

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

MINUTES OF MEETING HELD ON 23 NOVEMBER 2021

(in the King's College Centre and via Teams)

Present: Julie Ashworth (in the Chair), Keith Anderson, Colette Backwell (via Teams), George Boyne (agenda items 1-9), Owen Cox, Nick Edwards, Alisa Koester, Helen Martin, Gary McRae (via Teams), Lyndsay Menzies (agenda items 1-9), Caryn Miller, Martin Mills (agenda items 1-7 and 9-14), Anne Minto (agenda items 1-10), Iain Percival (via Teams), Charlotte Pope-Williams, Joachim Schaper, Diane Skåtun, Otto Thoresen, Lindsay Tibbetts, Camilo Torres Barragán, Robert Traynham and Neil Vargesson.

In attendance: Marion Campbell, Rob Donelson, Debbie Dyker, Pete Edwards, Jenny Fernandes, Karl Leydecker, Tracey Slaven (via Teams), Alan Speight, Ruth Taylor, Phil McNaull, Iain Torrance KCVO, Peter Milne (agenda item 7 only via Teams) and Heather Crabb (Clerk *vice* B Purdon).

Apologies for absence were received from Iain Mackay and Eleanor Bentley.

NEW MEMBERS

- 55 The Court welcomed Otto Thoresen and Robert Traynham to their first meeting since formally taking up office as members of Court.
- 56 The Court welcomed Pete Edwards and Phil McNaull to their first meetings since their appointment as Vice-Principal (Regional Engagement & Regional Recovery) and Interim Director of Finance respectively.

DECLARATIONS OF INTEREST, BUSINESS FOR DISCUSSION AND  
REMINDER OF COURT AND MEMBER RESPONSIBILITIES

- 57 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*).
- 58 No declarations of interest were received.

MINUTES

- 59 The Minutes of the meeting held on 29 September 2021 were approved, subject to an amendment to Minute 17 to clarify that the reference to phasing out of joint committees of Court and Senate would apply to current committees and did not presume that Joint Committees might never be appropriate (*copy filed with the principal copy of the Minutes*).

ACTION LOG AND MATTERS ARISING

- 60 The Court noted the updated Action Log (*copy filed with the principal copy of the Minutes*).
- 61 No matters arising were noted.

ORAL REPORT FROM THE SENIOR GOVERNOR

- 62 The Senior Governor, Julie Ashworth, provided an oral update on the activities she had undertaken since the previous meeting including the introduction of regular discussions with the Chairs of Robert Gordon University and NESCOL. The Court was advised of the outcome of the recent Rectorial Election and noted that Martina Chukwuma-Ezike would formally take up office on 1 January 2022.

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

- 63 The Court was advised that the projected tuition fee income arising from the September 2021 student intake was c.£1M ahead of budget for the financial year 2021/22 and that the application rate for entry in January 2022 was double that of the comparable period in the previous year. The Court anticipated receiving a revised budgetary forecast at its next meeting, which would also reflect investment in additional academic staffing.
- 64 The Court also noted that the first in-person graduation ceremonies for two years would take place in both Aberdeen and Qatar in November.
- 65 The Court noted the importance of research to the University in terms of League Table ranking, revenue, reputational standing and international student recruitment. The Court welcomed the ongoing progress being made in research, including the establishment of the Interdisciplinary Centres and noted in particular that the recruitment process to appoint Centre Directors had attracted high-quality applicants with excellent academic standing.
- 66 The Court was advised that the University continued to play a strong role in the local economic and wider regional recovery process. The Court noted the University's participation in the North-East Scotland Regional Pathfinder initiative, which had been established by SFC to explore approaches to enhance the coherence and responsiveness of skills provision in the region, including short, online and on-campus provision.
- 67 The Court also received a report on recent policy developments relating to higher education and the recent achievements of staff and students at Aberdeen (*copy filed with the principal copy of the Minutes*).

### PRESENTATION: WHY LEAGUE TABLES MATTER

- 68 The Court received a presentation from the Senior Vice-Principal which provided a critique on the use of League Tables in the Higher Education sector, including a summary of the University's position in national and international rankings and the ongoing activities to enhance performance in key areas such as academic and employer reputation, staff/student ratios and graduate outcomes. The central role played by the Aberdeen 2040 Implementation Plan in driving further enhancements to student employability skills and employer engagement were noted as being key to improving future graduate outcomes, reputational recognition and League Table rankings.
- 69 The Court discussed the importance of collating and analysing data to identify the impact of reputational surveys and League Table rankings on student recruitment decisions, especially in relation to international students. The Court requested further information and data on the factors which influenced student choice across a range of target markets and audiences.
- 70 The Court noted the importance of governors engaging with, and being supportive of, activities underpinning the University's efforts to enhance its performance in League Table rankings. The Court welcomed the ongoing work with employers to identify current and anticipated skills needs and the planned curriculum developments to enhance graduate attributes/skills and work experience opportunities for students. The Court agreed to return to the subject of employability at future meetings.

### ANNUAL REPORT/ACCOUNTS and ASSOCIATED REPORTS

#### GOING CONCERN REPORT

- 71 Thanks were expressed to Caryn Millar for agreeing to take the Chair of Audit & Risk Committee for its November meeting. The Court also welcomed Peter Milne (external member of the Audit & Risk Committee) to the meeting.
- 72 The Court received and noted a paper (*copy filed with the principal copy of the Minutes*) on the University's net current liability position, projected cash flows and short-term financing risks

and noted that this demonstrated that the University could continue on a going concern basis for a period of 12 months from the date of approval of the accounts. The Court was advised that if the USS benefit reform was not agreed, the University would breach its lenders' covenants and noted the actions that would be taken with current lenders to manage such a scenario should it arise.

#### **FINANCING REPORT FOR YEAR END 31 JULY 2021**

- 73 The Court received and noted a paper (*copy filed with the principal copy of the Minutes*) which outlined the University's long-term financing and which assessed compliance with both internal and external covenants.

#### **ANNUAL REPORT AND ACCOUNTS FOR YEAR END 31 JULY 2021**

- 74 The Court noted and approved the University's annual report and accounts for the year ended 31 July 2021 (*copy filed with the principal copy of the Minutes*).
- 75 The Court noted that the University had reported a surplus of £36.2M for the year ended 31 July 2021 reflecting an underlying surplus of £8.7M from normal operating activities following receipt of significant Covid support funding from the Scottish Funding Council (SFC). The overall positive non-cash movement of £18.6M for the Universities Superannuation Scheme (USS) and University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS) pension liability figures were the primary factor underlying the difference between underlying and total surplus. The Court also noted that other items included a gain on the sale of surplus land (£4.5M) and movements in the value of investment portfolios.

#### **EXTERNAL AUDITOR'S REPORT & REPRESENTATION LETTER**

- 76 The Court received and noted a report from its External Auditors for the year ending 31 July 2021, together with the University's Representation Letter which was to be signed on behalf of the Court by the Senior Governor (*copy filed with the principal copy of the Minutes*).

#### **AUDIT AND RISK COMMITTEE ANNUAL REPORT TO COURT AND ROUTINE COMMITTEE REPORT**

- 77 The Court received and approved for submission to the SFC the Audit & Risk Committee's Annual Report covering the period from 1 August 2020 to 31 July 2021 (*copy filed with the principal copy of the Minutes*). The Court noted that the Report would accompany the University's Annual Accounts and reports from the Internal and External Auditors as part of the package of reports submitted to SFC.
- 78 The Court received and noted the outcomes of Critical/High Risk internal audit recommendations in relation to (i) business continuity & crisis management, and (ii) project management and procurement.
- 79 In approving the Report, the Court noted the confirmation from the Audit & Risk Committee that, with the exception of the areas highlighted within the Internal Auditor's opinion, the University's internal controls and its financial and management systems were adequate and effective. The Court also noted that the Audit & Risk Committee was satisfied with the adequacy and effectiveness of the institution's arrangements for risk management, control and governance, sustainability, economy, efficiency and effectiveness (value for money) and the quality of data submitted to regulatory bodies (in so far as this fell within the Committee's remit).
- 80 The Court also received and noted the Audit & Risk Committee's routine report (*copy filed with the principal copy of the Minutes*).

#### **INTERNAL AUDITOR'S ANNUAL REPORT**

- 81 The Court received and noted the Internal Auditors' Report for 2020/21 (*copy filed with the principal copy of the Minutes*).



## PRESENTATION AND DISCUSSION WITH CHAIR OF SCOTTISH FUNDING COUNCIL

- 82 The Court welcomed the Scottish Funding Council (SFC) Chair, Deputy Director of Policy and Outcome Agreement Manager to the meeting.
- 83 The Court received an update on the outcomes of the SFC Review of Coherent Provision and Sustainability and was advised that the Scottish Government had accepted the recommendations outlined within the report. The Court noted that the review had presented a package of recommendations designed to address system change within the sector, including (i) multi-year funding commitments, (ii) measures designed to protect excellence in research, (iii) the establishment of coherent tertiary skills provision that can better meet the current and future needs of students and the broader economy, (iv) an emphasis on lifelong learning, and (v) promotion of the importance of international education, the role of 'research standing' and the ways in which universities contribute to local and national economies.
- 84 The Court noted that the implementation of the SFC Review would take place in the context of the Government Spending Review and against a backdrop of increasingly constrained resources.
- 85 In discussion with the SFC representatives, the challenges associated with meeting Widening Access targets were highlighted. The SFC representatives noted that the Review had highlighted the importance of (i) recognising the challenges which had been encountered by universities and colleges across Scotland and (ii) valuing the unique contributions which had been made by individual institutions in addressing Widening Access issues.
- 86 The Court was advised that in implementing the findings arising from the Review, consideration would be given to how the promotion of the tertiary education sector could be enhanced within the business community to support employer engagement activities.
- 87 The Court was advised that two Tertiary Provision Pathfinder initiatives would be established in Scotland. The Court noted the opportunity for the University to engage with schools and other education providers in the region as part of the North-East Scotland Pathfinder initiative to support the future planning of skills provision and skills alignment to support economic recovery. The Court requested additional information from the SFC representatives on the Pathfinder concept, including (i) the roles and accountability of stakeholders, (ii) measures of success, (iii) the use of data to assess regional skills needs, and (iv) the contribution of Pathfinder initiatives to broader Scottish Government plans.
- 88 A detailed discussion on the Pathfinder initiative followed the exit of the SFC representatives from the meeting, particularly around its definition and the implications for, and expectations of, the University as a participant. The Court noted that the establishment of the North-East Scotland Pathfinder provided an opportunity for the University to contribute leadership to skills provision in the local area and to reinforce its contribution to the regional economic development and transformation agenda. The Court anticipated a further discussion on the Pathfinder initiative at the next meeting following receipt of the requested information.

## SCOTTISH FUNDING COUNCIL OUTCOME AGREEMENT

- 89 The Court received and approved for submission to the Scottish Funding Council the University's Outcome Agreement for 2021/22 (*copy filed with the principal copy of the Minutes*).
- 90 In noting the statements within the Outcome Agreement regarding Learning With Impact (Section 3.4), the Court highlighted the importance of ensuring that graduates are equipped with the required employability skills to support them in securing and retaining employment.

## ADDRESSING GENDER BASED VIOLENCE AND SEXUAL HARASSMENT

- 91 The Court welcomed the activities being undertaken to address Gender Based Violence (GBV) at the University. The Court was advised that the University had established the Addressing Gender Based Violence and Sexual Harassment Strategy Group to co-ordinate its response to GBV at a strategic level and welcomed the implementation of the Equally Safe in Higher Education (ESHE) Toolkit.

- 92 The Court was advised that the institutional Gender Based Violence Policy and Action Plan would be launched across the University during the 16 Days of Action Activism Against Gender Based Violence campaign. All Court members were invited to promote the campaign and raise awareness of the issues within their own professional networks.

## GOVERNANCE

### REPORT FROM THE SENATE AND SENATE EFFECTIVENESS REVIEW

- 93 The Court received and noted the report on the main items of business considered by Senate at its October meeting, including the further work to consider the IHRA Definition of Anti-Semitism and possible alternatives, arrangements for delivering teaching for the remainder of Session 2020/21 and possible alterations to the session dates for 2022/23 (*copy filed with the principal copy of the Minutes*).
- 94 The Court received and approved the findings and recommendations arising from the Senate Effectiveness Review which had been undertaken by Advance HE and accepted by Senate at its October meeting. The Court noted that the report had made several recommendations for change to the way Senate operates, including recommendations to enhance communication and connections between (i) Senate and its sub-committees and (ii) sub-committees and Schools. The Court was advised that the University Secretary and Senior Vice-Principal would take forward consideration of the review's recommendations, taking account of the wider governance review, and would present an Action Plan to underpin their implementation to a future meeting of Senate.

### GOVERNANCE REVIEW – REDEFINING COMMITTEE RELATIONSHIPS

- 95 The Court received and approved in principle the proposals outlined in the report (*copy filed with the principal copy of the Minutes*) responding to the Governance Review recommendations on the need for a re-definition of the roles, responsibilities and accountabilities of Court, Senate and Executive bodies within the University, including the number and purpose of sub-committees of Court and Policy & Resources Committee and the phasing out of joint Court/Senate committees. The Court was reminded that the recommendations on Joint Committees were mirrored in the Senate Effectiveness Review and would also be progressed via Senate.
- 96 The Court noted that Investment Committee and Health & Safety Committee (as a statutory responsibility delegated by the Court to Policy & Resources Committee) would remain as sub-committees of Policy & Resources Committee.
- 97 In discussing the proposals, Court noted that the key focus of the proposed changes was to differentiate between (i) the legitimate interest of Court (and Policy & Resources Committee) in strategic issues and (ii) the predominantly executive/management business conducted in those committees currently identified as sub-committees of Policy & Resources Committee. The Court was advised that its responsibility for strategic decision-making and leadership would not change as a result of the proposals. The Court also noted that Policy & Resources Committee would retain responsibility for oversight of the implementation of institutional strategy and the associated financial planning activities. In discussion around the separation of responsibilities between Policy & Resources Committee and Court, the Court was advised that the establishment of a Policy & Resources Committee was not explicitly mandated by any Governance Codes or legislative requirements, but this form of governance structure had been adopted by most large institutions within the sector.
- 98 In approving the proposed direction of travel, the Court highlighted the importance of developing a well-articulated Delegated Authority schedule from Court to (i) its Committees, and (ii) the Principal, in order to identify projects and issues which would require approval by a Court Committee. The Court anticipated receiving the revised Delegated Authority schedule at the March meeting.

## **NAMING OF ASSETS POLICY**

- 99 The Court received and approved the Naming of Assets Policy (*copy filed with the principal copy of the Minutes*) to provide a framework for the recognition of those who have given notable philanthropic benefaction or service to the University and to support the preservation of the University's heritage. The University Secretary was asked to ensure that the membership of the joint (University and Development Trust) Adhoc Oversight Committee had access to appropriate academic expertise. The Court also noted the importance of the policy to the preparations for the forthcoming fundraising campaign.
- 100 The Court discussed the due diligence process which was undertaken prior to the naming of any asset as outlined in the policy and noted that the final approving of naming opportunities was delegated to the Senior Governor and Chair of Policy & Resources Committee (with the opportunity to escalate any matters requiring further reassurance to Court).

## **REPORT FROM GOVERNANCE AND NOMINATIONS COMMITTEE**

- 101 The Chairing of the meeting passed to Charlotte Pope-Williams for this item to enable the Senior Governor to present the Governance & Nominations Committee Report.
- 102 The Court received a report and verbal summary from the Chair on the key items of business considered by the Governance & Nominations Committee on 8 November 2021 (*copy filed with the principal copy of the Minutes*).
- 103 The Court, on the recommendation of the Committee, approved the following recommendations:
- (i) Two proposals for the naming of parts of the new Science Teaching building in recognition of significant philanthropic bequests to the University (noting the proposals had been brought forward to Court pending the approval of the Naming of Assets Policy and that rigorous due diligence reviews on both donors had been completed);
  - (ii) Proposed revisions to the compositions of the Governance & Nominations, Policy & Resources and Remuneration Committees (in line with the new principles for membership agreed by Court in September and the requirements of the Scottish Code of Good HE Governance); and
  - (iii) Extension to the appointment of an external member of the Audit & Risk Committee (noting that this will allow a period of time for the recruitment of two new external members to be undertaken).
- 104 The Court was advised that consideration would be given to developing a skills matrix to underpin the appointment of committee members following the implementation of the proposed changes to committee structures as outlined within the Governance and Senate Effectiveness Reviews.

## **REPORTS FROM COMMITTEES**

### **POLICY AND RESOURCES COMMITTEE**

- 105 The Court received a report and verbal summary from the Chair of the key items of business considered by the Policy & Resources Committee at its meeting on 9 November (*copy filed with the principal copy of the Minutes*), including its consideration of and recommendations to Court on the Annual Report and Accounts and the University's Modern Slavery & Human Trafficking Statement 2021.
- 106 The Court was also advised that the Committee had approved the recommendation from Estates Committee that there should not be transfers between the budgets for the King's Quarter and the Business School construction projects and that each Project Board would be required to manage any cost movements within their respective agreed budgets.
- 107 The Court noted the Committee's approval of an amendment to the Recruitment and Selection Policy, which removed the requirement for members of the University Court to sit on selection committees for appointments to Professorial/Administrative Grade 9 posts (but remaining part of the selection committees for appointments to Head of School and at Director level).



- 108 The Court was advised that in considering the proposals presented to Court on Redefining Committee Relationships (agenda item 11.2), Policy & Resources Committee had requested that it continues to receive information on strategic matters involving (i) pensions and (ii) digital strategy, in view of their financial implications and their potentially significant impact on the operations of the University. In discussion, the Court was advised that the proposal to move existing sub-committees of Policy & Resources Committee to Executive Committees would be underpinned by appropriate Delegation of Authority Schedules. The Court received assurance that Policy & Resources Committee and Court would retain decision-making authority on issues that involved significant financial expenditure and/or reputational impact.

#### **RESEARCH POLICY COMMITTEE**

- 109 The Court received a report and verbal summary from the Chair on the key items of business considered by the Research Policy Committee at its meeting on 16 September 2021 (*copy filed with the principal copy of the Minutes*), including the proposal to create an Institutional Ethics Group as a sub-group, the Aberdeen 2040 Implementation Plan, research applications & awards trends, research income performance, Covid Mitigation and Pump Priming Funds and updates on the UK Research & Innovation (UKRI) Open Access policy and the current ScienceDirect negotiations.

#### **UNIVERSITY EDUCATION COMMITTEE**

- 110 The Court received a report and verbal summary from the Chair on the key items of business considered by the University Education Committee at its meetings on 6 October and 10 November 2021 (*copy filed with the principal copy of the Minutes*), which noted that items of business requiring Court approval had been communicated separately to Court via the Senate.

### **REGULATORY BUSINESS**

#### **ANNUAL REPORT ON PROCUREMENT**

- 111 The Court received and approved the Annual Procurement Report (*copy filed with the principal copy of the Minutes*) for submission to Scottish Government Ministers.
- 112 In noting that it was not an explicit requirement placed upon the University, the Court requested that waivers applied to procurement processes be included in future annual reports for governance assurance purposes.

#### **ANNUAL UPDATE OF MODERN SLAVERY STATEMENT**

- 113 The Court received and approved the University's Modern Slavery & Human Trafficking Statement for 2022 (*copy filed with the principal copy of the Minutes*), which is required as part of the Modern Slavery Act 2015 and the Human Trafficking Exploitation (Scotland) Act 2015.

#### **ADOPTION OF CHANGES TO STANDING ORDERS AND AMENDMENT OF RESOLUTION [PROCEDURE FOR REMOVAL OF MEMBERS OF COURT]**

- 114 The Court received and approved changes to the Court's Standing Orders and an amendment of Resolution No. 288 [Procedure for Removal of Members of Court] (*copy filed with the principal copy of the Minutes*) in line with the required statutory process.

### **DATE OF NEXT MEETING**

- 115 The Court noted that its next meeting would be held on Tuesday, 22 March 2022, 9.00 am – 3.00 pm.

Post-meeting addendum – a further meeting with Governors from The Robert Gordon University and North East Scotland College was to be arranged and it was anticipated would take place immediately following the next Court meeting on 22 March 2022.



Julie Ashworth, Senior Governor

22 March 2022  
Date Approved by Court