

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

Minutes of meeting held on 18 September 2001

Present: The Rector, the Principal, Councillor D Clyne, Mr D Cockburn, Dr A Dawson, Dr N Dower, Dr H Fullerton, Professor G Graham, Mr J Grant, Miss A Harper, Dr D Heddle, Councillor P Johnston, Mr J Leiper, Professor S Logan, Professor I Macdonald, Mr R McGregor, Dr M Mackie, Miss M Main, Mr A Mair, Dr N Milne, Professor D Ogston, Dr G Roberts, Professor A Rodger, Professor T Salmon, Mrs A Skene, Professor P Sloane, Professor W Cairns Smith, Professor I Torrance, with Professor D Houlihan, Professor J Sewel, Ms C Macaslan, Mr S Cannon, Ms I Bews, Mr A Donaldson deputising for Mr S Gordon, Mrs C Inglis, Dr P Murray, Mr R Taylor and Mrs H Stephen (Clerk).

Apologies for absence were received from Dr P Kinnear.

NEW MEMBERS

The Rector welcomed new members, Professor Cairns Smith, Mr R McGregor and Dr N Dower, and Ms C Macaslan in attendance, to their first meeting.

MINUTES

- 1 The Minutes of the meeting held on 26 June 2001 were approved subject to two changes (i) in Minute 236 the amendment of "Wellcome Foundation" to "Wellcome Trust", and in Minute 282 the amendment of "a member" to "Miss Main".

PRINCIPAL'S STATEMENT

Financial position

- 2 The Principal reported that the outturn for the 2000-2001 financial year had proved to be £410K better than planned, achieving an historical cost surplus of £1.3M. The University's cash position had also improved.

Admissions 2001(see also min 32 below)

- 3 The Principal noted that the admissions position appeared to be healthy, and that thanks were due to all involved. Undergraduate, both home and overseas, and postgraduate applications had all shown a marked improvement over previous years and the latest figures indicated that the University should meet or exceed its admissions targets.

Scottish Parliament

- 4 The Principal reported that, for one week in May 2002 when it had to vacate its temporary accommodation in Edinburgh, the Scottish Parliament would meet in the University. This, he believed, would reflect well on the University.

Institutional alliances

- 5 The Principal stressed the importance of potential institutional alliances between the University and other institutions in the north of Scotland. The merger with Northern College was going ahead and the Court would discuss, later in its meeting, collaboration with the UHIMI and with the SAC.
- 6 He sought the Court's agreement to joint exploratory discussions with The Robert Gordon University on the potential for collaboration in a range of areas. The intention was to extend initial discussions which had taken place on collaboration in medicine, nursing and studies allied to medicine to include engineering, in which there was a complementarity in the teaching provision of the two institutions, and other areas. A progress report would be made to the Court in due course.
- 7 The Court endorsed the Principal's proposal that exploratory talks with The Robert Gordon University be pursued on this basis.

8 *World Trade Centre*

The Principal reported that following the terrorist attacks in New York and Washington on 11 September, the Chancellor had signed the Book of Condolence in New York on behalf of the University. The Principal had also conveyed condolences to New York University. A well attended and moving service had been held in the University Chapel on 14 September. Mr Cannon reported that all overseas students had been informed that counselling facilities would be available through Student Support Services and incoming American students had been assured that, if delayed, their accommodation would be held for them until their arrival, and special arrangements made for their academic advising.

UNIVERSITY OF HIGHLANDS & ISLANDS MILLENNIUM INSTITUTE

- 9 The Court considered a paper on the potential for the development of a strategic alliance between the University and the University of the Highlands & Islands Millennium Institute (UHIMI). The principal conclusion of a joint meeting held on 20 June 2001 between representatives of the two institutions had been that no obvious or insurmountable obstacles existed to the development of a long-term non-exclusive partnership. Building on the existing Memorandum of Understanding between the two institutions, a range of strategic issues had been identified for future discussion.

- 10 In discussion it was acknowledged that the two institutions largely operated at different academic levels. However the potential for exploiting synergies to the benefit of both was sufficient to justify further exploration of the issues set out in the paper. There was potential, for example, for joint projects, germane to highlands and islands issues. Also, the prospect of bringing together further and higher education was exciting in educational terms. The UHIMI was a relatively fragile structure, but with wide political support and the University of Aberdeen could assist it in achieving full university status.
- 11 The Court approved the recommendation that the University enter into formal negotiations with representatives of the University of the Highlands and Islands Millennium Institute to develop a formal partnership agreement for approval in due course by the governing bodies of the two institutions.

SCOTTISH AGRICULTURAL COLLEGE

- 12 Professor Sewel reported that discussions were being taken forward between the University and the Scottish Agricultural College at both management and officer level. Agriculture and Forestry were under threat in Scotland, and the University was now the only provider of undergraduate education in agriculture in Scotland. If a presence was to be maintained not just in these areas but also in wider rural development matters it was necessary for those involved to work collaboratively to serve Scotland and maintain an international presence. The University had been invited to be a member of a proposed Euro-League of Agricultural Universities and, through the proposed alliance with SAC, could become a significant player in European policy development. The Dean of Science and Engineering confirmed that the potential alliance with the SAC was viewed positively.

NORTHERN COLLEGE

- 13 The Court received a progress report on the merger with Northern College and noted that the Scottish Executive was drafting a Statutory Instrument which would effect the closure of the College, and specify the Vesting date for the merger. A consolidated version of the original merger proposal document and subsequent amendments, preparation of which was well advanced, would be used by SHEFC as the benchmark to monitor the success of the merger.

- 14 Professor Sewel commented that, while the complexity of the issues and legal arrangements and issues associated with the merger might lead to some delay in the final date, considerable work had been done to ensure that the University was now ready to proceed. The University looked forward to welcoming Ms Macaslan, who had been appointed to the post of Vice-Dean of the Faculty of Education, and Acting Dean pending the appointment of the Dean, and her colleagues from Northern College into the University. The Faculty would add a new dimension and redefine the University's relationship with the community and the region, and would bring new opportunities to all involved.
- 15 Ms Macaslan responded that the staff of Northern College also eagerly looked forward to the merger and to the opportunities it would bring and hoped to make a significant and early contribution to the work of the University.
- 16 The Court also received a copy of a letter dated 26 June 2001 from the Scottish Executive and noted that it confirmed that the University's interpretation of the Minister's earlier letter to the Principal was correct, namely that the financial benefits arising from the merger were likely to outweigh the cost of the Strategic Change Grant within seven years and that no repayment of the Grant was involved.

MARISCHAL COLLEGE

- 17 The Court noted the current position with regard to the proposed lease of the front sections of Marischal College to Aberdeen Asset Management (AAM) for redevelopment of the site into office accommodation. The planning application for the redevelopment would be submitted to Aberdeen City Council the following day. Indicative Heads of Terms had been drawn up for negotiation with AAM. For members' information, the designs and model for the redevelopment scheme, which would be sympathetic to the building and reflect its importance and history, were on display at the meeting of the Court.
- 18 Mr Stevenson expressed strong support for the proposed scheme. He believed that successful conclusion of the proposed deal with the AAM would serve well the interests of all concerned, including enhancement of the city centre. At the same time he commented that it was important for the University to press ahead to consider the refurbishment of the Mitchell Hall and future use of the rear part of Marischal College. The Court agreed that these issues be addressed, with a view to proposals being brought forward for its consideration in due course.
- 19 Councillor Clyne declared an interest as a member of the ACC Planning Committee.

PATHFINDER PROJECT

- 20 Professor Sewel spoke to position paper which reported that the first of the four parts of the Pathfinder Project, the disposal of satellite halls, was nearing completion, and he outlined a strategy for continuing the remainder of the Project.
- 21 The sale of Spring Garden and the other satellite halls had secured greater than anticipated proceeds, before selling costs, of £19.5M. The outsourcing exercise had transferred 1023 spaces (32%) of the University's 3162 available bedspaces to the private sector, leaving the University with 2139 spaces at Hillhead, Crombie-Johnston and Elphinstone Road. The sale proceeds would enable the repayment of the two external loans to the Royal Bank of Scotland and reduction of the internal loan to Residences and Catering; internal analysis had shown that it would be in the University's interests to repay the external loans, despite significant breakage costs. The balance of the proceeds would enable the University to meet short term funding gaps in its capital programme. The situation would be eased through sale of the Bridge of Don once planning approval was secured.
- 22 On Catering conceptual and internal comparitors proposals had been sought from private sector operators for improved University catering services, , following which a more detailed specification would be prepared for competitive tendering purposes.

- 23 The Court approved the recommendations for taking forward the subsequent phases of the Pathfinder Project (i) that on receipt of the satellite hall disposal proceeds the existing external loans be redeemed; (ii) that alternative accommodation for married overseas students with families, currently housed at the Bridge of Don, be investigated; (iii) that the acquisition of Hunter's and Cooper's Courts be progressed; (iv) that a development brief and valuation for the Hillhead site be commissioned and (v) that as an alternative to refurbishment/redevelopment of the Crombie-Johnston site the University continue dialogue with the private sector seeking to develop opportunities where the University could market their accommodation as being available to University 'fresher' students.

CONDITIONS OF SHEFC GRANT

- 24 The Court considered a consultation paper from SHEFC which proposed a new condition of grant which would link main funding for teaching and research to institutions' satisfactory progress on relevant major policies. Responses were sought from higher education institutions by 1 October 2001.
- 25 The Court noted that, following representations from Universities Scotland, the consultation period had been extended to 16 November 2001. There had already been one meeting with the sector on 6 September, and the new deadline for institutional responses would allow further discussion of the proposals at a meeting between the Council, Principals and the Heads of Governing Bodies on 9 November 2001.
- 26 In discussion it was also noted that the proposal appeared to indicate a change in SHEFC's approach to governance and it might be seen that the Council was seeking to usurp the responsibilities of governing bodies. A requirement for institutions to demonstrate, in their strategic plans, their progress against achievement of Government priorities might be viewed as over prescriptive and was without precedent. The Court was however aware of its responsibility to account for the use of public funds, and recognised a high degree of coincidence between institutional and Government priorities
- 27 In light of comments from members of Court, a draft University response would be brought forward to the Court at its next meeting.

UNIVERSITIES SUPERANNUATION SCHEME: CONSULTATION ON ACCRUAL RATE

- 28 The Court considered a paper on a proposal by USS Ltd, in a letter dated 13 August 2001 to member institutions, about a possible improvement in the benefits available to members of the national USS pension scheme for academic and academic-related

staff through the progression of the accrual rate from 1/80th to 1/60th. Institutional responses were requested by 20 September 2001. The Court also noted advice from the University's independent pensions adviser at DL Bloomer & Partners.

- 29 In discussion a range of views was expressed. It was noted that the pattern of entry to academic employment now made it virtually impossible for academic staff to complete the 40 years service required to achieve a full pension. However, the Court was concerned that the financial implications for institutions could be considerable (and SHEFC, unlike HEFCE, regarded pensions as an institutional matter), that the proposal ran contrary to current trends in pensions provision, and that valuation of the pension funds could vary with conditions in the financial markets.
- 30 The Court endorsed a draft response to the USS consultation paper indicating that while the University would wish to support in principle any proposal to enhance the overall package of employment benefits offered to its staff, the implication of the proposal from USS Ltd to increase the accrual rate was likely to have a significant impact on the University's financial resources. A firmer indication from USS Ltd of the likely increase in contribution rates for employers and employees would be required before the University could reach an informed decision on the matter.

STUDENT APPEALS TO COURT

- 31 The Court endorsed the decision of the Principal, on the recommendation of the University Secretary to appoint Court Appeal Committees to hear appeals from students against decisions of the various Students' Progress Committees held in August, September and October 2001.

ADMISSIONS REPORT

- 32 The Court received a preliminary report on admissions for entry 2001-2002 and was pleased to note that the University was expected to meet its overall targets for undergraduate home and overseas students. It was too early to draw conclusions from postgraduate admissions statistics.

STRATEGIC AND OPERATIONAL PLANNING

- 33 The Court received a copy of the printed version of the Strategic Plan 2001-2005 which had been submitted to SHEFC in July. The Court also received for information a copy of the Implementation Plan 2001-02 which identified academic leaders and Service sections responsible for taking forward actions specified in the Strategic Plan, and set out an implementation timetable, and which would be updated regularly to report progress during the year.
- 34 In response to a comment from the Rector's Assessor, it was noted that in relation to Strategic Aim 5 on Developing Links with the Community, the actions should include reference to the University's membership of the Town and Gown Forum and representation at local Community Council meetings.

GIFTS BENEFITS AND CHARITABLE AWARDS

- 35 The Court received for information a report on gifts, benefactions and charitable awards received by the University in the period 1 May 2001 to 9 September 2001.

COURT MEMBERSHIP 2001-2002

- 36 The Court received for information a list of members of Court for the 2001-2002 session, together with the dates of their terms of office. It noted that there was one co-opted vacancy in its membership.

FAREWELL TO MEMBERS

- 37 The Rector, on behalf of the Court, expressed thanks to Professor Macdonald who would retire at the end of September and whose input would be greatly missed, and to Dr D Heddle whose Senate Assessorship would also conclude on 30 September