

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

**MINUTES OF MEETING HELD ON 26 APRIL 2023 IN THE ROWETT INSTITUTE
OF NUTRITION AND HEALTH**

Present: Julie Ashworth (in the Chair for Minutes 154 onwards)
Colette Backwell
Eleanor Bentley
George Boyne
Martina Chukwuma-Ezike (in the Chair for Minutes 153)
Owen Cox (via Teams)
Helen Martin (up to Minute 182)
Lyndsay Menzies (via Teams except for Minutes 163 to 174)
Caryn Miller (via Teams up to Minute 182)
Vanessa Mabonso Nzola
Iain Percival
Charlotte Pope-Williams
Joachim Schaper (via Teams up to Minutes 184)
Diane Skåtun
Otto Thoresen (via Teams)
Robert Traynham (via Teams for Minutes 163 to 182)
Neil Vargesson
Iliia Xypolia

In attendance: Liza Boffen-Yordanova
Marion Campbell
Pete Edwards
David Evans
Karl Leydecker
Tracey Slaven
Louise Thomson
Iain Torrance KCVO
Mark White
Bruce Purdon (Clerk)

Apologies: Keith Anderson
Camilo Torres Barragán
Nick Edwards
Iain Mackay
Gary McRae
Martin Mills
Anne Minto

WELCOME AND RECTOR'S REPORT

153 The Rector opened the meeting and introduced her written report to Court on activities that she had undertaken since the last meeting (*copy filed with the principal copy of the Minutes*). On behalf of Court, the Rector congratulated

Vanessa Mabonso Nzola on her re-election as President of Aberdeen University Students' Association (AUSA). The Court also congratulated Ms Nzolo on her recent work at national level in highlighting the issue of homelessness amongst international students.

DECLARATIONS OF INTEREST AND REMINDER OF COURT AND MEMBER RESPONSIBILITIES

- 154 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*). No declarations of interest in the agenda were noted.

MINUTES OF 1 MARCH 2023

- 155 The Minutes of the Meeting held on 1 March 2023 were approved.

ACTION LOG AND MATTERS ARISING

- 156 The Court noted a report on the updated Action Log (*copy filed with the principal copy of the Minutes*). In discussion, an update was provided on the recruitment of a Director of Student Recruitment and, in response to a question related to the Hillhead heating renewal project, a confirmation was provided that the University would consider the longer-term maintenance requirements for heating across the Old Aberdeen campus.

REPORT FROM THE SENIOR GOVERNOR

- 157 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*). The Senior Governor also reflected on the Principal's delivery of the Loyal Address to His Majesty The King and the inclusivity of the University contingent attending the event, representing the Chancellor, Court, the student body, and academic, professional services and technical staff.

Court Race Champion

- 158 The Senior Governor advised Court that Owen Cox had agreed to take on the role of Court Race Champion and expressed the Court's thanks to him for doing so.

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

- 159 The Court received a report on policy developments relating to higher education and the recent achievements of staff and students at Aberdeen University (*copy filed with the principal copy of the Minutes*) supplemented by an oral report from the Principal. As part of his report the Principal highlighted:

- International Postgraduate Taught applications, offers and acceptances for September 2023 were improving although not yet at

the level that the University aspired to. The Principal noted that this was only the half way point in the recruitment cycle and that it would take time for the processing improvements that had been put in place to have full effect. He anticipated, however, continued improvement in the January 2024 round and the full benefit to recruitment figures by 2024. The Court also discussed the approach to modelling student numbers and the challenges to that from volatility of particular markets. In addition, current national policy on how widening access intakes were set and defined was also discussed.

- Financial Forecast: the Principal noted that as reported later in the agenda, good progress towards bringing the financial projection for 2022/23 year end closer to the agreed Court budget position was being made, with work ongoing to identify savings and efficiencies across Schools and Directorates.
- Marking and Assessment Boycott: The Principal noted his concern at the potential impact that this could have on students and their graduation. He emphasised that protecting students' degree awards was paramount and the University would make every effort to do so. It was confirmed that the University could potentially face legal actions from the impact of a boycott.
- Investment Zones: the Principal updated Court on the University's efforts to support an Aberdeen bid to the UK Government's Investment Zones programme.

160 In discussion, it was agreed that Court members attending a forthcoming University hosted Holyrood Reception would receive a briefing note to support them in their advocacy role. Members also discussed the level of challenge that the current environment posed for the University's delivery of the range of priorities set out in Aberdeen 2040. The Court was assured that the Senior Management Team were cognisant of that point and would be assessing and discussing further with Court if the timeframe for the delivery of some of those priorities needed adjustment.

ENHANCING OUR DATA AND SYSTEMS

161 The Court received a presentation from the Director of Digital and Information Systems on the University's outline plans to modernise its business data and systems processes. This discussed the need to consolidate systems that had developed piecemeal over time and replace with new functionality and processes to improve the staff and student experience, reduce workloads and support the delivery of the Aberdeen 2040 strategy across a range of its commitments. The presentation also discussed the the challenges that future development would need to address to create virtual and physical spaces that enabled interdisciplinary exchange and innovation. Those challenges included the size and age of the estate, and, the pace of technical change and difficulty of anticipating future requirements.

162 In the subsequent discussion, the following key points of note were recorded:

- Modernising and in some cases replacing systems that would become obsolete or unsupported by their suppliers was imperative. The student

admissions system and associated processes was noted as one example of the type of modernisation that was required across a number of systems to address a 'technology deficit' that had developed during a previous period of financial constraints.

- The challenge of anticipating what the needs of the University would be in a decade's time and how the rapid pace of change of new technologies such as Artificial Intelligence would influence that.
- There was scope for pooling of horizon scanning across the sector to map the future challenges of using new technology but the competitive nature of the sector would limit the development of shared responses.
- The risks posed by cybersecurity were acknowledged and under constant review. The University's appointment of a cyber security incident response company provided further reassurance although it remained a recognised risk. The Audit and Risk Committee would receive a report on the University's approach to auditing IT security in June 2023.

FINANCE AND PLANNING

2022/23 UPDATED FINANCIAL PROJECTION

- 163 The Court received an updated paper on the year-end projected financial position (*copy filed with the principal copy of the Minutes*), based on the February 2023 forecast and following savings discussions with Schools and Directorates.
- 164 The Court noted that:
- the current forecast position was for a £3.4m year-end deficit, as compared to the agreed budget of a £1.9m deficit – which was a £5.3m improvement on the last reported position in March as a result of the savings and additional income identified. This outcome would achieve borrowing covenant compliance. Work would continue to bring the University closer to the original £1.9m deficit budget target.
 - the forecast incorporated the national pay offer at an estimated cost of £1.7m and assumed an additional £1m of Development Trust funding which had yet to be fully identified.
 - the savings identified did not have a material impact on the Institution's future REF (Research Excellence Framework) planning.
 - the forecast included, among other assumptions detailed in the paper, a clawback repayment to the Scottish Funding Council (SFC) of £1.2m for non-achievement of non-controlled student places but noted that this was yet to be confirmed by SFC.

USS DEBT MONITORING REPORT 2021/22

- 165 The Court received an update on the Universities Superannuation Scheme (USS) debt monitoring results for financial year 2021/22 (*copy filed with the principal copy of the Minutes*).

166 The Court noted that USS had yet to confirm the metrics it would use for the reporting period but that the University had assumed for the purposes of the report that they would use the same ones as for the previous year. It was reported that, although the University had breached two of the five metrics in 2021-22, there was no requirement for it to enter into further engagement with the USS Trustees, as all four metrics would need to be breached in any year, or any three of metrics in 2 consecutive years, in order to trigger additional reporting.

PRESENTATION ON KING'S AND JOHNSTON CAPITAL PROJECTS

167 The Court received a presentation on the status of the King's and Johnston Capital Projects. The presentation covered:

- the background and key objectives of the projects;
- the bond funding and original budget envelope agreed for the projects compared with the current projected cost estimates (pending conclusion of the tender process);
- the project timelines and the current position with regard to the ongoing tender process for the works. The Court was also briefed on the assurance review process that would be undertaken, following receipt of tenders. This was an independent external review intended to test if the objectives and underpinning assumptions of the projects remained relevant and cost-effective, which was noted as being particularly important given the impact of the pandemic and other changes to the external environment since the projects were conceived. This was expected to be concluded in time to be shared with Court at its next meeting.
- early stage contingency planning work that had been undertaken to consider project options should market cost pressures result in the projects as currently conceived being unaffordable.

168 In discussion, it was noted that there was a low number of contractors who had registered an interest in the tenders for both projects and that this presented some risk to the projects should only a sole contractor bid. It was confirmed that among potential alternative options, if required, was the leasing of other bespoke office accommodation within Aberdeen. The potential contribution that the future fundraising campaign could bring towards the cost of the projects was also discussed, noting that currently the budget assumed a contribution of £5m from philanthropy.

169 The Court also discussed the significance of the Business School to the supporting business case for the projects and noted that prior to any significant next decision points it would be important, in that context, for Court to also be assured about the School's own plans for future growth and success. It was also confirmed that the Court was due to discuss at its next meeting the wider strategy for the physical and digital estate.

BI-ANNUAL STRATEGIC RISK MANAGEMENT UPDATE

- 170 The Court received the bi-annual update on risk management at an institutional level (*copy filed with the principal copy of the Minutes*).
- 171 The update reported on the University's Strategic Risk Register following review and revision by risk owners and managers. This had resulted in the number of risks rated critical increasing from six to nine, mainly due to the financial position and the volatility of the external operating environment.
- 172 The Court noted that the establishment of the new Risk Management Committee had been completed and it would hold its first meeting during May 2023. The Court also noted the updates that had been made to the University Risk Management Framework to include the University's new Risk Appetite Statement.

REPORTS FROM COURT SUB-COMMITTEES

GOVERNANCE AND NOMINATIONS COMMITTEE REPORT

- 173 The Court received a report on the key items of business considered by the Governance and Nominations Committee at its meeting on 28 March 2023 (*copy filed with the principal copy of the Minutes*).

The Court, on the recommendation of the Committee agreed to:

- Approve the reappointment of Iain Mackay and Lyndsay Menzies as independent members of Court for a further period of one year with effect from 1 August 2023.
- Approve the updated approach (as detailed in the paper) to Senior Governor and Governor performance reviews, which proposed undertaking Governor reviews across a standard format, with specific requirements for Court committee chairs and the Senior Governor.
- Approve the proposed approach to revising the Code of Practice on Conflicts of Interest and that this be taken forward and approved by Senior Management as an executive/operational matter. The proposed revisions were intended to ensure that the role of the Governance and Nominations Committee was focused on matters related to Court, Audit and Risk Committee and Senior Management members, and that wider staffing conflicts of interest matters are addressed at an executive/senior management level.
- That a recommendation from the very first stage governance review of 2020 around a modernised meeting facility for Court should be removed from the action plan given current financial constraints and the recent approach to now hold Court meetings in different venues across campuses.
- Note the current and future vacancies on Court sub-committees and that members were invited to express an interest in these to the Governance and Nominations Committee. The Court was also advised that there was a vacancy for an independent member of Court on the Advisory Group on Collections Deaccessioning and Repatriation and

that an update to the policy governing that procedure would be taken to a future Court or by circulation for approval.

- Note that the transfer of secretariat support for the Remuneration Committee to the Governance and Executive Support Team had commenced from April 2023.

REMUNERATION COMMITTEE

174 The Court received a report on the main items of business discussed at the meeting of the Remuneration Committee on 20 March 2023 (*copy filed with the principal copy of the Minutes*). The Court formally noted the implementation of the Senior Staff Pay Policy exercise for 2023 as agreed by the Committee, the key aspects of which were:

- a budget of £100k for the 2023 Senior Staff Pay exercise, with the restriction of the pool of eligible staff to those earning less than 3 times the University average salary (£45,932). This proposal recognised that no Senior Staff Pay exercise was conducted in 2022, because of the late initiation of the 2021 round, and the current financial position of the University.
- no changes to the Pay Policy itself were proposed which required exceptional performance to be demonstrated above the level commensurate with the current level of remuneration, supported by national benchmarking of professional services salaries and the criteria for academic promotions.

AUDIT AND RISK COMMITTEE

175 The Court received a report on the key items of business considered by the Audit and Risk Committee at its meeting on 4 April 2023 (*copy filed with the principal copy of the Minutes*).

FINANCE AND RESOURCING COMMITTEE REPORT

176 The Court received a report on the key items of business considered by the Finance and Resourcing Committee at its meeting on 13 April 2023 (*copy filed with the principal copy of the Minutes*).

PENSIONS ADVISORY GROUP

177 The Court received a report on the main items of business discussed at the meeting of the Pensions Advisory Group on 5 April 2023 (*copy filed with the principal copy of the Minutes*).

178 The Court on the recommendation of the Group approved amendments to its remit and terms of reference.

179 The Court also noted that the Group had considered a technical consultation from Universities UK (UUK) on changes to the scheme rules of USS. These were in response to new extended powers of the Pensions Regulator to impose fines of up to £1m (previously capped at £50K) under the new Pension

Schemes Act 2021. The UUK consultation related to the introduction of a process by which scheme employers would be required to settle a proportion of any fine and a method of apportionment for this across institutions. The Group had noted that the implication for the University would be that in the event of USS receiving the maximum fine of £1m by the regulator, the University's contribution to paying such a fine based on 2021/22 figures would be circa £10k. The Group had concluded that this was not a material level of exposure and there appeared few alternative solutions to the one that had been proposed and, therefore, considered the rule changes to be appropriate.

REPORT FROM DEVELOPMENT AND ALUMNI RELATIONS

- 180 The Court received a report on the activities of the Directorate of Development & Alumni Relations (DAR) (*copy filed with the principal copy of the Minutes*) and a presentation from the Director of Advancement on planning for the next fundraising campaign. This discussed the preparations and approach that would be undertaken to formally launch a new major fundraising campaign for the University in 2026, currently in the quiet phase. It also briefed Court on: the quiet phase activities, such as capacity building and engagement with alumni and other supporters, as well as developing the case for support and institutional funding priorities, that would be required to lay the ground for a successful fundraising campaign; governance of the campaign and due diligence on donors; the role that members of Court would be invited to take as ambassadors for the campaign and how they would be supported in this.
- 181 The Court discussed how the University might capitalise on the extensive range of current and potential supporters for its work both regionally and more widely. The approach to branding and marketing of the campaign and how this inter-linked with the University's brand was also discussed. It was suggested that the University's auditors should be made aware of the campaign given the expected scope of its financial ambition.

REF STOCKTAKE 2023

- 182 The Court received an update on the Research Excellence Framework (REF) Stocktake exercise (*copy filed with the principal copy of the Minutes*), which was completed between January and March 2023. This provided an assessment of the current position within the institution in terms of preparation and quality of outputs on which REF performance and future funding awards by SFC might be determined. Overall, while good progress since REF 2021 and against the REF Action Plan was being made, the stocktake showed that further progress was required and confirmed the need for the investment plans that the University had previously identified. It was suggested that Court would find it helpful in future reports to be aware of the timelines for the REF Action Plan.

PEOPLE, INCLUSION & CULTURE

GENDER PAY GAP REPORT 2022

- 183 The Court received the Gender Pay Gap Report for 2022 (*copy filed with the principal copy of the Minutes*), which was approved for publication subject to its further consideration by the Partnership Negotiating and Consultative Committee. In discussion, it was noted that the report showed the good progress the University had made in addressing gender pay gap issues and that it had now achieved the improvement target set for 2025.

GAELIC LANGUAGE PLAN 2019-2024

- 184 The Court received an update (*copy filed with the principal copy of the Minutes*) on the University's legal obligation to promote the Gaelic language across the University and to inform Court about the new requirements from the Scottish Funding Council (SFC) to ensure Court members are regularly engaged on Gaelic awareness and the commitment of the University's Gaelic Language Plan Advisory Group to keep Court aware of new developments in the area.

UPDATE ON CULTURAL CHANGE: WORKING ACROSS SCHOOLS AND DIRECTORATES

- 185 The Court received a presentation from the Senior Vice-Principal and the 185support cultural change in how Schools and Directorates worked together across structural lines. This drew upon the results and feedback from the 2022 Staff Survey and the findings of the review of service delivery within Professional Services, in particular work that was underway to address workload and communication issues.
- 186 In discussion, the introduction of a staff experience committee was welcomed and it was recognised that developing an embedded culture of interdisciplinary working would take time. Progress would be evaluated through the biennial staff survey.

GOVERNANCE & REGULATORY

ANNUAL PREVENT DUTY REPORT

- 187 The Court received and noted an update on the University's activities relating to the Prevent Duty, since March 2021, including an update on the roll out of revised Prevent training (*copy filed with the principal copy of the Minutes*).

RESOLUTION FOR FORMAL APPROVAL: CODE OF PRACTICE ON STUDENT DISCIPLINE

- 188 The Court received a report on the outcome of the statutory process of consultation regarding the Resolution to give effect to amendments of the Code of Practice on Student Discipline (*copy filed with the principal copy of the Minutes*).

- 189 The Court, noting that no substantive changes to the draft resolution were proposed from the consultation, approved the amended Resolution.

EDUCATION

OUTCOME OF QUALITY ENHANCEMENT AND STANDARDS REVIEW

- 190 The Court received a paper on the findings of the recent Quality Enhancement and Standards Review by the Quality Assurance Agency Scotland (QAAS) (*copy filed with the principal copy of the Minutes*), which took place on 14 February 2023. The Court noted and welcomed that the Review team had reported that it was confident in the University's arrangements for monitoring and enhancing the quality of educational provision.

VICE-PRINCIPAL FOR RESEARCH

- 191 The Senior Governor noted that this would be the last meeting that Professor Marion Campbell would be present for before her appointment as Vice-Principal for Research concluded on 31 July 2023. The Court recorded its considerable appreciation and thank you to Professor Campbell for her significant contribution to the University's research endeavour as a Vice-Principal.

DATE OF NEXT MEETING

- 192 The Court noted that its next meeting would be held on Wednesday, 21 June 2023 at 9am to 3pm, which would be followed at 4pm to 6pm by a Joint Session with the Board Members of The Robert Gordon University and North-East Scotland College (NESCOL) at NESCOL.


Julie Ashworth, Senior Governor


Date Approved