

THE UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

Minutes of the meeting held on 12 December 2000

Present: Mr A Mair (in the Chair), Principal, Mr D Cockburn, Dr A Dawson, Dr H Fullerton, Professor G Graham, Mr J Grant, Dr D Heddle, Mr J Leiper, Professor S Logan, Professor I Macdonald, Dr M Mackie, Miss M Main, Professor D Ogston, Dr G Roberts, Professor T Salmon, Mr A Salvesen, Mrs A Skene, Professor P Sloane, Mr G Stevenson, Professor I Torrance, Mr S Varwell, with Professor Forrester, Professor Houlihan, Professor J Sewel, Mr S Cannon, Mr S Gordon, Dr P Murray, Mr M Ord, and Mrs H Stephen (Clerk).

Apologies for absence were received from the Rector, Miss A Harper, Dr A Kinnear and Dr N Milne.

MINUTES

57 The Minutes of the meeting held on 31 October 2000 were approved subject to correction to the figures in the fourth last line of Minute 29 to read"planned surpluses of £1.034m in the current financial year, £2.5m in 2001-02 and £3.3m in 2002-03".

PRINCIPAL'S STATEMENT

58 The Principal drew attention to a media analysis report which had been provided for members of Court which indicated that the University's PR in general had improved, but more could yet be achieved.

59 The Principal referred to press reports on the financial situation in a number of universities. He emphasised that the current trend in declining state support would continue and that it was a matter for universities themselves to improve their own position; hence the importance being placed by the University of Aberdeen on other income, in particular the third stream funding being explored by Professor Sewel, as well as private sector funding.

60 With regard to the University's current financial situation, the Principal also reiterated management's determination to achieve the planned surplus in the current year and therefore to look very carefully at non-filling of staff vacancies in the short term despite the stress this would cause in the system, and to put further effort into income generation although realistically little might be achieved in only one year in that area.

61 The Principal reported that he and Professor Sewel, and their counterparts in the University of Dundee had had a very helpful meeting with SHEFC representatives the previous week, in the light of which a response from the three participating institutions to the strategy issues raised earlier by SHEFC would need to be submitted to the Funding Council by the end of January 2001 or sooner if possible. The Court agreed that, in order to comply with the Funding Council's timetable, powers be delegated to the Principal and Senior Lay Member to approve a re-negotiated merger settlement on behalf of the Court subject to compliance with the original conditions, principal among which was no financial detriment to the University.

SECRETARY'S STATEMENT

62 Mr Cannon reported that, with the exception of the AAUT, the campus unions had balloted members over the current pay dispute and a day of action had been held on 5 December. Formally, the University was in dispute with the unions, three of which were now working to rule.

63 The Court noted that a number of institutions were reported to be considering a move away from national pay bargaining in favour of local pay bargaining arrangements, and agreed that a position paper on these issues be prepared as a basis for future discussion. It was

noted that the Aberdeen AUT would wish to be consulted on any proposed change in the Court's formal commitment to national pay bargaining.

REPORTS BY COMMITTEES

Joint Planning, Finance & Estates Committee

64 The Court received a report from the Committee's recent meeting (7.11.00).

University Accounts

65 The Committee had considered University's audited accounts for the financial year to 31 July 2000 which showed a disappointing outturn, with an historical cost deficit of £1.7m compared with the budgeted surplus of 123K. This variance was attributable to a number of factors including the quinquennial property revaluation, the University's contribution to the staff restructuring scheme, which had only been partially funded by SHEFC, and an unbudgeted increase in expenditure in the last month of the year. On the basis that the accounts had been audited by PricewaterhouseCoopers and scrutinised by the Audit Committee, the Committee for its part had approved and agreed to forward the accounts to the Court for approval.

66 The JPFEC had also noted that in the current financial year there were already indications of deviation from budget which could result in another below budget performance and this underlined the importance of management action to ensure delivery of the £1.034m surplus planned for 2000/01.

67 In discussion Court members sought and received clarification on a number of specific points on the annual accounts. Responses on matters requiring detailed information not readily available at the meeting (on an increase in staff progressing between salary bands, and on increases in secretarial and clerical staff numbers) would be provided separately.

68 With reference to the Report on Endowments, also forwarded by the JPFEC, the Court noted that arrangements for the distribution of bursaries had changed and improved in recent years, as had the provision of pastoral and welfare services to students; bursary and access funds were awarded by the Bursary Committee to the best students who also needed financial support. Such a strategy would continue, taking account of social inclusion requirements while also meeting as far as possible the general requirements of past benefactors.

69 The Court approved the University's annual accounts for the financial year 1999-2000. It noted the annual Report on Endowments.

Subsidiary companies

70 The Court received the KCC accounts which had been forwarded by the JPFEC and which showed that the company had again achieved a small profit of £1.4K on a reduced turnover of £459K in a difficult year for conference business. The Court agreed that the KCC Board should consider comments from Professor Salmon that the internal underuse of the conference facilities could be attributable to the charges being greater than Departments could afford.

71 The Court noted that, while staffing difficulties within the company had caused a delay in the preparation of the AURIS annual accounts for FY99-00, these were nearing completion.

Strategic and Operational Planning

72 The Court noted that the Committee had received an Operational Plan for FY00-01 which would allow monitoring of achievement of objectives included in the current Strategic Plan. An updated version of the Operational Plan would come forward to Court at its next meeting.

73 The Court was also informed that the Committee had approved the five strategic aims which had been presented to the Court at its Away Day in September 2000.

Admissions

- 74 The Court noted that recruitment issues and admissions targets for 2001-02 remained under consideration. The Committee had approved and forwarded to Senate recommendations from the Student Recruitment and Admissions Committee on Going Rates for admission in 2002-03.

Overseas Fees

- 75 The Court approved recommendations forwarded by the Committee for revised rates of overseas fees for session 2001-2002.

Financial reports

- 76 The Court noted that the Committee had received four papers on financial matters, namely a Report on Budgets, a paper on Future Cash Requirements, a paper on Forecast Outturn of Student Load and Tuition Fees 2000-01, and Management Accounts to September 2000. It was essential that management action be taken to achieve the planned surplus for FY2000-01 consistent with the Strategic Plan forecast submitted to SHEFC and the University Management Committee would shortly consider a series of options in this regard. In future the monthly management reports would include the institutional savings target to deliver the planned £1.1M surplus for the year. On cashflow, the UMG had authorised the Finance Director and Lord Sewel to consult with bankers and recommend how the University's future cash requirements could be met in a orderly matter to avoid costly short-term overdraft facilities. The Committee had also been informed that the University had received confirmation of a grant of £2.5M from SHEFC for IMS 2 which would be built into revised cash requirements.

Project reports

- 77 The Court was informed that the Committee had received reports from project groups on IMS2 and the MRF, Marischal College, Pathfinder and Automers. It had also been that although the ACES bid had passed the scientific assessment round, it had not been awarded JIF funding.

Staffing and Development Committee

- 78 Professor Macdonald introduced a report from the first meeting of the merged Committee (8.11.00). The report referred to a number of ongoing issues and items discussed at the meeting, including the utilisation of funding for Human Resource Management, received from SHEFC, for development activity in a number of areas, namely staff induction, management development, professional training for University teachers, Investors in People, equal opportunities, and appraisal. With reference to the new Personal Development System for Academic and Related Staff, it was noted that a report on the outcome of the pilot of the new system would be brought forward to the Court in due course.

Student Affairs Committee

- 79 The Court received a report from the first meeting of the new merged Committee (7.11.00). It noted in particular that in view of the departures of the Director of the Counselling Service and of the Director of Student Services, the Committee had judged it opportune to review the Service, demand for which was high.

Audit Committee

- 80 The Court received reports from the Audit Committee's previous two meetings (30.10.00 and 21.22.00) enclosing its Eleventh Annual Report to the Court for the year to 31 July 2000, the internal auditors' annual report, Audit Needs Assessment, Strategic and Operational Plans, and the external auditors' Management Letter with its main findings of its audit of the University's annual accounts for FY99-00. .

- 81 Mr Grant presented the Committee's Eleventh Annual Report to the Court, which referred to its work during the year and included confirmation that it was satisfied with the work of the internal and external auditors. The Committee had no matters of major concern to raise with the Court. The Annual Report, once approved by the Court, would need to be forwarded to SHEFC, together with the annual reports on the internal audit service and on the external audit, by the Funding Council's deadline of 31 December 2000.
- 82 The Court approved the Eleventh Annual Report.
- 83 The Court also approved the Audit Committee's recommendation, following a tendering exercise, for the reappointment of PricewaterhouseCoopers as the University's external auditors for a period of three years from 1 January 2001.
- 84 It was noted that the Committee hoped to be able to report to the Court following its next meeting on the outcome of the ongoing audit on the unaccounted financial variances at the end of year 1999-2000.

REMOVAL OF MEMBERS OF COURT

- 85 The Court, in order to comply with the SHEFC Good Practice Benchmarks, approved recommendations for the introduction of the mechanism in accordance with the SHEFC benchmarks for the removal of members of Court. In particular the Court approved (i) a draft Ordinance for the removal of co-opted members and (ii) a Code of Conduct to be incorporated into the *Guidelines for Court Members*. The draft Ordinance would be forwarded to the Senate and to the General Council for comment and displayed for internal consultation before coming back to the Court for formal approval and submission to the Privy Council.

CHAPEL COMMITTEE

- 86 The Court after discussion, approved the Senate's recommendations for the revised remit and composition of the Chapel Committee. It noted that the question of the inclusion of the representative of the Student Christian Movement had been fully debated by the Senate.

STUDENTS' ASSOCIATION

- 87 The Court was informed that the Students' Association, on a referendum held on 23 November 2000, had decided to remain affiliated to the National Union of Students for at least the next three years. The referendum had attracted a high turnout at 19.5% of students of which 90.25% voted for NUS affiliation.

GIFTS, BENEFACTIONS AND CHARITABLE AWARDS

- 88 The Court received a report from the Director of External Relations on gifts, benefactions and charitable awards received by the University in the quarter to 31 October 2000.

UNIVERSITY STATISTICAL REPORT

- 89 The Court received the University's Statistical Report for 1999/2000.

ELPHINSTONE INSTITUTE

- 90 The Court was pleased to note that the Elphinstone Institute, jointly with the University of Sheffield, had been successful in attracting an award of £210K from the Arts and Humanities Research Board (AHRB) for a research project on the Carpenter Collection.