

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

**MINUTES OF MEETING HELD ON 22 NOVEMBER 2022  
(in the Science Teaching Hub and via Teams)**

**Present:** Julie Ashworth (in the Chair for minutes 39 to 93)  
Keith Anderson (via Teams for minutes 38 to 72)  
Colette Backwell  
Eleanor Bentley  
George Boyne  
Martina Chukwuma-Ezike (in the Chair for minutes 38)  
Owen Cox  
Nick Edwards  
Gary McRae  
Helen Martin  
Lyndsay Menzies (for minutes 38 to 72)  
Caryn Miller  
Martin Mills  
Anne Minto  
Vanessa Mabonso Nzola  
Iain Percival  
Charlotte Pope-Williams  
Joachim Schaper  
Diane Skåtun  
Otto Thoresen  
Camilo Torres Barragán  
Robert Traynham (via Teams from minute 45)  
Neil Vargesson  
Ilia Xypolia

**In attendance:** Liza Boffen-Yordanova (38 to 76)  
Marion Campbell  
Debbie Dyker (minutes 38 to 72)  
Pete Edwards  
David Evans  
Jenny Fernandes  
Garry Fisher (minutes 82 to 83)  
Karl Leydecker  
Tracey Slaven  
Alan Speight  
Ruth Taylor  
Louise Thomson  
Iain Torrance KCVO  
Mark White  
Bruce Purdon (Clerk)

**Apologies:** Iain Mackay

WELCOME AND RECTOR'S REPORT

- 38 The Rector welcomed Liza Boffen-Yordanova the University's new Director of Advancement to the meeting and to the University. The Rector provided a brief oral update to her written report (*copy filed with the principal copy of the Minutes*) which detailed some of her recent meetings and engagements in the role and examples of the kinds of issues that had been raised by students at her surgeries. The Rector reflected also on her first year in office, noting the progress she felt that had been made in raising awareness of the role within the University community. The Rector also noted examples of the positive impact that a person from an ethnic minority being in the role was having on decisions by potential students to choose the University for their studies.

DECLARATIONS OF INTEREST AND REMINDER OF COURT  
AND MEMBER RESPONSIBILITIES

- 39 The Court noted the standing reminder of the responsibilities of Court and members as charity trustees (*copy filed with the principal copy of the Minutes*). The Senior Governor declared an interest as Scottish Lead for Women on Boards in the Governance and Nominations Committee Report (Minutes 90 to 91), the papers for which had reported that training for committee chairs had been arranged via that organisation. In noting the declaration, it was confirmed that the Senior Governor had not participated in the procurement of that training provision.
- 40 Owen Cox declared an interest as a Trustee of the University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS) and this was noted as a standing declaration for future having being declared in the Court's public register of interests.

MINUTES

MINUTES OF MEETING HELD ON 4 OCTOBER 2022

- 41 The Minutes of the Meeting held on 4 October 2022 were approved.

MINUTES OF CLOSED BUSINESS SESSIONS HELD ON 4 OCTOBER 2022

- 42 The Minutes of Closed Business Sessions held on 4 October 2022 were approved.

ACTION LOG, MATTERS ARISING AND DECISIONS BY CIRCULATION

- 43 The Court noted the updated Action Log (*copy filed with the principal copy of the Minutes*) and formally recorded that since the last meeting in October 2022, the Court had approved by circulation the appointment of Colette Backwell as Senior Independent Member with effect from 2 November 2022.
- 44 In response to a question regarding the timeframe for the King's Quarter capital projects, the Court was advised that the tender process was expected to take until February or March 2023 with further reporting through the committee structure and to Court to take place thereafter.

DEEP DIVE SESSION: REF ACTION PLAN AND  
UPDATES FROM STRATEGY MEETING

VERBAL UPDATES ON PROGRESS ON PLANNING ASSUMPTIONS FOR GROWTH BY 2030, EMPLOYABILITY  
AND EXTERNAL ENGAGEMENT

- 45 Following on from the Court's Strategy Meeting in October, the Court received brief oral updates on how the main themes of that discussion were being progressed. The Court then continued its strategic conversation around research and discussed a paper and presentation on the action plan that had been developed to prepare for the next research excellence framework (REF) (*copy filed with the principal copy of the Minutes*).
- 46 The presentation and report detailed the University's performance in the most recent REF and its position relative to other UK universities, the key components of REF assessment and how this influenced University research income. It summarised the process of institutional review that had been undertaken with staff and Schools following the results and the key issues to address that had emerged from that process which the plan sought to respond to. These were intended to support four core elements of a successful research environment: improving quality, growing research income, enabling the time required for staff to undertake high quality research, and fostering a healthy research culture. The plan detailed the actions that had already undertaken or were planned at the institution wide, school and individual level and the additional resource that was required to implement them from 2023/24, subject to the University's financial position. The Court also discussed the University's recruitment of new staff to bolster research, in particular the Interdisciplinary Fellows which had received a significant level of interest.

47 In discussion, a number of points were made, of which the following were noted:

- A range of views were noted on what the conditions for research excellence and a healthy research culture were and where potential barriers to achieving this with other priorities for staff lay. The challenges of workload and the balance of time for research versus teaching and other activities were discussed. This was recognised by the management team and while the ambition was to continue to improve the staff:student ratio, despite growth in some priority areas for income growth, the overall student population remained similar to that of five years ago.
- The steps outlined in the plan were welcome and it was acknowledged that some of these should have been in place earlier. Improving the University's research performance was considered by a number of members to be the key strategic priority for Court and the University and required urgent focus given that the next REF cycle was already underway and the time required to develop 4\* research.
- There was no exact correlation between investment in research and return in terms of income, but in purely REF terms, that return would not be known until after the next REF and the resulting research grant allocation by the Scottish Funding Council (SFC). The Court, while recognising that building research excellence was a long-term process, agreed it would find it helpful to receive more information on the level of investment in research and the University's research income targets and that this should be integrated into financial reporting to Court.
- Further information on where the University's particular areas of research strength were and what the priority areas for future investment might be was also suggested as being helpful information for Court to receive, together with an understanding of where Court's role and that of the management team lay respectively in relation to the issues discussed.

48 The Court agreed:

- (i) To hold a further extended discussion on research prior to its next meeting, if possible, by combining with the Finance & Resourcing Committee's planned deep dive discussion scheduled for 7 February 2023;
- (ii) To provide as part of that discussion the further information noted above.

#### REPORT FROM THE SENIOR GOVERNOR

49 The Court received and noted a report from the Senior Governor on the meetings and activities she had undertaken since the previous meeting (*copy filed with the principal copy of the Minutes*). These included meetings with the First Minister and Deputy First Minister to discuss the higher education sector's role in skills development and with other senior figures in the business and tertiary education sector. The Court discussed further ways in which the University more broadly could influence Scottish Government, including via Junior Ministers, Special Advisors and the Parliament's cross party group system. The Senior Governor also reported on the main issues that had been discussed at the UK Committee of University Chair's winter meeting and on her participation in a number of further events where she was able to promote the role of the University to external stakeholders.

#### REPORT FROM THE PRINCIPAL AND UPDATE ON THE SECTOR/UNIVERSITY

50 The Court received a report on policy developments relating to higher education and the recent achievements of staff and students at Aberdeen (*copy filed with the principal copy of the Minutes*), supplemented by an oral report from the Principal. As part of this the Principal updated Court on discussions regarding the future budget for higher education in Scotland and on the latest position in the industrial dispute over pay and pensions, which had impacted upon the University. The Principal also noted the student intake for September 2022 which would be discussed further later in the agenda.

51 In discussion, the reference in the report to individual recent research awards was noted and it was confirmed that relative to peer institutions, the University was currently below benchmark but this was being monitored on a quarterly basis by the Research Committee.

## FINANCE AND PLANNING

### STUDENT INTAKE, STUDENT POPULATION AND BUDGETARY IMPACT 2022/23

- 52 The Court received a report and a detailed presentation on student admissions for Academic Year 2022/23 (as at October 2022) (*copy filed with the principal copy of the Minutes*). This reported on the growth in tuition fee income, trends in the student intake in September 2022, and an overview of movements in the overall student population.
- 53 The Court noted that University had achieved very significant growth in applications and offers made to International Post-graduate Taught students but this had not translated into increased entrants. Increased fees, and volume growth in some other recruitment channels, had resulted in growth of 9% in tuition fee income for September 2022 entry, but the lack of volume growth in International PGT especially meant it fell short of the budgetary student fee target for the year. The Court was briefed on the internal and external factors within the admissions cycle that had contributed to this, particularly for International Post-graduate Taught students.
- 54 The Court noted that significant work was being undertaken to address those issues which were within the University's control for the January 2023 admissions round and that the final year-end projection would be dependent on the recruitment achieved at that intake and that of the online and postgraduate research programmes which were open across the year. The University had, as was discussed in a separate paper (minutes 56 to 60), modelled two outcome scenarios for the final tuition fee income position ranging from £114M to £119M against the target of £124M, as well as taking into account the significant inflationary cost pressures that the University faced in common with other organisations.
- 55 During an extended discussion, the following key points were recorded:
- The Court noted its concern that the University had only relatively recently become aware of the September admissions shortfall and the potential significant budgetary impact this would have. It was explained that the shortfall became apparent when students did not register on campus and that issues with management information systems contributed to the delayed visibility of the issue. Management information would be addressed going forward and was a priority for the January 2023 intake.
  - Considerable progress in significantly increasing applications and in modernising admissions processes had been made in recent years, but while a range of factors had contributed to the issues experienced in this year's cycle, it was recognised that the investment in the systems had not been able to take effect in time to keep pace with the success in transformational growth in applications.
  - It was suggested that further information to put in context admissions/conversions rates and turnaround times would be helpful to receive in future and it was agreed to provide this going forward. It was also noted that the University was exploring third party support for aspects of the admissions process.

### ANNUAL REPORT/ACCOUNTS and ASSOCIATED REPORTS

#### FINANCE REPORT: 2022/23 – POSITION AND PROJECTION

- 56 Linked to the previous discussion, the Court received an updated financial position and projection for financial year 2022/23 (*copy filed with the principal copy of the Minutes*).
- 57 The Court noted that the original Court approved budget projected a deficit for 2022/23 of £1.9m. Gross academic tuition fee income at October 2022 had increased by £7.9m (growth of 9% on October 2021). However, this rate of increase was less than budget, and as a result required a

significant increase in the January 2023 intake in order to meet the projected annual growth target of £22.4m (22%).

- 58 The University had modelled two scenarios for January 2023 intake which projected a year-end shortfall on gross tuition fees ranging from £5.8m (Scenario 1) to £10.7m (Scenario 2). This would result in a projected year end deficit of £7.4m on Scenario 1 and £11m on Scenario 2. As such, the paper outlined the mitigating actions that had been identified and were ongoing to achieve the previously approved £1.9m deficit taking into account also the wider inflationary cost pressures facing all organisations. The Finance and Resourcing Committee had considered and approved these high level mitigating actions at the meeting of the 10<sup>th</sup> November 2022. The Court was assured that while these would regrettably have some impact on operations, this would be managed through the pausing or delaying of expenditure, including some but not all staff recruitment, where posts assessed as priority would be taken forward. The Finance and Resourcing Committee and Court would be kept advised of progress with the January intake
- 59 In discussion, it was recognised by Court that mitigating actions were required but that care was needed not to take short-term decisions which might have longer-term detrimental impacts. It was agreed the Court would find it helpful to be updated on what the assessment of activity that would need to be paused or would not take place as a result of the mitigating actions was once this was clearer. It was also noted that it had been confirmed to the Finance and Resourcing Committee that the University's Universities Superannuation Scheme (USS) covenant commitments were secure.
- 60 The Court:
- (i) Approved the revised financial projection for 2022/23 and proposed mitigating actions to achieve the previously agreed £1.9m deficit year-end position.
  - (ii) Anticipated receiving the further information noted above.

#### GOING CONCERN REPORT

- 61 The Court received a paper on the University's projected cash flows and short-term financing risks. The paper, taken together with the previous Finance Report (minutes 56 to 60), demonstrated that the University could continue, on an ongoing concern basis, for a period of 12 months from the date of approval of the accounts (*copy filed with the principal copy of the Minutes*).
- 62 The Court noted that Audit and Risk Committee had recommended that the University could be considered as a going concern for at least 12 months after the date of signing the 2021/22 accounts and that the accounts could be prepared on that basis. The Court also noted that this recommendation had been based on the Finance & Resourcing Committee, at its meeting on 10 November 2022, approving the mitigating actions in relation to the projected deficits at the year end. The External Auditors were also satisfied with the Going Concern assessment.

#### FINANCING REPORT FOR YEAR END 31 JULY 2022

- 63 The Court received and noted a paper which outlined the University's long-term financing and assessed compliance with both internal and external covenants (*copy filed with the principal copy of the Minutes*). In particular, the Court noted that:
- The University had met both the internal and external debt service and gearing financial covenant tests for the financial year to 31 July 2022;
  - Due to the financial covenants being met, there was no requirement to develop a recovery plan at this point;
  - The updated counterparty list of banks that the University can place funds with [as approved by the Audit and Risk Committee]

#### ANNUAL REPORT AND ACCOUNTS FOR YEAR END 31 JULY 2022 (INC EXTERNAL AUDITOR'S REPORT & REPRESENTATION LETTER)



- 64 The Court received the University's Annual Report and Accounts 2021/22, together with the report from its External Auditors for 2021/22 and the University's Representation Letter (*copies filed with the principal copy of the Minutes*).
- 65 The Court noted that the University group reported a deficit of £42.0m for the year ended 31 July 2022 due to the £58.2m increase to the Universities Superannuation Scheme (USS) on recognition of the March 2020 valuation exercise results during the year and a reduction of £11.7m to other pension liabilities. The underlying surplus from normal operating activities was, however, £7.0m against the budget target of a £3.0m deficit for the year.
- 66 The Court noted that the External Auditors had recently raised a sector wide issue regarding the valuation of pension scheme assets and had reserved their final audit opinion until this had been considered by their actuaries. While the University was awaiting the formal confirmation from the auditors, it had been advised since the circulation of Court papers that these issues were being resolved. Otherwise the external audit process was complete with a clean audit opinion reported. The Audit and Risk Committee's recommendation to Court to approve the Annual Report and Accounts was, therefore, subject to the satisfactory conclusion of this outstanding pension schemes)
- 67 It was confirmed that University management were aware of no further issues related to the representation letter which the Court should be aware of and that the Senior Governor could sign the letter on behalf of Court, again subject to the final confirmation of the external audit opinion being received and no changes to the accounts being required.
- 68 The Court:
- (i) approved the Annual Report and Accounts for 2021/22 and the representation letter, subject to the formal confirmation of the external audit opinion being received. [*Note by Clerk: This formal confirmation from the External Auditors was subsequently received after the meeting with no changes to the reported results that had been presented to the Court*].
  - (ii) noted that where possible it would be helpful to receive this particular report in advance of the standard seven day circulation period for Court papers.

#### AUDIT AND RISK COMMITTEE REPORT TO COURT AND ANNUAL REPORT

- 69 The Court received the report from the Audit and Risk Committee which provided an overview of the business considered at its meeting of 8 November 2022 (*copy filed with the principal copy of the Minutes*). As noted above, the Committee had recommended to the Court approval of the Annual Report and Accounts package of reports for submission to the Scottish Funding Council (subject to the formal confirmation of the external audit opinion being received).
- 70 The Court also received and approved the Audit and Risk Committee's Annual Report 2021/22 (*copy filed with the principal copy of the Minutes*) which provided Court with the assurances recommended under the HE Audit Committees Code of Practice, and regarding all elements of the University's Annual Report and Accounts these being the:
- Corporate Governance Statement
  - Statement of Internal Control
  - External Audit Findings
  - External Auditor's Formal Opinion and Representation/Management Letter
  - Internal Auditor's Annual Report
- 71 The Court also noted the Committee's report on matters that it had approved under authority delegated to it.

#### INTERNAL AUDITOR'S ANNUAL REPORT

- 72 The Court received and noted the Internal Auditors' Report for 2021/22 (*copy filed with the principal copy of the Minutes*).

## RISK MANAGEMENT: RISK APPETITE

- 73 The Court received a paper which included a proposed Statement on Risk Appetite that had been developed following a workshop held with Court on 22 March 2022, and with further input from the University's Audit and Risk Committee when it met in September 2022 (*copy filed with the principal copy of the Minutes*).
- 74 The paper detailed the approach and methodology to determining risk appetite across the 14 strategic risk areas individually and overall based on five categories: Avoid, Averse, Moderate, Open and High. The paper recommended that the University's overarching risk appetite profile be agreed as *Open*; with the caveat that where potential risks across all areas may significantly threaten the health, safety or wellbeing of staff or students, University legislative or regulatory requirements, the financial health of the organisation, or may cause reputational harm, then University will be risk averse, or may seek to avoid risk completely. The paper also proposed appetite ratings for the 14 individual risk areas. In discussion, it was noted the challenge for the University was to ensure this now influenced how it took decisions and to be transparent about this.
- 75 Following discussion, the Court approved:
- (i) the University's draft Statement on Risk Appetite which would now be included within the University's Risk Management Framework;
  - (ii) the appetite ratings proposed for individual risk areas.

## ANTI-RACISM STRATEGY IMPLEMENTATION

- 76 The Court received and noted the high-level Anti-Racism Strategy Implementation Plan (*copy filed with the principal copy of the Minutes*) which had been developed as a framework for the activities associated with ensuring the Anti-racism Strategy is actively embedded in the University and set out the approach to monitoring the progress of the Strategy. The Court also noted that the Implementation Plan would be supported by the development of a comprehensive Anti-racism Strategy Action Plan.
- 77 In discussion, it was confirmed that as part of the implementation anti-racism training for staff and further training for Court members would be provided. It was noted that a training provider had been procured and the University would engage with them to co-create the training to ensure it met the needs of Court members. It was also noted that while the Race Equality Charter provided a helpful framework it was the supporting actions towards it that were ultimately important.

## PRESENTATION ON LEAGUE TABLES

- 78 The Court received a presentation providing an overview of the University's performance in the key global and national university rankings. This highlighted that the University's overall performance in UK rankings was very positive with significant progress being made in a number of the rankings. Progress in international rankings was less positive and was therefore a key area of focus. A number of new insights on the University's performance had been identified in this regard which would be helpful going forward. The presentation also discussed the key future changes to the methodology of some rankings which would influence future league tables and the emergence of new rankings related to impact and sustainability.

## GOVERNANCE & REGULATORY

### SFC OUTCOME AGREEMENT

- 79 The Court received the University's proposed Outcome Agreement with the Scottish Funding Council (SFC) for 2022/23 (*copy filed with the principal copy of the Minutes*). The document set out how the University had addressed the priority areas identified by the SFC, these being:
- Fair access and transitions, which includes the Commission on Widening Access.
  - Quality learning and teaching.
  - Learning with impact, ensuring students are equipped and ready to take up appropriate employment in the future on completion of their studies.

- Student participation and engagement in their educational experience.
- Coherent Learning Provision, with a focus on how institutions are using data and intelligence, and engaging with stakeholders to adapt, develop and align provision to meet the needs of business, industry and stakeholders.
- Fair Work, and what universities are doing to deliver Fair Work practices for their employees and through their procurement.
- Equalities and inclusion.
- High quality research and innovation.
- Climate Emergency.

80 The Court approved the Outcome Agreement 2022/23 for submission to the SFC.

#### ANNUAL STATEMENT ON RESEARCH GOVERNANCE: For Decision

81 The Court received and approved the Annual Statement on Research Governance & Integrity for academic year 2021/22 (*copy filed with the principal copy of the Minutes*).

#### ANNUAL HEALTH AND SAFETY REPORT 2021-22

82 The Court received for information and assurance the Annual Health and Safety Report for 2021/22 (*copy filed with the principal copy of the Minutes*) noting that the legal responsibility for the University's compliance with Health and Safety law rested with it as the governing body.

83 In discussion, it was suggested that the University might wish to consider including some external representation on its Health and Safety Committee. It was noted that staff and students returning to campus following the pandemic had posed challenges in terms of safety awareness, wellbeing and work-life balance. While data on absences due to stress was not available, informally this was believed to have increased and consequently mental health and wellbeing were a key focus. It was confirmed that while health and safety was not in the 2022/23 internal audit plan it was under consideration as a potential area for 2023/24.

### REPORTS FROM THE SENATE AND FROM COURT SUB-COMMITTEES

#### SENATE

84 The Court received and noted the report on the main items of business considered by Senate at its November meeting (*copy filed with the principal copy of the Minutes*), including outcomes from the Promotions Review and the Workload Review, a new Research Publications Policy and arrangements for academic year 2023/24.

85 The Senate also recommended to Court approval of the draft Resolution, 'Code of Practice on Student Discipline (Non-Academic)' noting that the Code had not been updated for some time and was not in keeping with many developments in both operational practice and specific areas of misconduct that now represented a regular part of the work of maintaining good student conduct and managing poor conduct.

86 The Court approved the draft resolution subject to the further consultation required by the Universities (Scotland) Act 1966 being undertaken (through the Business Committee of the General Council and making publicly available for comment). The draft Resolution would return to Court at its next meeting in March for formal approval, subject to any comments received through the required consultation process.

#### **Court Sub-Committee Reports**

#### FINANCE AND RESOURCING COMMITTEE REPORT

87 The Court received and noted a report on the key items of business considered by the Finance and Resourcing Committee at its meeting on 10 November 2022 (*copy filed with the principal copy of the Minutes*). In addition to its recommendation to Court that it approve the Annual Report and Accounts (as noted above), the Court:



- agreed a proposal to delegate the approval of the Annual Procurement Report 2021-22 to the Finance and Resourcing Committee.
- noted that the Committee had, for its part, received by circulation the institutional Outcome Agreement 2022-23 for submission to the SFC and recommended to Court its approval (see Minutes 79 to 80).

#### COMMERCIALISATION COMMITTEE REPORT

- 88 The Court received a report on the key items of business considered by the Commercialisation Committee at its meeting on 24 October 2022 (*copy filed with the principal copy of the Minutes*). The Chair of the Committee noted in particular that this had been its first meeting since its formation and as such it had agreed on what its core focus should be within the governance and executive framework. The Committee planned to hold a further workshop style meeting prior to Christmas to assist it in further understanding the commercialisation agenda, following which it anticipated confirming its schedule of meetings and business.

#### PENSIONS ADVISORY GROUP

- 89 The Court received and noted a report on the main items of business discussed by the Pensions Advisory Group at its meeting on 9 November 2022 (*copy filed with the principal copy of the Minutes*). In discussion, it was noted that training on pensions issues was being arranged and that this would be made available for all members of Court.

#### GOVERNANCE AND NOMINATIONS COMMITTEE REPORT

- 90 The Court received and noted a report on the key items of business considered by the Governance and Nominations Committee at its meeting on 1 November 2022 (*copy filed with the principal copy of the Minutes*).
- 91 Following the appointment by Court of Colette Backwell as its Senior Independent Member the Court homologated her reappointment as an Independent Member of Court for a second term of office of three years with effect from 1 January 2023. It was also agreed that information on the current periods of office of Court members would be made available in Decision Time.

#### FURTHER REPORTS FOR NOTE OR REFERENCE AVAILABLE IN RESOURCES AREA OF DECISION TIME

#### REPORT FROM THE PARTNERSHIP, NEGOTIATING & CONSULTATIVE COMMITTEE

- 92 The Court received for information and reference the report from the meeting of 1 November 2022 of the Partnership, Negotiating and Consultative Committee (*copy filed with the principal copy of the Minutes*).

#### DATE OF NEXT MEETING

- 93 The Court noted that its next meeting would be held on Wednesday, 1 March 2023 at 9am to 3pm.

  
Julie Ashworth, Senior Governor

1 MARCH 2023  
Date Approved