GENERAL COUNCIL

MINUTE OF THE 324th STATUTORY MEETING

The 324th statutory meeting of the General Council was held in King's College Conference Centre and online on Saturday, 16th May 2026. Sir Iain Torrance, the Pro-Chancellor, was in the Chair.

1. WELCOME

Sir Iain Torrance welcomed those attending the meeting, both in-person and online via Microsoft Teams. There were 44 people present in King's College Conference Centre and 50 people online.

The Chair noted it was a busy agenda, and he was keen to press the business forward so there was time for discussion at the end.

2. MINUTES

The minutes of the 323rd Statutory meeting on 6th December 2025 were approved as an accurate record.

3. MATTERS ARISING

No matters arising were raised.

4. CAMPUS UPDATE

The General Council received a campus update from Morag Beers, Director of Estates and Facilities, outlining the strategic approach to the management and development of the University's estate.

The Director reported that as of Monday the 18th of May her title will change to Director of Estates and Commercial Services to recognise the shift in the way the University will manage the campus with more of a commercialisation focus going forward.

The Director noted that the higher education sector is increasingly required to align estate management with operational needs and financial affordability, adopting a more commercial and performance-driven approach. In this context, the University is progressing a revised estates strategy focused on the full lifecycle of assets, including acquisition, operation, assessment and disposal, with priorities of consolidation, commercialisation and decarbonisation.

The meeting noted a range of priority capital developments aligned to the Aberdeen 2040 strategy, including initiatives at Marischal College East, the Labs for the Future programme, the King's Innovation Quarter and Hub, and the MacRobert transformation.

Progress was reported on the development of the King's Innovation Quarter, which will optimise underused estate assets and provide space to support entrepreneurship, enterprise and interdisciplinary research activity.

The update also highlighted broader campus rejuvenation activity, including the introduction of new commercial operations, the repurposing of surplus buildings such as 110 High Street and Chanonry Lodge, and consideration of further redevelopment opportunities across the estate.

In addition, the meeting noted activity to enhance the campus environment and its engagement with external audiences, including initiatives linked to tourism, visitor experience, merchandising and collaborative partnerships, such as Nuart Aberdeen.

Finally, the meeting noted a programme of further and upcoming initiatives, including preparations for significant anniversaries at the Foresterhill campus and the Cruickshank Botanic Gardens in 2028.

5. UNIVERSITY UPDATE

The General Council received a presentation from Professor Peter Edwards, Principal & Vice-Chancellor of the University, who provided an overview of the University's current position, performance and key developments across its core activities.

The Principal began by outlining his long-standing association with the University, noting nearly four decades of service encompassing research, teaching and senior leadership roles. Drawing on this experience, he emphasised the enduring importance of education and research as equal priorities, the value of interdisciplinary and international collaboration, and the critical role of external partnerships. He also observed that, while the University has significant strengths, it has at times been slow to adapt to change.

The University's strategic direction, expressed in Aberdeen 2040, was reaffirmed, with a continued focus on being inclusive, interdisciplinary, international and sustainable.

The Principal then provided an overview of student population trends. Overall numbers have remained relatively stable in recent years. Scottish on-campus enrolments have declined over the longer term but show some recent recovery, while international student numbers experienced growth followed by a recent contraction and modest rebound.

Undergraduate students continue to constitute the largest proportion of the student body, with postgraduate taught numbers having reduced in recent years and postgraduate research numbers remaining broadly stable. Changes in international recruitment patterns were also noted, including growth from India and the United States and a decline in Chinese student numbers.

In relation to research, the Principal highlighted a diverse funding base, including support from UK Government, Research Councils, charities and industry, with overall research income showing growth over the period.

The broader financial context for the sector was also outlined, including a significant decline in the real-terms value of teaching funding for Scottish-domiciled students since 2013–14, contributing to ongoing financial pressures across higher education.

The meeting noted several positive developments in education, including a strong outcome in the recent Quality Assurance Agency Tertiary Quality Enhancement Review, which identified multiple areas of good practice. Progress was also reported in curriculum transformation, the continued expansion of internship opportunities, and the development of international activity, including a new campus in Mumbai.

Updates were also provided on research and impact, including the securing of several major awards exceeding £1M, including the Aberdeen Geothermal Feasibility Pilot, and investment in the development of future researchers. Interdisciplinary research activity was noted as contributing to societal impact and international policy development.

Finally, the Principal highlighted progress in enterprise and innovation, including the launch of the TakeOff accelerator programme and increasing participation in the Converge initiative. He also noted the expansion of entrepreneurial training opportunities through the Founder's Journey course, alongside engagement in regional economic initiatives such as the North East Scotland Investment Zone.

A question was raised regarding university funding and the actions being taken by Scottish Principals to advocate for an improved financial settlement.

The Principal highlighted the work being undertaken by Universities Scotland, the umbrella body representing all Scottish universities. In advance of the Holyrood election in May 2026, Universities Scotland, in partnership with the Scottish Government, launched the Future Framework Programme.

The first pillar of the programme is to establish the scale of the funding gap in higher education and to secure cross-party recognition within the Scottish Parliament of both the existence and extent of this gap.

The second strand of work focuses on determining the type of university system required to meet Scotland’s future skills and economic needs. The programme’s Steering Committee is scheduled to meet on campus later this month, and its findings are expected to be reported to the Scottish Government in the autumn.

6. FINANCE UPDATE

The General Council received a finance update from Chief Financial Officer Mark White who outlined the challenging environment facing the higher education sector and the University’s current financial position. It was noted that a significant proportion of UK universities are forecasting deficits, with wider sector pressures including reduced liquidity, planned redundancies and instances of institutional merger activity.

The meeting noted the findings of the Gillies Report, which emphasised the importance of strong financial governance and oversight, particularly at critical points, to maintain institutional sustainability.

The University’s financial performance in recent years was summarised, highlighting a period of growth between 2018 and 2023 during which income increased and consistent surpluses were achieved. However, a significant decline in international postgraduate taught student numbers in 2023 adversely impacted income and resulted in a projected deficit and associated financial pressures.

Immediate mitigating actions were taken, including debt restructuring, a voluntary severance scheme and operational savings, which reduced the deficit and have placed the University on a trajectory towards financial stability. The deficit has reduced in subsequent years and is expected to continue to improve.

The meeting further noted that the University Court has approved a three-year financial plan with the objective of returning to a break-even position by 31st July 2028.

Ongoing challenges include flat student fee income alongside rising cost pressures, particularly in relation to staff pay. The University will therefore continue to focus on reducing its underlying cost base while pursuing opportunities to grow income through transnational education, online provision, commercial activity and industry partnerships.

The Principal was asked how the University intends to utilise funds generated through increased revenue and savings. In response, the Principal acknowledged that restructuring is not desirable but emphasised that action is required to ensure the University’s long-term financial sustainability and to make sure the institution can meet its financial covenants.

The Principal was also asked about the potential for a merger between the two universities in Aberdeen. In response, the Principal observed that mergers are an emerging trend in England, influenced by the Office for Students, which is encouraging consolidation within the sector, and suggested that a similar trend may develop in Scotland in the coming years. However, he emphasised that universities are autonomous institutions rather than public bodies, and any discussions or decisions to merge would rest with the governing bodies of the institutions concerned.

The Principal further noted that the University is exploring the possibility of establishing a city-centre presence. This consideration is subject to an assessment of costs and benefits, but has the potential to be advantageous on several levels.

The Principal went on to highlight graduate employability as a significant issue across the UK. It was noted that UK graduates are not consistently experiencing the expected economic return on a university education compared with peers in other Western countries. The Principal emphasised the need to make a stronger case for increased investment in higher education as part of Scotland's broader economic strategy.

The Chief Financial Officer (CFO) was asked how the University identifies and invests in high-performing areas, given that market conditions can fluctuate and such areas may change over time. In response, the CFO noted that several Schools and Departments are currently seeking to recruit additional staff in areas of growth. Transnational Education (TNE) was highlighted as a key area of expansion requiring further support, alongside continued investment in online provision, including digital infrastructure and staffing.

The CFO was also asked how commercialisation will be used to improve the University's financial position. It was acknowledged that there is a need to strengthen performance in this area, which will be a key focus in the coming years, with the aim of achieving greater returns from commercial activities.

The Principal was asked about comparisons between the University of Aberdeen and the University of St Andrews, including Aberdeen's advantages as a city with an airport and two harbours. In response, the Principal emphasised that the two institutions operate in different contexts and have distinct strengths. It was noted that St Andrews has been particularly successful in recruiting students from the United States over many years. The Principal acknowledged that the University of Aberdeen has perhaps historically underperformed in US student recruitment, but is making improvements and investing further to support growth in this market.

The Principal also highlighted ongoing work to better engage with the local tourist economy. However, it was emphasised that the University's primary focus remains on education and research, and that income generated through commercial or tourism-related activity is likely to remain modest in comparison to its main sources of revenue.

Clerk's note: *In late May, the Chief Financial Officer (CFO) was contacted over email by a member of the General Council querying why information from the April 2026 Monthly Management Report (MMR), which projected a £4m year-end surplus for 2025/26, had not been included in his presentation at the General Council meeting on Saturday, 16 May 2026.*

The £4m surplus was first reported in the April 2026 MMR, which was prepared by the Finance Team and presented to the CFO on Thursday, 14 May 2026. Due to the heightened scrutiny of the University's financial position, the report was subject to an accelerated but enhanced review process. This required additional scrutiny and verification by the CFO before it could be presented to the Senior Management Team (SMT) for discussion and approval. The SMT meeting took place on Thursday, 21 May 2026, after which the MMR could be formally circulated and made public.

As the April MMR had not completed this verification and approval process by the date of the General Council meeting on 16 May 2026, the CFO used the most recent fully approved data available at that time, namely, the February 2026 MMR, which reported a projected year-end surplus of £0.4m. The decision not to reference the April MMR was solely due to its unapproved status, and not to support any specific policy position.

It was noted that the majority of the projected £4m surplus reported in the April MMR relates to "one-off" and non-recurring items. As such, these do not contribute to the University's medium to long-term financial sustainability, nor does the surplus address the underlying structural financial challenges currently being managed by the University through the Three-year Financial Plan and the Adapting for Continued Success (ACS) programme.

At the meeting, the CFO highlighted that the University's deficit had reduced to £4m in 2025, with further improvement projected for 2026. While the April MMR reflects a stronger position than the February MMR, the full extent of the improvement during 2026 will only be confirmed once the Annual Accounts have been finalised and audited. Progress towards the 2025/26 year-end position will continue to be tracked through the monthly MMRs, which are published following scrutiny and approval by the Senior Management Team.

7. ADAPTING FOR CONTINUED SUCCESS: OVERVIEW OF REFORM OF ACADEMIC STRUCTURES

The meeting received an update from the Principal & Vice-Chancellor on proposed reforms to the University's academic structures as part of the Adapting for Continued Success (ACS) programme.

It was noted that the current structure of 12 Schools, established in 2017, is considered overly complex and insufficiently agile, with structural barriers impacting governance, financial resilience and communication between local units and senior leadership. A new model, comprising four faculties with indicative names of: Arts and Humanities; Business, Law and Social Sciences; Science and Engineering; and Medicine, Health and Life Sciences had been approved by the Court, subject to consultation on and approval of a Resolution to enact these changes to the academic structure. Schools would be retained within the faculty structure.

The Principal noted that the changes are intended to strengthen academic representation at senior leadership level, improve consistency in the delivery of institutional priorities, and streamline governance arrangements. The model is also expected to enhance the flow of information, support greater interdisciplinary collaboration, and improve financial sustainability across the University.

It was highlighted that the intention was for faculties to assume responsibility for delivering excellence in education, research and innovation, including the development of programme portfolios aligned to student and employer needs, the pursuit of high-quality research with societal impact, effective management of resources, and the delivery of long-term financial sustainability.

The meeting noted that the University Court has approved the commencement of formal consultation on the Resolution to enact the proposed changes, with a consultation period open until 1 June 2026 and a final decision expected at the Court meeting on Wednesday, 24th June 2026.

In response to a question regarding wellbeing of staff and the potential closure of disciplines, the Principal clarified that the General Council is currently being asked to comment on the Resolution to create a new four-faculty structure. It was emphasised that the Resolution does not include any proposals to close disciplines, and that such matters are outwith its scope. Future staffing decisions would be considered separately by the University Court.

In response to a question on the long-term consequences of cost-saving measures, the Principal highlighted the importance of avoiding any breach of financial covenants and noted that the priority must be to restore financial stability to minimise the need for further cost-saving measures in future.

Regarding the cost of establishing Faculties, the Principal noted the importance of effective leadership and indicated that there are highly capable individuals within the University who could be appointed internally to lead the new Faculties.

In response to a comment relating to a decrease in the University's 'other income' line the CFO questioned the accuracy of the analysis referred to, which did not match the data held by the University. Regarding targets for commercial income, the CFO provided details of the level of annual growth incorporated into the budget and emphasised that any investment proposals needed to demonstrate a clear return. He reassured members that commercialisation remained a key priority in the draft 2026/27 budget, which will be presented to the University Court in June.

With regard to the 'other income' line in the accounts, the Principal emphasised that the University is operating in a materially different context compared to a decade ago. It was noted that changes to service contracts with the NHS and to the student residential estate impacted on this line, and that it is important to remember that there was a corresponding cost line for much of that income. The Principal however added that the University does undertake less commercial activity than in previous years. Reduced footfall on campus was also highlighted as a factor impacting associated revenue streams

In response to a question as to why staff changes were the focus of activity to address these financial challenges, the Principal stated that growing revenue is a central priority in order to secure the University's long-term financial sustainability and enable delivery of its strategic objectives. It was however acknowledged that staffing represents the largest area of expenditure for universities, and where a structural financial imbalance exists, it is prudent and necessary to review the structural cost base. The Principal emphasised that this is a sector-wide issue and that all areas of income and expenditure must be considered; and stressed that cost savings are not an exercise targeted solely at staff.

8. BUSINESS COMMITTEE CONVENER'S UPDATE

Professor Norman Hutchison, Convener of the Business Committee of the General Council, re-stated the disappointment he expressed at the previous General Council meeting with the current level of engagement by Court with the Committee. He noted that a well-functioning Business Committee and General Council needs strong engagement from Court. He noted that the General Council have the willingness to help the Univeristy, but often not the information to make some of the points they'd like to. It was noted that the new University Secretary would work with the Convener of the Business Committee of the General Council to improve this situation.

The Convener also re-stated his suggestion that the University returns to a process where two members of the General Council are elected to Court. ***Clerk's note:*** *This change was made following the introduction of the Higher Education Scotland Act (2016) to ensure compliance with legislation.*

The next meeting of the Business Committee is on Wednesday, 18 June. It was also noted that the Business Committee will provide a response to the Resolution consulation on behalf of the General Council ahead of the 1 June deadline.

Updates were provided on the work of two of the three Business Committee sub-committees by their chairs.

Daniel Montgomery reported on the Alumni Relations sub-committee. He noted appreciation for the engagement and support provided by Clare Livingston, the Director of Development and Alumni Relations, and her team. It was highlighted that the University performs strongly in establishing and maintaining contact with its graduates. The Business Committee has also been invited to contribute to communications with alumni. The importance of maintaining engagement with recent graduates and those who studied online, many of whom have had limited on-campus experience beyond graduation, was emphasised.

Emeritus Professor Hugh Galbraith provided an update on the Commercialisation sub-committee, noting its diverse membership drawn from across the UK and internationally. A further meeting is expected to take place within the next three to four weeks. He expressed gratitude for the support provided by Dr Heather May Morgan, Vice-Principal (Regional Engagement & Innovation) and her team.

9. ELECTION OF MEMBERS OF THE BUSINESS COMMITTEE

A ballot was conducted to elect General Council representatives to eight vacancies on the Business Committee, with 23 candidates standing for election.

The Clerk outlined the voting process for members attending in person, who were issued with ballot papers, and confirmed that an online voting form was available for those participating via Microsoft Teams. The Clerk further advised that the count would be conducted using the Single Transferable Vote (STV) method.

Following the submission of ballot papers and online votes, the Clerk advised that the count would be undertaken at the start of the following week, with the results to be communicated as soon as possible.

Clerks's note:

Following the election count on Monday, 18th May, the eight nominees, from a field of 23, elected to the Business Committee of the General Council for a three-year term from 1st October 2026 are confirmed as:

- *Roy Bitrus*
- *Edward Debrah*
- *Hugh Galbraith (re-elected)*
- *Julie Gallacher*
- *Andrew Hurst*
- *Helen Martin*
- *Martin Mills*
- *Neil Stewart*

10. NOTICE OF THE 325th STATUTORY MEETING

The chair noted that 325th statutory meeting of the General Council will be held on Saturday, 5th December 2026, from 11am to 1pm in King's College Conference Centre and via Microsoft Teams.