UNIVERSITY OF ABERDEEN
UNIVERSITY COURT

Minutes of meeting held on 27 June 2017

Present: Ms M Chapman (in the Chair), Professor C Black, Principal, Professor N Booth, Mr C Duncan, Professor M Delibegovic, Mr L Fuller, Mr M Gilbert, Mr J Hall, Professor P Hannaford, Professor N Hutchinson, Professor J Kilburn (for minutes 215 to 242), Cllr J Laing, Mr D MacFarlane, Professor P McGeorge, Mrs K McPhail, Ms A Minto, Mr K Murray, Dr N Oren, Cllr G Owen, Mr B Paterson, Mr I Percival, Mrs J Shirreffs and Dr D Steyn.

In attendance: Mr D Beattie, Mrs C Inglis, Mrs D Dyker (for minutes 255-256) Mr L Ogubie, Professor J Paterson (for minutes 215 to 238), Dr H Sveinsdottir (for minutes 215 to 238), Very Rev Professor I Torrance, Dr D Watts, and Mr B Purdon (Clerk).

Apologies for absence were received from Mr Haywood, Professor Akisanya, Professor Brittain, Ms Killin and Dr Pack.

DECLARATION OF INTERESTS

215 Mr B Paterson declared an interest as an Officer of the University of Aberdeen Branch of Unite the Union and in Minutes (223-236) as a member of staff within the School of Natural and Computing Sciences.

NEW AND RETIRING MEMBERS

216 The Court welcomed Councillor Owen to her first meeting and Mr Watts (UCU nominated member of Court) who was in attendance pending approval of the new composition of Court. The Court welcomed Mr Ogubie who was also in attendance as President (Elect) of the Students’ Association.

217 The Court noted that it would be the last meeting of Court for Professor Black, Professor Hutchinson, Dr Pack and Mr Fuller. It would also potentially be the last meeting for a number of members if changes to the composition of Court were approved by Privy Council over the summer. The Court thanked all members for their respective contribution to the work of the Court and the University.

MINUTES

218 The Minutes of the meeting held on 28 March 2017 were approved.

219 The Court noted the updated Action Log (copy filed with the principal copy of the minutes).

FINANCIAL PLANNING

BUDGETS 2017/18 TO 2019/20

220 The Court received a paper setting out the University’s proposed budget position for 2017/18 to 2019/20 (copy filed with the principal copy of the minutes). The Court noted:

- The financial risks that had been identified in the budget setting process and the mitigating actions and early warning mechanisms in place to monitor progress against budget targets. The achievement of the budget targets would require both income growth and a reduction in staffing levels in certain areas to the sector norm. It was acknowledged that this needed to be done while also protecting income growth and maintaining high quality teaching and research.

- The Court noted the sensitivity analysis included with the paper and the impact on the University’s overall financial sustainability should the underpinning budget targets not be
achieved, in particular forecast income from online education, transnational education and international student recruitment.

221 In addition the Court noted that both the University’s two pension schemes were undergoing valuations and that a report on the implications of those would be considered by the Operating Board.

222 The Court approved the budgets for 2017/18 to 2019/20 and the budget assumptions including the overarching Strategic Planning objective that the University achieves (as a minimum) a post FRS102 breakeven position by 2019/20.

STRATEGIC PLANNING AND RISK

SCHOOL BUDGETS 2017/18-2019/20

223 The Court received a paper which described how School plans and budgets had been aligned to the overall University budget, with a target of breaking even by 2019/20 (copy filed with the principal copy of the minutes).

224 The Court noted that, to achieve the budgetary target, Schools would cumulatively grow their income by £20M (through overseas student fee income, online delivery and TNE) over the next three years. In addition, £5.6M in savings would be achieved through reductions in staffing, including £3.1M identified by Schools (from natural staff turnover and planned or flexible retirements, operational efficiencies and restructuring), £1.1M through additional vacancy savings, and £1.45M from ongoing rationalisation particularly in light of REF planning and the use of approved JCCRA processes where necessary.

225 In discussion, it was clarified and noted by Court that a consultation on merging the School of Natural and Computing Science with the School of Engineering had begun and that, contrary to the inference of the wording of the paper, this had not been agreed. It was also clarified that at the most recent meeting of JCCRA the University had stated that at this time there were no plans to use JCCRA for staff reductions but that was subject to change if the budget position changed.

226 The importance of opportunities for industry, CPD and contract income was highlighted as an area that Schools could look to increase. In discussion, the Court was assured that while staff activity would need to prioritise income growth, the need for academic staff to continue to participate in activities which did not necessarily directly correlate to income generation such as academic conferences was recognised. The Court also discussed the importance of ensuring that in the new School structure there continued to be collaboration across disciplines and that there were mechanisms and structures to help ensure that the University fostered a culture of academic collaboration across School lines.

KPI PERFORMANCE MONITORING UPDATE: QUARTER 2, 2016/17

227 The Court received a report on progress made in the last quarter (January - March) against the institutional KPI targets underpinning the University’s Strategic Plan 2015-2020 (copy filed with the principal copy of the minutes).

228 The Court noted that in future it would receive biannual reports in June and December, moving away from the previous model of providing an aggregated score of a handful of high level KPI areas to providing regular updates on a set of institutional metrics to give a clearer overview of institutional academic and financial performance. In discussion, it was agreed that the Court did not consider a specific KPI on mental health to be necessary and that this could be more effectively reported by providing more information in existing Health, Wellbeing and Safety reports. The Court agreed that it would be important to ensure that the KPIs could allow Court to monitor performance against the key budget income growth areas such as online education.
STRATEGIC RISK REGISTER: SIX MONTHLY REPORT

229 The Court received a paper on risk management and the institutional Strategic Risk Register (copy filed with the principal copy of the minutes). The Court considered the three risks which breached the institutional tolerance threshold net risk score which were: Financial Sustainability, Internationalisation and Student Recruitment. It was agreed that in future reporting the risk register and budgets paper could be presented in a more consistent way.

STUDENT RECRUITMENT: CHALLENGES AND OPPORTUNITIES

230 The Court received a paper on the future challenges and opportunities for student recruitment, and the strategies in place to manage these (copy filed with the principal copy of the minutes). The Court discussed the issues presented by Brexit for EU students, and the outlook for home, rUK and international student recruitment.

ONLINE EDUCATION UPDATE

231 The Court received a paper on progress in regard to progressing the University’s strategy to grow online education and become a leading provider by 2020 (copy filed with the principal copy of the minutes).

232 The Court discussed the importance of digital marketing and institutional profile to the success of the strategy. It was agreed that the Court should receive a more detailed presentation on digital marketing and the use of social media at its next meeting. In further discussion, it was noted that the University’s approach to developing online education was to focus on specific courses where it considered it had an opportunity to be distinctive and attract high numbers of students. The University was confident that it could achieve the income growth in online education that had been included in the budget targets.

REPORT ON LEAGUE TABLES

233 The Court received a paper on the University’s performance in recent league tables (the Complete University Guide, the Guardian League Table, and the QS World Rankings) and action plans in place to support improvement (copy filed with the principal copy of the minutes).

234 The Court agreed that rankings and league tables were of major importance to student choice, employability and decisions on funding charitable, commercial and overseas partners. Improving the University’s standing in league tables should therefore be a priority at an institutional and School level. The Court discussed some of the specific areas within the three recent league tables and that in a number of these current data suggested the University’s ranking would improve.

REPORT ON PROGRESS OF TRANSNATIONAL EDUCATION PROJECTS

235 The Court received a report on the progress of four significant initiatives in transnational education – East Africa (Rwanda), Korea, Qatar and Sri Lanka (copy filed with the principal copy of the minutes).

236 With regard to the Korea Campus, it was noted that there were challenges in the Korean economy which the University believed required a refocusing of the programmes being offered and discussions in this regard with Korean partners regarding the feasibility of the current start date of September 2017 were taking place. It was agreed to circulate an update to Court on the outcome of those discussions at an appropriate point.

237 The Court discussed the current political situation in Qatar and the Gulf Region and was assured the University was monitoring the position very carefully. Following discussions with key partners and contacts in the area, including the British Council and British Embassy, the University was content at present that there was no immediate risk to the project or staff. The University was also keeping any reputational risk from operating in Qatar under review should...
the current position change. It was agreed to keep Court informed of any significant change to the position.

238 The Court noted that the initiative to open a campus in Rwanda was now unlikely to proceed. This was as a result of the business case for it becoming unsustainable in the light of a categorical statement by the Rwandan regulatory authority that new licenses would only be issued for a restricted range of energy-related academic programmes, alongside a withdrawal of potential Government funding for undergraduate students studying at the proposed campus. The University was exploring alternative opportunities in the region.

FUNDRAISING CAMPAIGN PLANNING

239 The Court received a paper on the activity undertaken in preparation for the public launch of the University’s new fundraising campaign. It was provided by the University to update Court on the current status of Campaign planning following recent discussions with the Development Trust Board of Trustees (copy filed with the principal copy of the minutes) regarding potential projects for inclusion in the Campaign.

240 The Court noted that a number of projects as noted in the paper had been agreed with the Development Trust for inclusion in the Campaign with further information requested on a further four which were Energy, the School of Law, Interfaith and Civility. In discussion, it was noted that there were potentially significant opportunities around renewable energy and climate change and this should be considered in the context of the Energy project. It was also noted that further projects on North-East Culture were being considered for future development. The Court noted that in governance terms the process was that the University would seek the Development Trust’s view on the fundraising potential of projects but that the decision on whether to proceed with a particular project outside of its fundraising potential was a matter for the University and Court to agree. The Court was also assured that funds raised for projects would be protected in the budget for those purposes.

ESTATES AND CAPITAL PLANNING

VISION FOR THE ESTATE: A WORLD CLASS CAMPUS EXPERIENCE

241 The Court received a discussion paper on the University’s strategic vision for the delivery of a world class campus experience at King’s College, Forresterhill and Hillhead. It was supplemented with three papers providing analysis of the challenges and opportunities related to the three sites which had also been made available to the University community for discussion (copy filed with the principal copy of the minutes).

242 The Court agreed that it would benefit from having an extended discussion of the future vision for the campus and that this needed to consider what the overriding context for the delivery of university education would be in the future and the part that digital technology and infrastructure would have in shaping that Estate. It was agreed this should be included in the programme for the Court meeting in October.

INSTITUTIONAL 10 YEAR CAPITAL PROGRAMME UPDATE

243 The Court received an update paper on the Institutional 10 year capital programme which had been reviewed and updated to ensure it remained relevant to the University’s strategic priorities and accurately reflected the most up-to-date information (copy filed with the principal copy of the minutes).

244 The Court noted:

- the revised assumptions around the timing of land sales, and the impact of these on the availability of cash;
- the revised plan is aligned with the budget presented to this meeting for approval (which assumes a break even position by 2019/20 on the FRS102 basis);
- the cash available for investment towards uncommitted projects totalled £95.1M over the 10 year period.

STANDING REPORTS

REPORT FROM THE RECCTOR

245 The Rector provided a report to Court noting in particular the success of the summer graduation ceremonies and thanked Mr Fuller as the Acting President of the Students' Association for his work over recent months.

REPORT FROM THE SENIOR GOVERNOR

246 The Senior Governor reiterated his appreciation of the contribution that retiring members had made to the work of the Court. The Senior Governor also provided a brief update on discussions among the Committee of Scottish Chairs regarding the draft Scottish Code of Good HE Governance and noted that the Court was being asked to approve the University's response to the consultation elsewhere on the agenda.

REPORT FROM THE PRINCIPAL

247 The Court noted a report from the Principal (copy filed with the principal copy of the minutes) on recent developments within the University. The Principal reported further on the progress of the Scottish Government's Skills agencies review, the publication of the teaching excellence framework and potential changes to the 'learner journey' in the Scottish education system.

REPORT FROM THE PRESIDENT OF THE STUDENTS' ASSOCIATION

248 The Acting President of the Students' Association introduced his written report (copy filed with the principal copy of the minutes) on the recent activities of AUSA. The Court discussed the information provided regarding calls to the 'Nightline' service and it was agreed that further information and trend statistics would be provided in future as part of the report.

GOVERNANCE

EFFECTIVENESS REVIEW: ROLE OF COURT AND OPERATING BOARD

249 The Court received a paper on the recommendations of the Court effectiveness review which focused on what the respective roles of Court and the Operating Board should be (copy filed with the principal copy of the minutes). The paper had been informed by a discussion of the recommendations at Governance and Nominations Committee on 9 May, Operating Board on 8 June and with Conveners of Court Committees. The paper proposed:

- that the role of Court should be to develop and agree strategy and the Operating Board should monitor the delivery of that strategy.
- The focus of Court business needs to be more strategic and its business revised and streamlined to enable that. In turn, the Court should empower the Operating Board and the Executive to take more decisions and a clear schedule of delegation should be prepared setting out which matters are delegated to the Operating Board for decision and those which are reserved to Court.
- The challenges of a highly competitive, fast moving and increasingly commercial world which the GGI effectiveness report described necessitated governance that could be 'fleet of foot'. The paper noted that this could not be achieved by a Court meeting quarterly and discussions had questioned whether a Court meeting more frequently would be effective given its size. It was therefore suggested this reinforced the need for the Operating Board, with suitable decision making authority agreed by Court, to act as a smaller sub-set of Court and which met more frequently.
The Court approved the high level articulation of its role and that of the Operating Board, and that a more detailed schedule of decision making authority between the two would be developed on this basis for further consideration at the next meeting. This would form the basis for a new articulation of the roles of Court and Operating Board to provide the clarity on how governance works in the University that the GGI review had recommended.

The Court also approved proposed changes to the Operating Board remit as set out in the paper.

**REPORT ON TRANSITION TO NEW COMPOSITION OF COURT**

The Court received a paper providing: (i) an update on the feedback received from the Scottish Government/Privy Council on the Draft Ordinance for a revised composition of Court; (ii) a reminder of the process of transition that the Court had agreed should be taken forward for implementation by 1 October and how this would affect the different categories of membership; and (iii) an update on the recent decision of Senate to recommend a different approach to the transition from six to four Senate Assessor members of Court than had been proposed at the last meeting of Court (copy filed with the principal copy of the minutes).

The Court noted that since the paper had been prepared the Scottish Government had confirmed it was content for a formal application to approve the draft Ordinance be submitted to the Privy Council. This had been done and a response from the Privy Council was awaited. The Court was advised that in the event that the matter was not considered by the Privy Council in July it was not expected to then be considered until the next meeting of the Privy Council in October. In this event, the current composition of Court would continue to apply for the October meeting.

The Court approved that, in the event the Privy Council approval of the new composition was not received by 30 September 2017:

1. That of the six current Senate Assessor positions, the two positions falling vacant on 30 September would be left vacant until such time as the reduction from six to four Senate Assessors is approved by Privy Council.

2. The appointment of the current non-academic staff member on Court is continued on an interim basis until the new categories of trade union and elected staff members can legally commence through approval by Privy Council.

3. That the new categories of Trade Union and elected staff members may commence appointments as soon as practicable subject to approval of the Ordinance by Privy Council.

**PEOPLE**

**REMUNERATION COMMITTEE REPORT**

The Court received a paper on this year’s Senior Staff Pay Policy, including details of the proposals for consideration at the Remuneration Committee meeting on 26 June 2017 (copy filed with the principal copy of the minutes).

The Court noted that 40 cases for senior staff pay awards had been considered by the Committee and had been agreed subject to two abstentions by members of the Committee. The Court noted that these amounted to £85k before additional employers’ costs.

**HEALTH, WELLBEING AND SAFETY**

The Court noted a paper (copy filed with the principal copy of the minutes) which provided an update on accidents and incidents in the University since the last report to the Court and on some of the key recent activities aimed at sustaining and improving the Health, Safety and Wellbeing culture of the University.
The Court agreed that in future the report should contain information on the wellbeing of staff and students. It was also agreed that the Court should receive a presentation on the University's Mental Health Strategy at its next meeting.

BUSINESS FOR STRATEGY MEETING AND YEAR AHEAD

The Court received and considered a paper (copy filed with the principal copy of the minutes) which set out potential areas of focus for Court's extended meeting on Wednesday 4 October while also inviting members to submit proposals for further potential items for inclusion on the agenda.

The following items were noted as potential items of business:

- Reviewing and confirming the University’s Strategy;
- The Estate and what the impact of long-term trends and change in higher education would be for the campus;
- The University’s approach to digital marketing and social media;
- The University’s brand;
- The University’s mental health strategy;
- The University’s partnership with industry: its potential as a source of income diversification and as a partner for its students;
- A presentation by the Students' Association. Further suggestions on what the Court would particularly find helpful for this to include were requested by AUSA.

The Court agreed it should use the Strategy Day to set a forward agenda of Court business for the year ahead.

The Court agreed to extend the scheduled duration of the October meeting to include the afternoon of Tuesday 3 October, followed by dinner and the already scheduled meeting over the course of Wednesday 4 October.

OPERATING BOARD REPORT

The Court received and noted a report from the Operating Board meetings held on 9 May and 8 June 2017 (copy filed with the principal copy of the minutes).

REPORTS FROM COMMITTEES

GOVERNANCE AND NOMINATIONS COMMITTEE

The Court received a report of the principal items of business considered by the Governance and Nominations Committee at its meeting on 9 May 2017 (copy filed with the principal copy of the minutes). The Court approved:

(i) the reappointment of Dr Steyn as an independent member for a further period of office of three years from 1 August 2017 and noted the commencement of recruitment processes for three further independent members of Court.
(ii) the appointment, in principle, of Mr MacFarlane as Convener of the Audit Committee to succeed the current Convener, with effect from 1 November 2017.
(iii) the appointment of Mr Hall to the role of Senior Independent Member.
(iv) rules for the nomination of trade union and Students’ Association nominated members of Court respectively, for the nomination and election of staff members of Court, and for the future election and appointment to the position of Senior Governor. The Court noted the comments that had been received from trade union representatives regarding the wording of the rules with respect to seeing gender balance in their nominations to Court.
AUDIT COMMITTEE

The Court received a report of the principal items of business considered by the Audit Committee at its meetings on 20 April and 1 June 2017 (copy filed with the principal copy of the minutes).

The Court on the recommendation of the Committee approved the reappointment of the University’s Internal Auditor, PricewaterhouseCoopers (PwC), for a two-year period with effect from 1 August 2017.

PARTNERSHIP, NEGOTIATION AND CONSULTATIVE COMMITTEE

The Court noted a report of the principal items of business considered by the Partnership, Negotiation and Consultative Committee at its meeting on 17 May 2017 (copy filed with the principal copy of the minutes). The Court approved:

- CCTV Policy
- Employee Engagement Strategy
- Changes to Staff Promotions Procedures
- Changes to the Honorary Staff Appointment Process
- Terms and Conditions of Employment: Additions to the existing policy on Intellectual Property and Spin-Out Companies.

UNIVERSITY COMMITTEE ON TEACHING AND LEARNING

The Court noted a report of the principal items of business considered by the University Committee on Teaching and Learning at its meeting on 3 May 2017 (copy filed with the principal copy of the minutes).

STUDENT EXPERIENCE COMMITTEE

The Court noted a report of the principal items of business considered by the Student Experience Committee at its meetings on 8 May 2017 (copy filed with the principal copy of the minutes).

RESEARCH POLICY COMMITTEE

The Court noted a report of the principal items of business considered by the Research Policy Committee at its meeting on 9 June 2017 (copy filed with the principal copy of the minutes).

ROUTINE BUSINESS

STRATEGIC PLAN FORECASTS (SPF) 2016-17 TO 2019-20

The Court received and approved a paper (copy filed with the principal copy of the minutes) which provided information from the 2017-18 budget paper in a standardized format for submission to the Scottish Funding Council (SFC).

AMENDMENT TO ACADEMIC GOVERNANCE STRUCTURE AND PROPOSED CHANGES TO RESOLUTION NO 281 OF 2015

The Court received and approved changes to the University’s academic governance structure, namely that Schools now be recognised as the formal academic structure of the University and that the College as a governance entity would be removed with effect from 1 August 2017 (copy filed with the principal copy of the minutes). The Court also approved the required amendments to Resolution No 281 to reflect these proposed changes to the academic governance structure which had been considered by Senate, the Business Committee of the General Council and made available to the wider University Community.

In discussion of business elsewhere on the agenda, it was queried whether the proposal should have been considered first by Court rather than at Senate.
AMENDMENT TO RESOLUTION NO 282 [PROCEDURE FOR REMOVAL OF MEMBERS OF COURT]

274 The Court received and approved minor changes to Resolution No 282 Procedure for Removal of Members of Court (copy filed with the principal copy of the minutes) which had been intimated to Court in March 2017 subject to the required statutory consultation with Senate, the Business Committee of the General Council and the wider University Community which had since been undertaken.

REVIEW OF SCOTTISH CODE OF GOOD HE GOVERNANCE

275 The Court received and approved a response to a consultation on a new draft Scottish Code of Good HE Governance (copy filed with the principal copy of the minutes).

SENATE REPORT

276 The Court received and noted a report of the principal items of business considered by Senate at its meetings on 14 March, 24 April and 7 June 2017 (copy filed with the principal copy of the minutes).

277 The Court approved the proposed changes to the draft Resolutions ‘Changes in Regulations for Various Degrees’.

EQUAL PAY AUDIT

278 The Court received and noted a paper which outlined the results of the most recent Equal Pay audit carried out in 2016 (copy filed with the principal copy of the minutes).

DEVELOPMENT TRUST ACTIVITY

279 The Court received and noted an update on the activity undertaken by the University of Aberdeen Development Trust since the last meeting of Court.

VACATION POWERS

280 The Court received and noted a paper on the standard delegated powers that would be used should any urgent business arise during the summer, with any decisions made to be reported to Court.

EU STAFF AND STUDENT NUMBERS

281 The Court received and noted a paper (copy filed with the principal copy of the minutes) which provided information regarding the number of EU staff and students in the University.

MANAGEMENT REPORT

282 The Court noted the Management Accounts and Reports for the period to 31 May 2017 (copy filed with the principal copy of the minutes).

DATE OF MEETINGS FOR 2017/18

283 The Court noted that meetings had been scheduled for 2017/18 as follows:

Wednesday 4 October 2017 9am to 5pm, preceded by Dinner on Tuesday 3 October 2017, at 7pm. Note by Clerk: The Court further agreed to extend this meeting to include the afternoon of Tuesday 3 October 2017, with timings to be confirmed.

Tuesday, 12 December 2017 9.00 – 1.00 pm
Tuesday, 27 March 2018 9.00 – 1.00 pm
Tuesday, 26 June 2018 9.00 – 1.00 pm

Court Lunches 1.00 – 2.00 pm 12 December 2017, 27 March 2018 and 26 June 2018