

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

Minutes of meeting held on 12 December 2006

Present: Dr A Mair (in the Chair), Principal, Mr A Amooore, Professor P Beaumont, Professor I Booth, Mr T Brotherstone, Lady Catto, Ms J Craw, Mrs S Grant, Miss A Harper, Professor D Houlihan, Mr J Leiper, Mr M Lockhead, Professor S Logan, Ms C Macaslan, Dr M Mackie, Mr R Miller, Mrs M Ross, Professor C Secombes, Councillor J Stewart, Mr S Styles, with Professor C Gane, Professor N Haites, Professor A Rodger, Mr S Cannon, Ms I Bews, Mr A Donaldson, Mrs C Inglis, Dr P Murray, Mrs L Manders, Dr T Webb and Mr B Purdon (Clerk).

Apologies were received from the Rector, Sir Don Cruickshank, Councillor P Johnston, Mr M Moir, Mr R Ruddiman and Professor B MacGregor.

MINUTES

81 The Minutes of the meeting held on 31 October 2006 were approved.

STATEMENT BY PRINCIPAL

82 The Principal advised Court of the recent death of a student and a graduate in a climbing accident in the Cairngorms. The University was establishing the circumstances of the incident in consultation with the Students' Association and would consider whether any changes in practices were required but at this stage no issues had been identified. The Principal had written to both of the families concerned to convey the University's condolences on the tragic loss of their sons.

83 The Principal informed Court that discussions with the Rowett Research Institute were continuing at officer level to take forward a number of issues regarding the merger process.

84 The Principal informed Court that a recent announcement by Sportscotland that it would contribute £7 million to support the Regional Sports Facility enabled the University and the City Council to move ahead with the project.

85 The Principal informed Court that at a recent meeting of the Senate he had announced that the University would undertake a major review of curriculum provision and content.

UNIVERSITY ANNUAL ACCOUNTS

86 The Court received the University's Group Consolidated Annual Accounts for the financial year 2005-06, which had been considered by the Audit Committee and forwarded by the Joint Planning Finance and Estates Committee with a recommendation for their approval by the Court (*See also Minutes 118 and 127-129 below*). The Court also received a commentary from the Finance Director which highlighted key audit and accounting issues; and the External Auditors' Report which provided a clean audit opinion.

87 The Director of Finance drew to the Court's attention a number of key points in the Accounts. These reported an historic cost surplus of £8.9m, which included two exceptional items, being the costs incurred as part of the three year restructuring, £0.4m, and the gain on sale of the Hilton Campus £8m. Excluding these items, the historical cost surplus would be £1.4m. Income had increased by £9.0 m (6.06%) in the year, with research grants and contracts income having increased by £4.7m (12.2%), although £0.3m of the increase related to Full Economic Costing.

- 88 The Director of Finance also reminded the Court that it was the first year in which the University had been required to take into account the reporting requirements on pensions under Financial Reporting Standard 17. Accordingly, a deficit of £15.6m in the University's Superannuation and Life Assurance Scheme had been taken to the balance sheet. An actuarial revaluation of the scheme was being undertaken in the course of 2007 and the University would come back to the Joint Planning, Finance and Estates Committee and Court with further reports on the deficit position.
- 89 The Court approved the University's Annual Accounts for the financial year 2005-06.
- 90 The Court also noted the Annual Summary Report on Endowments which had increased in value in the year by 17.05% to £32.1m. This reflected the general improvement in the stock market in the course of the year.

JOINT PLANNING FINANCE AND ESTATES COMMITTEE REPORT

Cash Flow and Borrowing Strategy

- 91 The Court received from the Joint Planning, Finance and Estates Committee an updated version of the cash flow planning and borrowing strategy approved by the Court in December 2005.
- 92 The Court approved, on the recommendation of the Joint Planning, Finance and Estates Committee, the following recommendations:
- (i) that an update of the cash flow planning and associated capital programme be carried out annually, on a rolling 10-year basis;
 - (ii) that quarterly reviews of the annual cash flow, including borrowing requirements, be reported in the Monthly Management Report;
 - (iii) that the current level of borrowing facility be maintained as funding for interim borrowing, and reviewed as capital projects are progressed;
 - (iv) that projects not yet prioritised be challenged in terms of cost and alternative solutions, and ranked according to priority.

Library Project

- 93 Professor Gane introduced to Court a report from Library Project Board, together with a commentary on the financial implications of the current scheme. The Court noted that the project had been developed over the last 8 months to meet the design and functional requirements of the brief. The cost of the current scheme, that met most of these functional requirements, was estimated to be £78 million, which significantly exceeded the agreed budget of £55.5 million. The Board had considered alternative schemes, but these had failed to deliver the design and functional requirements of the brief within the agreed budget.
- 94 The Court agreed that, although the project should aim to deliver the University's aspirations, it also needed to be affordable. There was still a degree of uncertainty over costs and a need to clarify both these and the sources of finance for the project.
- 95 After discussion the Court approved the following next steps as set out in the paper:
- (i) to seek greater clarification and precision on likely costs and funding;
 - (ii) if necessary, to review the design and specifications of the brief and the financial assumptions that underpin them; and
 - (iii) under the auspices of the University's senior management team, to bring forward affordable recommendations.

KEY PERFORMANCE INDICATORS FOR YEAR END

- 96 Professor Logan introduced to Court a paper that set out the final key performance indicators for the three year period from 2003/04 to 2005/06. He also informed Court that the Committee of University Chairmen had recently published a report on the content and style of key performance indicators. The Court noted that the report was available on the web or on request. The University would review these and revise its existing key performance indicators accordingly in the course of 2006/7. (*See Minute 121 below*).
- 97 The Court noted the final key performance indicators for the three year period 2003/04 to 2005/06.

FRAMEWORK AGREEMENT

- 98 The Director of Human Resources introduced to Court a paper summarising the progress the University had made in implementing the modernisation of pay structures and human resource management.
- 99 The Court noted that the University had introduced new pay and grading arrangements on 1 August 2006 following a lengthy period of detailed partnership working with campus Trades Unions on the construction of the new grading system and the evaluation and subsequent assimilation of all staff roles within the University to the new structure.
- 100 The Court noted that the University had made significant progress in this area and that an evaluation report would be prepared for Court to submit to the Scottish Funding Council in February 2007. The Court also recorded its appreciation for the efforts of all staff and Trade Union colleagues in this process.

JOINT PLANNING FINANCE AND ESTATES COMMITTEE REPORT

Overseas Tuition Fees

- 101 The Court received a paper that had been approved by the Joint Planning, Finance & Estates Committee and which set out proposed tuition fees for overseas students for 2007-08. It noted that the University needed to set overseas tuition fees at a level which was in line with market prices and recovered the full costs of teaching these students.
- 102 The Court approved the following recommendations:

- (i) that the following "headline" fees be approved for student intakes during academic year 2007-08:

Arts-based programmes	£8,750
Science-based programmes	£11,250
Clinical Medicine	£21,500
MBA	£11,000

- (ii) that the approved tuition fee would be applicable for the whole of the programme of any student commencing a one-year full-time taught postgraduate programme during the academic year 2007-08.

Regional Sports Facilities

- 103 The Court noted that the Joint Planning, Finance & Estates Committee had received a report on the progress of the bid to SportsScotland to increase its contribution to the Regional Sports Facilities project from £5 million to £7 million. The Court noted that there had been a delay in the consideration of the bid by SportsScotland; an announcement had been expected in October, but it was now expected that the outcome of the bid would be announced by the end of December. (*See Minute 84*)

- 104 The Court approved the recommendation to release a further £200K from the existing project budget to allow the project to continue to progress in the interim, subject to a matching contribution from Aberdeen City Council.

AUDIT COMMITTEE REPORT

- 105 The Court received the Audit Committee's annual report for 2005/06 and the Internal Auditor's annual report for 2005/06. The Court noted that the Internal Auditor's Report had raised one recommendation categorised as 'priority one' in relation to a review of the University's Assisted Reproduction Unit. The Court was informed that steps were being undertaken to address this recommendation and progress against this was being monitored by the Audit Committee.
- 106 The Court approved the Audit Committee annual report for 2005/06 and the Internal Auditor's annual report for 2005/06 for submission to the Scottish Funding Council.
- 107 The Court approved a recommendation from the Audit Committee to re-appoint PricewaterhouseCoopers as external auditors for the year commencing 1st January 2007.

STAFFING AND DEVELOPMENT COMMITTEE REPORT

Procedure on Staff Retirement

- 108 The Court approved, on the recommendation of the Staffing & Development Committee, an amendment to the previously approved Policy on Staff Retirement, namely the insertion of a new section on the Right of Appeal.

Disclosure Scotland

- 109 The Court received a recommendation from the Staffing and Development Committee to amend the University's existing Disclosure Policy. To meet the requirements of the Protection of Children (Scotland) Act, the existing Disclosure Policy required all new members of staff to undergo a Disclosure Scotland check.
- 110 The implementation of this process had been reviewed and the Staffing and Development Committee had accordingly recommended approval of the following amendments to the Policy:
- 1) That the University adopt a risk-based approach to undertaking Disclosure Scotland checks. In particular, the current practice of mandatory checks for all new members of staff should be replaced with an assessment of the level of risk attached to each post prior to advertisement. In circumstances where the duties attached to a post are deemed to require the postholder to undergo a Disclosure Scotland check, but where the timescale associated with the checking process was likely to cause serious problems, Heads of School/Section might, at their discretion, permit the new member of staff to commence employment. This permission would only be granted on the condition that adequate supervision in appropriate situations would be provided.
 - 2) That Heads of School who employed Temporary Services staff be reminded of the University's obligations in terms of the legislation and requested to ensure that a risk assessment process was conducted on the level of risk attached to each temporary post.
 - 3) That with immediate effect a risk assessment process to identify existing staff whose duties would require them to undergo a Disclosure Scotland check be rolled out across the University on a School by School basis.

- 4) That a risk assessment be undertaken at the tendering stage for contractors supplying staff who could potentially be in a situation to pose a risk to those covered by the legislation. In situations where it was deemed necessary for checks to be undertaken, contractors would be asked to provide the University with written confirmation of either satisfactory Disclosure Scotland checks or the provision of appropriate supervision, if required, prior to their staff commencing work on campus.

111 In discussion, a member of Court expressed concern at the change from the existing approach to one where new members of staff could begin employment without the Disclosure Check process having been completed.

112 The Court approved the recommendations.

Note by Clerk: Owing to subsequent developments, University management have agreed to consider these issues further and, if appropriate, bring back to Court new proposals in due course.

NOMINATING COMMITTEE REPORT

Research Assessment Exercise Submission Appeals Panels

113 The Court appointed Ms A Harper to the pool of Court members that could be called upon to hear Research Assessment Exercise submission appeals.

Joint Committee on Equal Opportunities

114 The Court appointed Mr J Leiper as a lay member of the Joint Committee on Equal Opportunities.

Conflicts of Interest Committee

115 The Court appointed Dr A Mair (Convener), Mr R Ruddiman (Lay member), and Professor C Gane (Vice-Principal) to the Conflicts of Interest Committee.

RESOLUTION No 247 of 2006 [JAMES CLERK MAXWELL CHAIR OF MATHEMATICAL PHYSICS]

116 The Court, having noted that the draft Resolution No 247 of 2006 [James Clerk Maxwell Chair of Mathematical Physics] had been approved by the Senate, and had been considered by the Business Committee of the General Council, and that no other representations had been received, approved the Resolution as set out in the appendix to this minute.

RESOLUTION No 248 of 2006 [REGIUS CHAIR OF HUMANITY]

117 The Court, having noted that the draft Resolution No 248 of 2006 [Regius Chair of Humanity] had been approved by the Senate, and had been considered by the Business Committee of the General Council, and that no other representations had been received, approved the Resolution as set out in the appendix to this minute.

JOINT PLANNING FINANCE AND ESTATES REPORT

University Annual Accounts 2005/06

118 The Court noted that the Committee had received and considered the audited University Annual Accounts for the financial year 1 August 2005 to 31 July 2006, together with a Commentary from the Finance Director, a summary of Endowments for the year, and the External Auditor's report, and had agreed to recommend the Accounts to the Court for approval. (*See also Minutes 86-90 and 127-129*)

Student Population Planning

- 119 The Court noted that the Committee had received a paper which analysed the student population and identified the key issues and consequences arising from it. The Court also noted that a working group, comprising the Vice-Principal for Teaching and Learning, Heads of College and the University Secretary had been established to take forward student population planning issues.
- 120 The Court further noted that the Committee had delegated authority to the executive to develop admissions targets, which the Committee would be invited to homologate at its meeting on 23 January 2007.

Key Performance Indicators

- 121 The Court noted that the Committee had received a paper setting out the final key performance indicators for the three-year period from 2003/04 – 2005/06. (See *Minutes 96-97 above*)

Monthly Management Accounts 2005/06

- 122 The Court noted that the Committee had received copies of the Monthly Management Accounts for the period ending 31 October 2006.

Capital Expenditure Sub-Committee Report

- 123 The Court noted that the Committee had noted progress reports on various projects including the Regional Sports Facilities; the Oceanlab Facility; 50-52 College Bounds; Fraser Noble; the Central Heating Station; and the refurbishment of Hillhead Student Accommodation. The Committee had also noted progress with the proposal to develop, in association with the private sector, a commercial scheme located behind the façades of the premises at 15-25 High Street, for which market testing was now planned. This would not involve any financial or other commitment from the University.
- 124 The Court noted that the Joint Planning, Finance & Estates Committee had approved the following recommendations:
- (i) that a planning application be lodged to construct an Oceanlab facility as envisaged by the Oceanlab project board, on a site adjacent to the existing field station site, and that the University purchase this site at a cost of £150K plus costs. Notwithstanding whether Oceanlab progressed as envisaged by the project board, the acquisition of the site would be funded from the disposal of Culterty House, and would provide a strategic benefit for the University's future development of the field station.
 - (ii) that £65K from the anticipated proceeds of the ground lease of Carnegie Court (Hillhead) to Unite be used to appoint service consultants to prepare service designs for the whole Hillhead site.

Biomedical Enterprise Unit

- 125 The Court noted that the Committee had noted a letter from Scottish Enterprise, dated 11 October 2006, confirming Scottish Enterprise's contribution of £1.6M towards construction and fit-out costs of the planned Foresterhill Biomedical Enterprise Centre. The University's agreed contribution towards this project was £350K.

Policy for Intellectual Policy Exploitation

- 126 The Court noted that the Committee had received a paper setting out a University Policy for Intellectual Property Exploitation (spin-out companies) and Revenue Sharing. It had noted that, since the paper had been circulated, a number of points of clarification had been suggested by the University's solicitors, McGrigors. These changes did not affect the substance of the overall policy, and the Committee, for its part, approved the policy, subject to the changes suggested by McGrigors being made. The Policy, once revised in line with the comments from McGrigors, would be presented to Court in due course.

AUDIT COMMITTEE REPORT

University Annual Accounts: Year Ended 31 July 2006

- 127 The Court noted that the Committee had considered the University's Annual Accounts for the financial year 2005/06, together with a commentary from the Director of Finance and a summary of Endowment funds, prior to their submission to the Joint Planning, Finance and Estates Committee meeting of 28 November, and to the University Court.
- 128 The Court also noted that the Committee had received the External Auditors' Report to the Audit Committee and considered the conduct of the audit and had noted that an unqualified audit opinion in respect of the consolidated accounts would be issued. (See also *Minutes* 86-90 and 118).
- 129 The Court noted that the Committee was satisfied with the work of the external auditors and that the accounts represented an accurate statement of the University's position for the 2005/06 financial year.

HEALTH AND SAFETY COMMITTEE REPORT

- 130 The Court received the annual summary report from the Health and Safety Committee, regarding issues it had considered in the course of the academic year 2005/06. The Committee had identified no major areas of concern that required the attention of Court and accordingly there were no changes to general University Health and Safety policies that were considered necessary.
- 131 In discussion, it was agreed that the Committee should compile data on the number of 'near miss' accidents to establish where potential accidents might occur. With respect to the numbers of 'enforcing authority reportable' accidents, the Court noted that the number of accidents per 1000 staff individuals at risk had improved in 2005, from 4.4 to 3.3 but remained slightly above the UK university average and the University's benchmark figure of 2.7. It was agreed that the Committee should keep Court informed of progress in improving this further towards the benchmark.

FUTURE BUSINESS

- 132 Members of Court were invited to forward to the Clerk any matters which they felt should be included in Court papers as future business

DATE OF NEXT MEETING

- 133 It was noted that the next meeting of Court would be held on Tuesday 6 February 2007 at 2.00pm.