Canterbury Cathedral.
- Cllr Jenny Samper, member of Court, died suddenly on 8 June 2019. Cllr Samper was a long standing city councillor and had been a member and regular attendee of the University's Court since she was first Lord Mayor of Canterbury in 1999, when she was also an ex officio member of the University Council (as Lord Mayor). A memorial service was held in Canterbury Cathedral in September 2019.
- Roger Smith, Domestic Assistant in Darwin College, died suddenly on 18 May 2019. A former postman, Roger had worked for Kent Hospitality for eleven years and was part of the Housekeeping team in Darwin and Woolf Colleges, undertaking an early morning role. He will be greatly missed by his colleagues and friends at the University.
- Dr Mike Walkey, former Director of the Durrell Institute of Conservation and Ecology (DICE), died on 26 December 2018. Dr Walkey was Director of DICE from 1991 to 1998 and played an important role in establishing DICE, helping it grow from its early beginnings and leading on the creation of the conservation undergraduate programme. Dr Walkey maintained close links with DICE after his retirement from the University in 2002 and particularly enjoyed working with students on the annual field trip to the Peruvian Amazon.



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