

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

Minutes of meeting held on 22 March 2005

Present: Dr A Mair (in the Chair), Principal, Mr A Amoore, Professor P Beaumont, Mr T Brotherstone, Lady Catto, Miss A Harper, Professor Houlihan, Councillor Johnston, Professor S Logan, Dr G Roberts, Mrs M Ross, Mr S Styles, with Professor C Gane, Professor N Haites, Professor A Rodger, Professor B MacGregor, Mr S Cannon, Mr D Beattie, Mr A Donaldson, Mrs C Inglis, Dr P Murray, Mrs L Manders and Mr B Purdon (Clerk)

Apologies for absence were received from Professor I Booth, Mrs S Grant, Mr J Leiper, Mr M Lockhead, Dr M Mackie, Mr D Marr, Dr N Milne, Mr P Richards, Mr R Ruddiman, Professor W Smith, Councillor J Stewart and Ms I Bews.

MINUTES

230 The Minutes of the meeting held on 8th February 2005 were approved.

DECLARATION OF INTERESTS

231 With regard to Minutes 250-252, Mr Cannon, Dr Mair and Dr Roberts declared an interest as Trustees of the University's Superannuation & Life Assurance Scheme (UASLAS).

STATEMENT BY PRINCIPAL

232 The Principal informed the Court that Professor Smith had recently been taken into hospital through illness. He was now, however, recovering well at home and was expected to return to work in around eight weeks time. The Court agreed that it should write to Professor Smith to convey its best wishes to him.

233 The Principal drew the Court's attention to the launch of this year's Word Festival. Launches were being held in both Aberdeen and Edinburgh to promote this year's programme which was more diverse than ever before and would build on the major success of the Festival in previous years.

234 The Principal also reported that there had been a very successful event in New York to launch the second phase of the Sixth Century Campaign in North America.

235 Professor Logan then gave an update on the key points of the SHEFC Main Grant Letter for 2005/06. In general, the funding allocation for the University was a positive one, with it receiving an overall increase of 3.9% compared to the national average of 3.4%. Within the overall settlement, the University had received, a 2.6% increase in its Teaching Grant, a 3.9% increase in its Research Grant, and a 74% (£650k) increase in its Knowledge Transfer Grant

EFFECTIVENESS REVIEW: REPORT FROM THE NOMINATING COMMITTEE

Remit

236 The Court approved the suggested remit of the Working Group on the Effectiveness Review, as being: "To take forward, on behalf of the Court, a review of its effectiveness and to make reports and recommendations to the Court".

Membership

237 The Court noted that the initial suggested composition of the Working Group that the Court had been informed of at its meeting on 8th February, was:

Mr Alan Amoore (Convenor)
Dr Alistair Mair
Mr Moir Lockhead
Dr Maitland Mackie
Mrs Margaret Ross

- 238 At its meeting on 8th February 2005 the Court had asked that the Nominating Committee consider the suggested membership in conjunction with any other expressions of interest or nominations received from members of Court.
- 239 The Committee had considered nominations individually and in the context of the membership of the Working Group as a whole, and had agreed to recommend the following to the Court for approval:
- (a) That all the original members of the Group be appointed.
 - (b) That Mr Richards join the Group as President of the Students' Association *ex officio*.
 - (c) That Councillor Johnston join the Group.
 - (d) That in light of Professor Logan chairing an effectiveness review of the Senate it would be beneficial for him to join the Working Group to ensure there was synergy between the two reviews.

240 The Court approved the recommendations.

SHEFC FINANCIAL MEMORANDUM

- 241 Dr Murray introduced the University's draft response to the SHEFC consultation on the Financial Memorandum, which had been discussed at the February meeting. The response had been drafted to reflect concerns shared across the higher education sector.
- 242 The Court approved the draft response for submission to SHEFC.

JOINT PLANNING FINANCE & ESTATES COMMITTEE

Central Heating Station

- 243 Professor Rodger introduced the paper which explained that the Joint Planning Finance and Estates Committee had received and considered a report on the Central Heating Station Project. This had been prepared in light of the tender for the proposal for a Combined Heat and Power (CHP) System, approved by Court in May 2004, coming in with a total project cost of £10.915 million, £2.48 million higher than originally anticipated.
- 244 The Committee had considered five options now available and their implications, which were explained in detail in the paper. The options were:
- (i) do nothing;
 - (ii) defer the project and re-tender;
 - (iii) install a new system without CHP;
 - (iv) retain the current steam system and undertake a phased replacement over 4-5 years;
 - (v) proceed with the CHP option, as previously selected, and accept the higher initial capital cost.
- 245 The Committee, on the basis of both the environmental and business cases, had agreed that the CHP system remained the preferred option and recommended to Court that the additional expenditure be approved. The total project cost of £10.915M, included the £1.735M Community Energy Programme grant, giving a net cost to the University of £9.162M, and requiring an additional financial commitment of up to £2.48M.

- 246 The Court noted that the reasons for the variance were being vigorously pursued with CarlBro. The University was also taking legal advice regarding the position and steps to ensure that the project was delivered within the revised budget. Given the significant variation in cost, Professor Rodger had investigated all of the procedures followed and was satisfied that appropriate due diligence had been exercised.
- 247 In discussion, it was noted that while the reasons for the variance should be pursued with CarlBro, it was also important to ensure that any further steps taken by the University did not compromise the efficient running of the project. It was agreed that the University should formally inform Carlbro of the Court's disappointment at the variance in cost.
- 248 The Court approved the recommendation that the University proceed with the CHP system and the associated additional expenditure of £2.48 million.

Research Metrics 2002/03

- 249 Professor Houlihan introduced a paper analysing the University's position in the UK research rankings 2002/03. The Court noted, in particular, the University's performance in terms of key metrics which included a number of encouraging indicators. It was also noted that the data available was two years old and that the University had since begun a programme of investment in research areas of strategic importance which was not reflected in the data.

UNIVERSITY SUPERANNUATION & LIFE ASSURANCE SCHEME

- 250 The Court received a paper regarding the University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS) Actuarial Valuation at 31 July 2004. The paper reminded Court that a valuation had been carried out by the Scheme Actuary and that this had given rise to a projected deficit of £9.1 million. A number of the assumptions used by the actuary had changed from previous valuations and these had significantly increased the deficit.
- 251 The Trustees and the University had to act independently but ultimately had to agree on the contribution rate for the Scheme. The Court noted that in order to progress this, the following actions on behalf of the University had been taken:
- (i) A report from the scheme actuary on the impact of a number of possible changes to the Scheme.
 - (ii) That Pricewaterhousecoopers had been asked to provide an opinion for the University on the valuation assumptions and that this would be used in discussions with the Trustees, to agree the contribution rates.
 - (iii) That with a view to the longer-term the University should explore with officials of USS the potential for the UASLAS being incorporated into that scheme.
- 252 The Court approved the recommendation that authority be delegated to the Convener of the Joint, Planning Finance and Estates Committee and the Principal to take forward the matter of contribution rates with the Trustees, as this was required to be agreed by the end of April 2005.

JOINT PLANNING FINANCE & ESTATES COMMITTEE

Residences Budget Assumptions and Fees 2005/06

- 253 The Court received and approved the proposed residences fees for 2005/06.

Tuition and Miscellaneous Fees 2005/06

- 254 The Court received and approved the proposed tuition and miscellaneous fees for 2005/06.

Increase in Going Rates for Entry to Law in 2007

- 255 The Court received and approved the proposed 'going rates' for entry to LLB programmes in 2007.

STAFFING AND DEVELOPMENT COMMITTEE

Framework Agreement - Job Evaluation

- 256 The Court noted that, as part of the implementation of the Framework Agreement, the University was required to undertake a comprehensive job evaluation process.
- 257 The Committee recommended the approval of the adoption of four "job families" as the most appropriate way forward, subject to the formal approval of Joint Negotiating and Consultative Committee.
- 258 The Court approved the recommendation.

Clinical Academic Staff - Memorandum of Understanding with NHS

- 259 The Court received a recommendation from the Committee to approve a Memorandum of Understanding between the University and a number of NHS organisations.
- 260 As part of the implementation of the New Consultant Contract, the University and the NHS were required to set out a clear and coherent framework within which to deliver undergraduate and postgraduate education, clinical supervision, teaching and training by NHS and University employed staff. The draft Memorandum of Understanding was intended to address this requirement.
- 261 The Court approved the Memorandum of Understanding.

NOMINATING COMMITTEE

Appointment of Vice-Principal (Learning and Teaching)

- 262 The Court approved the recommendation of the Principal that Ms Cathy Macaslan, currently Head of the School of Education, be appointed to the redesignated position of Vice-Principal (Learning & Teaching) from 1 August 2005 for an initial fixed period of three years.

Convenorship of the Health and Safety Committee

- 263 The Court agreed that Professor Rodger be appointed to succeed Professor Houlihan as Convenor of the Health and Safety Committee.

DRAFT RESOLUTION No of 2005
[CHANGES IN REGULATIONS FOR VARIOUS DEGREES]

- 264 The Court, having noted that the draft Resolution [Changes in Regulations for Various Degrees] had been amended and approved by the Senate, and had been considered by the Business Committee of the General Council, and that no other representations had been received, decided to pass the Resolution as set out in the appendix to this minute.

DRAFT ORDINANCE No of 2005
[USE OF SURPLUS ENDOWMENT REVENUE]

- 265 The Court noted that a number of University endowments had effectively become inoperative because the particular terms of the endowment were generally no longer met by the University. The purpose of the Draft Ordinance [Use of Surplus Endowment Revenue] was to free up such unused reserve balances that could no longer be used to meet the original terms of the endowment, while protecting the original (capital) element of the fund. Legal advice indicated that this was the most efficient means of releasing funds for use.

- 266 The Court approved the draft Ordinance and agreed to forward it to the Senate and to the General Council for comment and for it to be displayed for internal consultation before coming back to the Court for formal approval and submission to the Privy Council.

RECTORIAL ELECTION

- 267 The Court approved a recommendation from the Principal, on behalf of Senate, that nominations for election of a Rector close at 1.00pm on Thursday 28 April 2005, with a vote being taken on Thursday 12 May 2005.

EQUALITY AND DIVERSITY SEMINAR FOR COURT MEMBERS

- 268 The Court noted that a briefing session on equal opportunities issues and legislation was being organised for Court members on the morning of 24 May.

JOINT PLANNING FINANCE & ESTATES COMMITTEE

Health Sciences Enterprise Unit

- 269 The Court noted that the Committee had received an update from Professor Houlihan on the progress of discussions with NHS Grampian and Scottish Enterprise Grampian in relation to a shared building to house spin-out and other companies on the Foresterhill site.

SHEFC Financial Memorandum

- 270 The Court noted that the Committee had received and, for its part, approved the draft institutional response to SHEFC Consultation HEC/01/04 on the revised Financial Memorandum between the Funding Councils and HE and FE Institutions. (See *Minutes* 241-242)

Key Performance Indicators

- 271 The Court noted that the Committee had received and considered a paper setting out institutional progress against Key Performance Indicators. (See *Minute* 310)

Postgraduate Research Studentships

- 272 The Court noted that the Committee had received and approved a paper on the investment of £360K from the 2005/06 Strategic Investment Fund to resource additional research studentships in areas of strategic importance.

Collaboration

Aberdeen Centre for Environmental Sustainability

- 273 The Court noted that the Committee had received an update on the ongoing development of the Aberdeen Centre for Environmental Sustainability with the Macaulay Institute.

Rowett Research Institute

- 274 The Court noted that the Committee had received an update on discussions between the University and the Rowett Institute regarding possible models of closer collaboration.

Fisheries Research Services

- 275 The Court noted that the Committee had received an update on the progress of discussions with the Fisheries Research Services with a view to forming closer collaborative links.

University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS) – Actuarial Valuation 31.7.04

276 The Court noted that the Committee had received a paper regarding the University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS) Actuarial Valuation at 31 July 2004.

277 The Court noted that the Committee had approved a recommendation that authority be delegated to the Convener and the Principal to take the matter forward in light of decisions required by the end of April, 2005.

Management Accounts for the Six Months Ending 31 January 2005

278 The Court noted that the Committee had received copies of the Monthly Management Report for the six months ending 31 January 2005.

SHEFC Mid-Year Financial Return 2004/05

279 The Court noted that the Committee had approved the Mid-Year Financial Return 2004/05 for submission to SHEFC.

Analysis of Scottish Universities' Annual Accounts 2003/04

280 The Court noted that the Committee had received and considered a paper setting out a sectoral financial analysis of Scottish Universities' Annual Accounts for 2003/04, using information extracted from the Statutory Accounts of each of the Scottish Universities.

Capital Expenditure Sub-Committee

Central Heating Station

281 The Court noted that the Committee had noted that tenders had recently been received for the Central Heating System Replacement, which far exceeded the approved budget of £8.434M (See *Minutes* 243-248)

Recurrent Capital Programme 2005/06

282 The Court noted that the Committee had approved proposals for the allocation of the annual capital programme 2005/06.

Integrated Human Resources and Payroll System

283 The Court noted that the Committee had approved a proposal for the implementation of a fully integrated human resources and payroll system at a cost of £205K.

Capital Programme 2004/05

284 The Court noted that the Committee had received a report on capital expenditure for the period ending 31 January 2005 and noted that there were no major issues.

Project Board Reports

285 The Court noted that the Committee had been informed that the Sub-Committee had received Project Board Reports regarding the Student Centred Facility, Marischal College, Cruickshank Building, Zoology Building, Institute of Applied Health Sciences I and II.

Education Relocation

286 The Court noted that the Committee had been informed that the refurbishment of the MacRobert Building was three weeks behind programme. Plans were being reviewed for the decant of the Hilton site, which would take place during summer 2005.

- 287 Consideration of the planning application for the Hilton Site had been deferred by the Council Planning Committee in January 2005 pending a site visit and reconsideration of issues raised. Negotiations were ongoing between the University and the developer. It was noted that the application was unlikely to be considered at the next Planning Committee in March 2005.

Sports Facilities

- 288 The Court noted that the Committee had been informed that a new Project Board had been formed, consisting of senior representatives of the University and Aberdeen City Council. Consultants would be appointed to take the project forward and manage the development stage.

Library

- 289 The Court noted that the Committee had noted that the Draft Technical Brief for the new Library had been submitted and considered by the Project Board.

Student Accommodation

- 290 The Court noted that the Committee had noted that the completion date of the Dunbar Hall Project had been re-scheduled for September 2007.

Old Aberdeen Town House

- 292 The Court noted that the Committee had been informed that there was a two-week delay in the Town House project but that it was expected to be completed well in advance of the University's Open Day in August 2005.

Risk Management Committee

- 293 The Court noted that the Risk Management Committee had approved project risk assessments for two major institutional projects; that it had approved an updated version of the Register of Strategic Risks; and that it had also agreed that Heads of Schools could act as project sponsors for projects where their School would be the major beneficiary.

Postgraduate Admissions

- 294 The Court noted that the Committee had received a report on the status of postgraduate admissions as at 1st February 2005 and a report from the meeting of the Postgraduate Strategy Advisory Group on 23rd February 2005.

Undergraduate Applications

- 295 The Court noted that the Committee had received a report on undergraduate applications and applicants as at 1st March 2005.

Purchasing Annual Report 2003/04

- 296 The Court noted that the Committee had noted that the Purchasing Annual Report for 2003/04 was available from the Court and Planning Office.

Science Research Investment Fund Round Three

- 297 The Court noted that the Committee had noted Circular Letter HE/02/05 from the SHEFC, which intimated the arrangements for round three of the Science Research Investment Fund.

AUDIT COMMITTEE

Internal Audit Reports

- 298 The Court noted that the Committee had approved the following internal audit reports from Deloitte & Touche and had agreed that, where appropriate, reports on follow-up action be carried out in due course:
- (i) Risk Management, Corporate Governance and Insurance (Report No. 15 of 2003/04)
 - (ii) Accommodation and Residences (Report No. 16 of 2003/04)
 - (iii) Transparency Review (Report No. 1 of 2004/05)
 - (iv) Sport and Recreation Services (Report No. 2 of 2004/05)
 - (v) School of Psychology (Report No. 3 of 2004/05)
 - (vi) School of Law (Report No. 4 of 2004/05)
 - (vii) Health and Safety (Report No. 5 of 2004/05)
 - (viii) Follow-up on Fundraising and Marketing Internal Audit of 2002/03
- 299 The Court noted that the Committee had recorded good progress in accepting and implementing recommendations made by the auditors.

Review of Stores

- 300 The Court noted that the Committee had approved the engagement of Henderson Loggie to carry out a detailed review of University Stores, which would investigate in more detail issues raised by Deloitte's internal audit report of November 2004.

STAFFING & DEVELOPMENT COMMITTEE

Framework Agreement

- 301 The Court noted that the Committee had welcomed the progress made to date and noted that work was progressing in line with the timescales envisaged in the project plan.

Fixed-Term Workers

- 302 The Court noted that the Committee had welcomed the reduction in the number of staff employed on a fixed-term basis.
- 303 The Court noted that the Committee had anticipated that a communication would be circulated to staff in summer 2005 to provide a progress update and to provide information about the ongoing discussions in relation to externally funded posts.

Teaching and Learning

- 304 The Court noted that the Committee had referred to the University Committee on Teaching and Learning the development of proposals to ensure that all teaching staff within the University received appropriate training and development.
- 305 The Court noted that the University might participate in a national consultation process on professional standards in teaching and learning.

SENATE REPORT

Draft Ordinances

- 306 Draft Ordinance No. of 2005
[Power to Extend the University by Affiliating Colleges and Other Educational Bodies]
- 307 Draft Ordinance No. of 2005
[Power to Incorporate into the University Other Universities, Colleges and Other Educational Bodies]
- 308 The Court noted that the Senate, for its part, had approved the two draft Ordinance, as referred to it by the Court.

Effectiveness Review of Senate

- 309 The Court noted that Senate, in the light of the recent CUC Guidelines on Governance, had agreed to establish a Working Group to take forward an effectiveness review of Senate and its sub-committees.

KEY PERFORMANCE INDICATORS

- 310 The Court noted a paper setting out Key Performance Indicators in three categories: progress against key institutional targets, the level of attractiveness of the institution and the efficiency of operations.

PAPERS FOR INFORMATION AVAILABLE BY REQUEST

- 311 The Court was informed that the following papers were available on request from the Court Office:
- (i) MINISTERIAL LETTER OF GUIDANCE TO SHEFC FOR 2005-06.
 - (ii) TRANSPARENCY REVIEW 2003/04
 - (iii) HESA NEW INDIVIDUALISED STAFF RECORD 2003/04

DATE OF NEXT MEETING

- 312 It was noted that the next scheduled meeting of Court would be held on Tuesday 24 May 2005 at 2.00pm