

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

Wednesday, 28 February 2024

THE FOLLOWING PAPERS HAVE BEEN WITHHELD ON THE GROUNDS OF CONFIDENTIALITY:

- 7 Update on Annual Accounts/Audit Process and Refinancing/Covenants
- 8 Financial Recovery Plan and Verbal Report from ARC and FRC meetings of 26/27 February 2024
- 9 Future of Modern Languages **Note that this is temporary and this paper will be made available to students and staff as soon as possible.**
- 10.5 Report from Audit and Risk Committee (30 January 2024 Meeting)

THE FOLLOWING PAPERS ARE ENCLOSED BUT SOME SECTIONS HAVE BEEN REDACTED ON THE GROUNDS OF CONFIDENTIALITY/COMMERCIAL SENSITIVITY:

- 10.6 Commercialisation Committee (7 February 2024) (5.10-5.12, 5.15-5.16)
- 10.7 Finance and Resourcing Committee (6 February 2024) (4.3, 4.11, 4.12-4.14, 5.4-5.9, 7.1-7.4, 7.6-7.8, 8.2, 8.4. 9.1-9.4)

There will be a meeting of the **UNIVERSITY COURT** on **Wednesday, 28 February 2024** at 9am to 4pm – venue to be confirmed.

BUSINESS

**All items of business are for discussion, providing information or context relevant for current or future decisions. Those items that require a decision today are annotated accordingly.**

- 1 WELCOME AND RECTOR'S REPORT (verbal Update)
- 2 DECLARATIONS OF INTEREST AND REMINDER OF COURT AND MEMBER RESPONSIBILITIES (enclosed)
- 3 MINUTES: For Approval (enclosed)
- 4 MATTERS ARISING AND ACTION LOG (enclosed)
- 5 REPORT FROM THE SENIOR GOVERNOR (enclosed)
- 6 REPORT FROM THE PRINCIPAL AND UPDATE ON HE SECTOR/ UNIVERSITY DEVELOPMENTS (enclosed)
- 7 UPDATE ON ANNUAL ACCOUNTS/AUDIT PROCESS AND REFINANCING/ COVENANTS (Strictly Confidential): For Decision (enclosed)
- 8 FINANCIAL RECOVERY PLAN AND VERBAL REPORT FROM ARC and FRC MEETINGS OF 26/27 FEBRUARY (Strictly Confidential): For Decision (enclosed)
- 9 FUTURE OF MODERN LANGUAGES (Confidential to University Community): For Decision (enclosed)
- 10 REPORTS FROM SENATE AND COURT SUB-COMMITTEES
  - 10.1 Senate (enclosed)
  - 10.2 PNCC (enclosed)
  - 10.3 Governance and Nominations Committee: For Decision (enclosed)
  - 10.4 Pensions Advisory Group: For Decision (enclosed)
  - 10.5 Audit and Risk Committee (30 Jan Meeting) Strictly Confidential (enclosed)
  - 10.6 Commercialisation Committee (7 Feb Meeting) Part Confidential (enclosed)
  - 10.7 Finance and Resourcing Committee (6 Feb Meeting) Part Confidential (enclosed)

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11 DATE OF NEXT MEETING: 24 April 2024, 9am to 3pm

**Closed Session:** Court Members and Secretary to Court Only – Court Effectiveness  
- Reflections on the Meeting



## UNIVERSITY COURT

### **DECLARATION OF INTEREST, BUSINESS FOR DISCUSSION AND REMINDER OF COURT AND MEMBER RESPONSIBILITIES**

#### **DECLARATION OF INTEREST:**

Any member or individual in attendance (including officers) who has a clear interest in a matter on the agenda must declare that interest at the meeting. Further information and guidance on this is available in the Conflicts of Interest and Loyalty Policy available in [Decision Time Resources Area](#) (Court/General Information for Members) or via advice from the University Secretary.

#### **BUSINESS FOR DISCUSSION:**

All items of business are for discussion, providing information or context relevant for current or future decisions. Those items that require a decision today are annotated accordingly.

#### **RESPONSIBILITIES OF COURT AND COURT MEMBERS**

Enclosed is a reminder for Court, for information, of:

- (a) its remit and primary responsibilities and the schedule of decisions reserved to it;
- (b) the role and duties of members, in particular, as trustees in charity law.

#### **FURTHER INFORMATION**

Further information is available from Bruce Purdon, Clerk to the Court, email [b.purdon@abdn.ac.uk](mailto:b.purdon@abdn.ac.uk).

**Confidentiality Status:** Open

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**RESPONSIBILITIES OF COURT AND DUTIES OF MEMBERS AS CHARITY TRUSTEES****1. REMIT AND RESPONSIBILITIES**

- 1.1 The constitutional basis, authority and responsibilities of the University Court are derived largely from the statutes contained in the Universities (Scotland) Acts from 1858 to 1966 and in the Ordinances and Resolutions made thereunder. Latterly this has been supplemented by the requirements of the Higher Education Governance Scotland (Act). The University is also a registered Scottish Charity and as such the Court as the governing body is the board of trustees, its members are charity trustees and subject to Scottish charities law, with accountability to the Office of the Scottish Charities Regulator (OSCR). The powers and functions of the Court are drawn from these requirements of statute and are set out in its Statement of Primary Responsibilities <https://www.abdn.ac.uk/staffnet/governance/court-information.php#panel2452>
- 1.2 The Court has delegated many of its functions to its sub-committees: Audit and Risk, Commercialisation, Finance and Resourcing, Governance and Nominations, and Remuneration. These are set out in the respective remits of each Committee and under the Schedule of Delegations [UoA-Scheme-of-Delegation-Approved-by-Court-01032023.docx \(live.com\)](#)). It should be noted, however, that Court as the governing body remains ultimately responsible for any decisions made by sub-committees on its behalf.

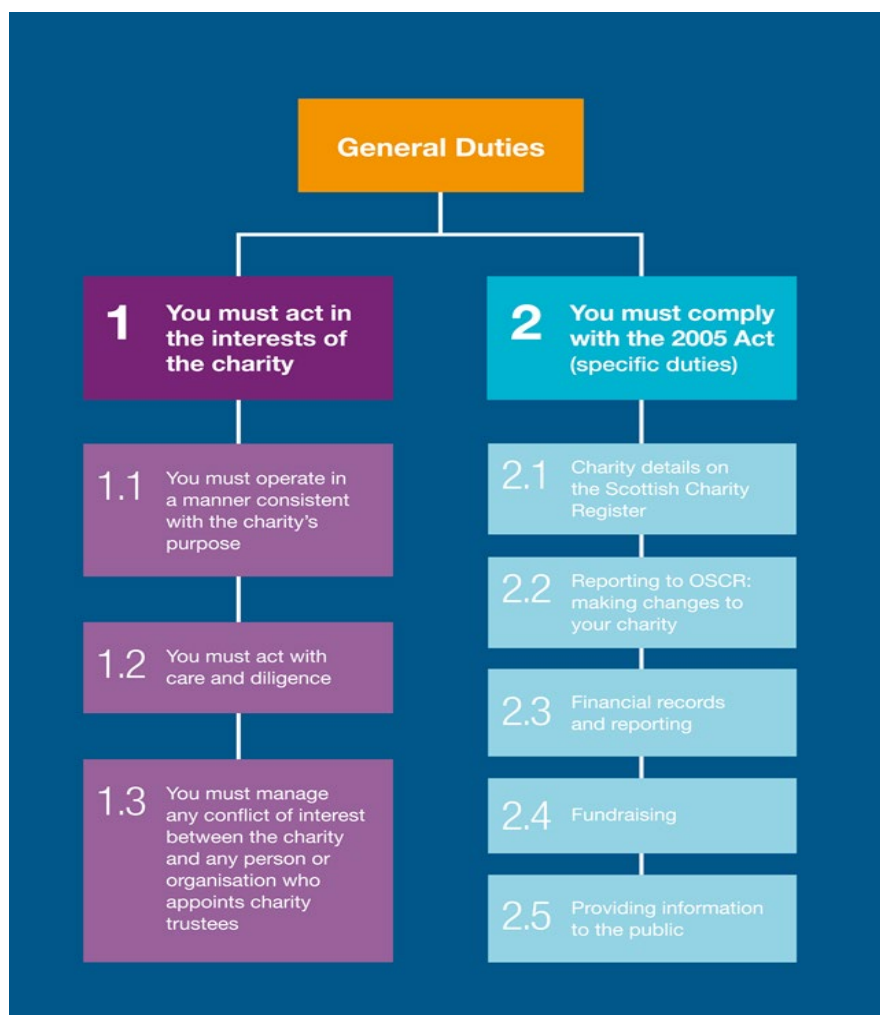
**2. ROLE OF MEMBERS, CODE OF CONDUCT AND DUTIES OF CHARITY TRUSTEES**

- 2.1 Members are reminded of their role as a governor (detailed below), the Court's Code of Conduct for Members (provided in your letter of appointment a condition of appointment) and, in particular, your duties as charity trustees under the Charities and Trustee Investment (Scotland) Act 2005. You should also be aware of the requirements of the Scottish Code of Good HE Governance <http://www.scottishuniversitygovernance.ac.uk/2023code/> and the Financial Memorandum with the Scottish Funding Council: [http://www.sfc.ac.uk/web/FILES/Guidance\\_Governance/Financial\\_Memorandum\\_wit\\_h\\_higher\\_education\\_institutions - 1 December 2014.pdf](http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_wit_h_higher_education_institutions_-_1_December_2014.pdf)

*Duties in Charities Law*

- 2.2 These are summarised below, but more detailed guidance on the duties of charity trustees OSCR is available here <https://www.oscr.org.uk/guidance-and-forms/guidance-and-good-practice-for-charity-trustees/> and in the Induction resources area in [Decision Time](#) All members are asked to regularly review their responsibilities as individual charity trustees in law.

- 2.3 All charity trustees have legal duties and responsibilities under the **2005 Act**. A duty is something that you must do, and all the duties must be met. These duties are separated out into **general duties**, that set out a broad framework that all charity trustees must work within, and **specific duties** detailed in the 2005 Act – OSCR note that you might delegate the practical details of the specific duties to your charity’s staff, volunteers or professional advisers, but that the charity trustees are ultimately responsible for making sure the specific duties are met. The general and specific duties apply equally to **all** charity trustees and to **all** charities. All of the charity’s trustees should work together to make sure that these duties are met. If you fail to comply with these duties then this is **misconduct** and OSCR have powers to take action against charity trustees, where appropriate. OSCR state that their response will be proportionate depending on the situation. Where a charity trustee has acted reasonably and honestly it is unlikely to be treated as misconduct.
- 2.4 As a charity trustee, the key duty is to look after the charity’s **assets** and for making sure that the charity fulfils its **charitable purpose(s) – the University’s purposes based on OSCR registration categorisations are:** the advancement of higher education, of health, of citizenship or community development, and the advancement of the arts, heritage, culture or science.
- 2.5 The general and specific duties under the 2005 Act are:



### **3. COURT'S AGREED ROLE DESCRIPTION FOR COURT MEMBERS**

3.1 In addition to the duties under law, the Court's agreed role description for governors, taking into account the requirements of the Scottish Code of Good HE Governance is:

Each governor is responsible, collectively with fellow governors, for the effective leadership of the University in all its aspects. That translates into more specific responsibilities of which the following are key:

- To play an appropriate part in furthering the values of higher education and the mission of the University of Aberdeen in particular;
- To ensure that the Court exercises efficient and effective use of the resources of the University, maintains its long-term financial viability, and safeguards its assets, and that proper mechanisms exist to ensure financial control and for the prevention of fraud;
- To exercise oversight in respect of the academic, corporate, financial, estate and human resource functions delegated to the authority of the Principal as chief executive;
- To ensure that Court conducts itself in accordance with accepted standards of behaviour in public life, embracing duty, selflessness, integrity, objectivity, accountability and stewardship, openness, honesty, leadership and respect. Members must at all times regulate their personal conduct as members of the Court in accordance with these standards;
- To establish constructive and supportive but challenging working relationships with the University employees with whom they come into contact, whilst recognising the proper separation between governance and executive management;
- To act fairly and impartially in the interests of the University as a whole using independent judgement and maintaining confidentiality as appropriate;

Ends

UNIVERSITY OF ABERDEEN  
UNIVERSITY COURT  
**ACTION LOG AND MATTERS ARISING**

**1. PURPOSE OF THE PAPER**

1.1 This paper provides Court with a copy for information of the current Court Action Log (**Appendix 1**).

**2. PREVIOUS CONSIDERATION BY / FURTHER APPROVAL REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
Previously considered or approved by	n/a	
Further consideration/approval required by	n/a	n/a

**3. RECOMMENDED ACTION**

3.1 The Court is invited to:  
(i) Note the action log (Appendix 1).

**4. FURTHER INFORMATION**

4.1 Further information is available from Bruce Purdon, Clerk to the Court, email [b.purdon@abdn.ac.uk](mailto:b.purdon@abdn.ac.uk).

19 February 2024

**Confidentiality Status:** Open



**UNIVERSITY COURT: LOG OF FOLLOW UP ACTIONS FROM COURT MEETINGS****Appendix 1**

<b>Court Date</b>	<b>Minute Ref</b>	<b>Action Arising</b>	<b>Action By:-</b>	<b>Status</b>
Apr 2023	173	<p><b>GOVERNANCE AND NOMINATIONS COMMITTEE REPORT</b></p> <p>The Court was also advised that there was a vacancy for an independent member of Court on the Advisory Group on Collections Deaccessioning and Repatriation and that an update to the policy governing that procedure would be taken to a future Court or by circulation for approval.</p>	University Secretary	<b>Pending</b>
Jun 2023	206	<p><b>BUDGETS 2023/24 TO 2025/26</b></p> <p>The Court agreed:</p> <p>(ii) That given the risks discussed above, the Court should receive regular updates on progress against the plan, particularly with regard to the ambitious student recruitment targets and that it should receive further detail on a contingency plan should those targets not be achieved.</p>	Chief Financial Officer	<b>Ongoing</b>

Sep 2023	011	<p><b>SFC OUTCOME AGREEMENT</b></p> <p>The Court approved and commended the proposed agreement and supporting document. It also noted that the process represented a significant demand on the University to produce annually and, therefore, would welcome more information on how the SFC used the document and that it was supportive of the SFC being asked to consider whether the report could be prepared over a three-year basis rather than annually. The Senior Governor agreed to take these points forward with SFC.</p>	Senior Governor	<b>Complete</b>
Nov 2023	054	<p><b>UPDATE ON RESEARCH STRATEGY AND RESEARCH EXCELLENCE FRAMEWORK</b></p> <p>The Court agreed that once the revised rules for REF 2028 were confirmed, that it should receive a further report on the REF Action Plan which outlined how the University was deploying resource for investment in research strength and an assessment of whether the University was on track to achieve its objectives for improvement in research performance.</p>	VP Research	<b>Pending – to be scheduled for a future meeting</b>
Nov 2023	071	<p><b>PRESENTATION: UPDATE ON FUNDRAISING ACTIVITY AND APPROACH TO PREPARATIONS FOR NEXT CAMPAIGN</b></p> <p>The Court received a copy of the presentation in advance of the meeting but the item was deferred to the February 2024 meeting when greater time was expected to be available for discussion.</p>	Clerk	<b>Complete</b> – Scheduled for pre-Court presentation on 27 February

Nov 2023	083	<p><b>ANNUAL REPORT AND ACCOUNTS FOR THE YEAR END 31 JULY 2023 AND EXTERNAL AUDITOR'S REPORT</b></p> <p>The Court noted that the External Auditors were unable to issue a final audit opinion, in particular with regard to the going concern analysis/assurance, until the outcome of the University's January 2024 student intake was confirmed. As a result, the reports were provided to Court for information and would be brought back for formal approval by Court once the External Auditor's had concluded that future review.</p>	Chief Financial Officer	<b>Pending – Update on today's agenda</b>
Nov 2023	096	<p><b>COMMERCIALISATION COMMITTEE</b></p> <p>The Committee Chair also reported that the Committee would welcome an opportunity to discuss with Court in greater depth the work of the Committee. This was noted for inclusion on a future Court agenda.</p>	Clerk	<b>Pending</b>
Nov 2023	099	<p><b>ANNUAL REPORT ON HEALTH AND SAFETY</b></p> <p>The Court received the annual Health and Safety Report for 2022-23 (CT20231121-12.5). Following discussion, it was agreed that the Court should receive more frequent reports on health and safety to provide it with further assurance and monitoring given its legal responsibilities as the employer. It was also suggested that reports should provide further detail on reportable incidents to help identify any common trends and benchmarking where relevant against wider sector data.</p>	University Secretary	<b>Pending</b>

Dec 2023	115	<p><b>UNIVERSITY RECOVERY PLAN</b></p> <p>A number of comments were noted in the minutes with regard to the content and approach to the recovery plan and that this would be brought back to Court in February 2024 for approval.</p>	Chief Financial Officer	<b>Complete</b> – included on today's agenda [February 2024]
Dec 2023	123	<p><b>SCHOOL OF LANGUAGES, LITERATURE, MUSIC &amp; VISUAL CULTURE: FORMAL CONSULTATION ON THE SUSTAINABILITY OF MODERN LANGUAGES TEACHING</b></p> <p>It was also confirmed to Court that the proposals to delegate authority to the Senior Management Team in the paper were withdrawn and that decisions following the conclusion of the consultation with the School of LLMVC, on the future sustainability of Modern Languages would be brought back to Court for decision.</p>	Senior Vice-Principal/ University Secretary	<b>Complete</b> – included on today's agenda [February 2024]

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**REPORT FROM THE SENIOR GOVERNOR****1. PURPOSE OF THE PAPER**

1.1 This paper provides Court with a report from the Senior Governor on activities since the last meetings of Court in November and December.

**2. RECOMMENDED ACTION**

2.1 The paper is for **information** and no action is required.

**3. REPORT FROM SENIOR GOVERNOR**

- 3.1 With the Christmas and New Year period, it has been a fairly short period since my last written report to Court in late November and our last meeting in mid-December. As a consequence, this a fairly short report. My focus has been on internal activities around some of the agenda items we will discuss when we meet as Court, whether through my regular catch ups with the Principal, the Secretary & Chief Operating Officer and with members of Court. In addition, over the past few weeks, I've also chaired or attended the latest cycle of Court sub-committees that I am member of and participated in the shortlisting and interviews of potential co-opted committee members.
- 3.2 At sector level, I attended a meeting for Chairs of Nominations Committees organised by the Committee of Scottish Chairs (CSC) which provided some useful insights into how other Court's approach issues in that particular sphere. The next meeting of the CSC itself is coming up in March where the agenda items scheduled include a discussion with the Chair of the Colleges/Further Education equivalent of CSC, with the Chair of the Scottish Funding Council, and with Universities Scotland. I've also met, respectively, with the Chairs of Napier University, University of Edinburgh and RGU. More broadly, in the external sphere, I've attended meetings with a number of UK and Scottish Government Ministers.
- 3.3 I am also very much looking forward to participating in the University's International Women's Day on 6 March which this year has its focus on Women in Research. You can read more [about the event here](#).

**4. FURTHER INFORMATION**

4.1 Further information is available from the Senior Governor, [julie.ashworth@abdn.ac.uk](mailto:julie.ashworth@abdn.ac.uk).

19 February 2024

**Confidentiality Status:** Open

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

## UPDATE ON THE HIGHER EDUCATION SECTOR AND UNIVERSITY DEVELOPMENTS

## 1. PURPOSE OF THE PAPER

1.1 This paper provides Court with a brief overview of policy developments relating to higher education since November 2023, which are of particular relevance for the University of Aberdeen.

## 2. PREVIOUS CONSIDERATION BY /FURTHER APPROVAL REQUIRED

	Board/Committee	Date
Previously considered/approved by	SMT	18 January 2024
	ARC	30 January 2024
	FRC	6 February 2024
	Senate	13 February 2024
Further consideration/ approval required by	n/a	

## 3. RECOMMENDED ACTION

3.1 Court is invited to note the update.

## 4. DISCUSSION

4.1 The following sections highlight key policy developments of relevance to the University and the higher education sector since November 2023.

## UK DEVELOPMENTS

## 5. FINANCIAL SUSTAINABILITY OF UK UNIVERSITIES

5.1 UUK commissioned PwC to independently review the financial sustainability of the UK sector and the [report](#) was published on 12 January. In terms of current financial sustainability, the UK sector showed growth in 2017-18 and 2021-22 but is now facing challenges with financial sustainability because of a decreased unit of funding for UK students, a slowdown in funding from grants, and increased costs. PwC carried out a sensitivity analysis of the financial predictions made by 85 English, Scottish and Northern Irish universities, using a range of different scenarios (primarily, slower growth in international student numbers, increased costs, and/or slower growth in domestic students), which shows significant risks to the financial sustainability of both individual universities and the sector as a whole.

5.2 The review showed that universities in Scotland would be particularly badly affected by international student numbers going down, but a separate, and even bleaker, PwC projection for Scotland will be published soon.

## 6. PAY AND PENSIONS

6.1 A UCU ballot for industrial action relating to 2023/24 pay awards which closed on Friday 3 November failed to meet the 50% turnout requirement to secure a national mandate for industrial action, with 42.6% of eligible members casting their vote.

6.2 [New contribution rates were agreed](#) in December by the USS (Universities Superannuation Scheme) Trustee and representatives of both employers and the

University and College Union. The employee contribution rates have dropped from 9.8% of salary to 6.1% of salary. The new employer contribution rate will be 14.5% of salary with both changes taking effect on 1 January 2024. Improvement to benefits will be implemented from 1 April 2024, including the one-off uplift to benefits earned between 1 April 2022 and 31 March 2024.

## **7. MINIMUM SERVICE LEVELS**

- 7.1 The Department for Education [launched](#) a [consultation](#) on 28 November on the most appropriate approach for delivering minimum service levels for education services (Strikes (Minimum Service Levels) Act 2023). The consultation applies to all nations in the UK. Any minimum service levels regulations would apply on days when strike action is taking place to minimise disruption for learners and will come into effect by next academic year. The consultation closes on 30 January 2024.

## **8. GOVERNMENT AUTUMN STATEMENT**

- 8.1 The Chancellor of the Exchequer presented his [Autumn Statement](#) to Parliament on 22 November. Of relevance to the HE sector, it was announced that the minimum wage for apprentices would rise to £6.40 while students over 21 who work could see a rise to the main National Living Wage. The government will also provide up to £7m over three years for organisations like the Holocaust Educational Trust to tackle antisemitism in schools and universities.

## **9. GOVERNMENT RESPONSE TO NURSE REVIEW**

- 9.1 Alongside the Autumn Statement, the Department for Science, Innovation and Technology (DSIT) [published its response](#) to the Nurse Review of the UK research, development and innovation organisation landscape which was carried out early in 2023.
- 9.2 Many of Nurse's recommendations have been welcomed, setting out a series of short-term actions, including a commitment to provide additional support for Public Sector Research Establishments (PSREs), the establishment of new organisations supported by government to meet strategic needs (e.g. a new National Academy for Mathematical Sciences, the AI Safety Institute, and a new joint DSIT/UKRI metascience unit), and the continued trialling of new funding mechanisms outside universities to fund research, including private and philanthropic investment in R&D. However, in terms of the key recommendation to reform response-mode grant funding, quality-related funding (QR and REG) and full economic costs (fEC) to address the funding shortfall in the research system, the government has only promised a review of research sustainability.

## **10. INDEPENDENT REVIEW OF UNIVERSITY SPIN-OUTS**

- 10.1 Linked to the above response to the Nurse Review, an independent [report](#) on university spin-out activity commissioned by the Treasury and carried out by Irene Tracey, Vice Chancellor of the University of Oxford, and Andrew Williams, Chair of the venture capital committee at the British Private Equity and Venture Capital Association, was released in November. The report recommended an increase to government funding for proof-of-concept funds, and welcomed ongoing reforms to support scale-up capital. Enhanced support should also be provided to universities to cover the costs of technology transfer offices from spin-out income. The introduction of innovation-friendly university policies should be accelerated which all parties should adhere to. The report also noted the need for more national data on spin-outs. It was recommended that higher education funding bodies should strongly emphasise research commercialisation as a form of research impact, and entrepreneurship training for PhD students should be enhanced via UK Research & Innovation (UKRI). The government immediately [announced](#) that it accepted all the recommendations made, announcing a £20m injection to foster more spin-out companies and a £50m contribution to the British Business Bank's 'Future Fund: Breakthrough' programme, which will support scale-up of innovative companies.

## **11. RESEARCH EXCELLENCE FRAMEWORK (REF)**

- 11.1 The UK funding bodies made an [announcement](#) in December outlining decisions made to date and next steps on REF. It has now been confirmed that the next REF has been delayed by a year, with the results to be published in December 2029 and not in 2028 as previously announced.
- 11.2 In the end of January an [update](#) on people, culture and environment measures (PCE) were announced but Technopolis and CRAC-Vaite have been commissioned to develop PCE indicators by summer 2025.
- 11.3 A [consultation](#) on initial decisions took place in summer 2023. Work is ongoing on the approach to assessing people, culture and environment and a consultation on REF open access requirements is expected to be launched early in 2024. Further decisions will be published in spring 2024.

## **12. GOVERNMENT RESPONSE TO TICKELL REVIEW**

- 12.1 On 8 February, the government published its [response to the Tickell Review](#) of Research Bureaucracy. The Tickell, Review, carried out in 2022, set out seven principles for cutting unnecessary research bureaucracy, especially around assurance, and for building trust and partnership working across the system. The government has announced in its response that UKRI will be given a new mandate to reduce bureaucracy, and the Government will establish a 'red team' to identify areas of creeping bureaucracy.

## **13. HORIZON EUROPE**

- 13.1 On 4 December, UK [formally signed the agreement](#) confirming the UK's association with Horizon Europe, thereby completing the final step in the process. The agreement came into effect on 1 January 2024, with researchers in the UK able to participate in the research and innovation programmes on the same terms as researchers from other associated countries, with access to Horizon Europe funding.

## **14. IMMIGRATION**

- 14.1 The quarterly migration figures for the year ending September 2023 were released in November, showing a similar number of visas granted to international students as in the year ending September 2022. However, applications fell in the third quarter with an almost 25% drop in applications from Nigeria.
- 14.2 The Migration Advisory Committee (MAC) published its [2023 annual report](#) on 13 December, noting that it had previously recommended against the graduate route due to concerns about low-wage migration. MAC notes that preliminary evidence now suggests that "a very different set of students [are] accessing the route than might have been expected based on student patterns in 2019 when the route was announced" and that the scheme has not met its original purpose to attract talented students who would then work in high-skilled graduate jobs.
- 14.3 Following the publication of the migration figures and the MAC report, the Home Office [confirmed](#) that a review of the Graduate Route would be carried out as part of government plans to reduce net migration. In addition, various reforms are to be carried out, including an increase in the salary threshold for the skilled worker visa which will rise from £26,200 to £38,700 in spring, and reforms to the shortage occupation list to remove the 20% salary discount and replace it with a new 'immigration salary list'. As there is no explicit exemption for education, there are concerns that this will have a significant impact on international postdoc recruitment.
- 14.4 Universities UK (UUK) issued a [statement](#) confirming they would work with the government to ensure there was no abuse of the system. However, they called for a clear statement from the government that this visa would not be scrapped, so as to reassure prospective international students. UUK further raised concerns about the



impact of changes to skilled salary thresholds and the shortage occupation list, both of which would impact on the sector's ability to attract global talent.

- 14.5 There are concerns in the sector that additional restrictions on immigration may be planned in preparation for possible elections in 2024, further negatively impacting international student recruitment to the UK on which the HE sector is heavily dependent.

## **15. CLIMATE ACTION AND UNIVERSITY STRATEGIES**

- 15.1 In early November, SUMS Consulting and HESPA (Higher Education Strategic Planners Association) published a [report](#) on the integration of climate into strategy and planning at UK universities. Good collaboration between sustainability and planning teams is identified as a stronger factor for progress, and half of the institutions surveyed felt they were successfully integrating climate as a strategic driver of organisational activity.

## **16. ESRC DOCTORAL TRAINING PARTNERSHIPS**

- 16.1 The Economic and Social Research Council (ESRC) announced in early November 15 [doctoral training partnerships](#) over the next five years. 89 universities will participate, including the University of Aberdeen.

## **DEVELOPMENTS IN SCOTLAND**

### **17. SCOTTISH GOVERNMENT IN-YEAR BUDGET CHANGES**

- 17.1 On 21 November, the Scottish Government set out [in-year budget changes for 2023/24](#) in an effort to balance the budget, which include cuts to education funding. A total of £102 million of in-year savings will be made within the HE and FE budgets, which is in addition to the £20m taken back from universities in May 2023. The SFC's resource budget is reduced by £56m (in addition to the £46m strategic change transformation fund removal already announced). A further £6.2m reduction in funding has been announced to HE international activities.

### **18. SFC ANNUAL REPORT AND ACCOUNTS FOR 2022-23**

- 18.1 The Scottish Funding Council (SFC) published its [annual report](#) in the end of October, providing oversight of its performance against the SFC strategy and funding distributed.

### **19. SCOTTISH GOVERNMENT 2024-25 BUDGET**

- 19.1 The Scottish Government then delivered its [2024-25 budget](#) on 19 December announcing further cuts to higher education, including a cut of £48.5m (5.9%) to university resource (teaching) budgets which primarily covers the cost of teaching Scottish-domiciled students. However, while teaching funding is being cut, SFC also announced a 4.7% uplift to capital funding (research, innovation and buildings)

- 19.2 Overall, Universities Scotland estimates that total public funding for universities is decreasing by 2.8% in cash terms, or a drop of £32.3m. In their [response](#), US noted that these cuts, combined with "serious headwinds in international student recruitment" leaves universities exposed, and a [submission](#) was made to the Scottish Parliament's Finance and Public Administration Committee ahead of their session on 9 January to scrutinise the budget.

- 19.3 The Scottish Finance and Public Administration Committee [published](#) on 31 January 2024 its report on the 2024-25 Scottish government budget, having considered the submission from Universities referred to above. The Committee noted that there is a lack of clarity on how the government's spending priorities support the delivery of a fair, green and growing economy, considering cuts to university funding.

### **20. FINANCIAL SUSTAINABILITY OF COLLEGES AND UNIVERSITIES**

- 20.1 The SFC published on 4 January [reports](#) on the financial health of Scottish tertiary institutions based on their latest forecasts. The university sector was forecasting an underlying operating surplus of £226.5m for 2022-23 and a deficit of £3.3m in 2023-24,

with reliance on SFC grants reducing from 31% in 2020-21 to an expected 23% by 2024-25. These projections were produced in June 2023 before the reduction in international students and the reductions in university funding.

## **21. EXAMINATION OF HE FEES AND FUNDING ACROSS THE UK**

21.1 London Economics, with support from the Nuffield Foundation, published on 6 February [reports](#) on the higher education fees and funding arrangements across the four UK nations. The [policy note for Scotland](#) shows that per student public investment in Scotland is 5x as high as in England but HEIs in Scotland receive 23% less funding per student than in England, leading to greater reliance on overseas recruitment. The report explores different scenarios relating to tuition fees, Teaching Grants and maintenance loans, and the impact that changes to these aspects of the funding system would have on students, the Exchequer, and HE providers.

## **22. REGIONAL INNOVATION FUND CONSEQUENTIALS**

22.1 The Scottish Government confirmed in early February that SFC will receive an additional £5.8m funding for research and innovation in FY 2023-24. This is a result of Barnett consequentials arising from the [new Regional Innovation Fund](#) which was launched in October 2023. In Scotland, the funding will be allocated in proportion to institutions' receipts for the SFC (Research Excellence Grant) REG, University Innovation Fund (UIF) and the Postgraduate Research Grant (RPG), with the University of Aberdeen allocated £374k to use in-year.

## **23. INQUIRY INTO SCIENCE, RESEARCH AND INNOVATION IN SCOTLAND**

23.1 Universities Scotland [published](#) in October its submission to the House of Commons Scottish Affairs Committee inquiry into science, research and innovation in Scotland, highlighting disparities in research funding between the UK nations.

## **24. IMPACT OF UNIVERSITY RESEARCH IN SCOTLAND**

24.1 SFC has published a [series of reports on research impact](#), highlighting that SFC funding for research has supported more than 8500 jobs and £400m in gross value, how research in Scotland is turned into local benefits, and that return on investment for public R&D funding is higher than the UK average.

## **25. UPLIFT TO MAINTENANCE LOANS FOR STUDENTS**

25.1 The Scottish government [announced](#) in December a new special support loan for students in Scotland, to be used for travel, general study and childcare costs, starting from 2024/25. The £2,400 allowance applies at UG and PG level and is aimed at those entitled to welfare benefits.

## **26. NEW NATIONAL QUALIFICATIONS BODY**

26.1 The Scottish Government opened a [consultation](#) in November on a new national qualifications body to take on the Scottish Qualifications Authority's current awarding functions, and a new approach to inspection of education in Scotland. The consultation closed on 18 December and feedback from the consultation will inform the development of a Bill to be introduced later in the Parliamentary year.

## **27. SCOTTISH INTERNATIONAL EDUCATION STRATEGY**

27.1 The Scottish government published its first [international education strategy](#) on 7 February. The strategy sets out Scotland's ambitions for international higher education in Scotland and focuses on three key themes: attracting staff and students, growing education exports, and international research. Universities Scotland warmly [welcomed](#) the strategy, noting that it could not have come at a more important time, when external challenges have made it imperative for Scotland to differentiate its position and to strengthen the sector's contribution to the economy, society and culture.

## **28. SCOTTISH COMMISSIONER FOR FAIR ACCESS: ANNUAL REPORT**

- 28.1 Professor John H McKendrick, Commissioner for Fair Access, [published his first annual report on](#) 30 January. The report notes the good progress made in delivering fair access in to HE in Scotland, but also highlights the risk of not meeting the 2026 and 2030 targets unless the evidence base is strengthened and all stakeholders contribute.
- 28.2 The report notes the positive contribution that the University of Aberdeen has made in increasing the number of Commission for Widening Access (CoWA) core entrants since 2013-14, ongoing efforts to broaden the widening access criteria, and the offer of free accommodation for first year SIMD20 students. The report, however, also notes that the University was one of only three institutions to record a reduction in both the number and proportion of CoWA core entrants progressing to year 2 between 2020-21 and 2021-22.
- 28.3 The Commissioner has recommended that the Scottish Index of Multiple Deprivation (SIMD) metric continues to be used as a key measure of multiple deprivation in Scotland, but has suggested that the SIMD institutional target is withdrawn across the sector, with each HEI instead committing to increasing the proportion of SIMD20 entrants or at least match the highest proportion/number achieved since 2013-14. This change would be of benefit to the University of Aberdeen given the demographic challenges associated with the SIMD measure in the north-east of Scotland.

## **UNIVERSITY DEVELOPMENTS**

### **29. RECENT STAFF GRANTS**

- 29.1 The University was awarded £5,058,106 in research grants across 15 projects from research councils and UKRI between October and January. Recent research grants to staff since September include:
- The SUSTAIN Centre for Doctoral Training (CDT), a new partnership involving the universities of Aberdeen, Lincoln, Strathclyde and Queens University Belfast, has received £10.6m from UKRI to train the next generation of scientists specialising in the use of AI to promote sustainable agriculture. Professor Georgios Leontidis, Interdisciplinary Director for Data & AI and Chair in Machine Learning is Co-Deputy Director of the Centre.
  - Two University of Aberdeen projects will receive a share of a £12m funding pot offered by the Biotechnology and Biological Sciences Research Council (BBSRC) to fund 62 visionary projects that could revolutionise our understanding of the rules of life. Dr Francisco Perez-Reche in the School of Natural and Computing Science leads a project on higher-order interactions in living systems, and Professor Stuart Piertney in the School of Biological Sciences and Dean for Postgraduate Research examines rapid evolutionary novelties that promote adaptation to extreme environments.
  - The Centre for Energy Transition has received £250,000 in investment from the Crown Estate and Crown Estate Scotland for Project CoLocate, which investigates viable areas on the seabed for colocation of CCS and offshore wind.
  - Professor Robert Frost in the School of Divinity, History, Philosophy and Art History (DHPA) has been awarded £330,000 from the British Academy for a 3-year postdoctoral position.
  - Dr Gordon Waiter in Medicine, Medical Sciences & Nutrition (MMSN) has received £227k from MRC for a project on enhancing eating disorder research networks.
  - Professor Tom Greggs has received a donation of £259,000 from the Macdonald Agape Foundation for a project on Ecclesiology after Christendom

- Dr Nour Halabi, Interdisciplinary Research Fellow in the School of Social Sciences, has been awarded a share of a research grant for studies on the wellbeing of arts organisations founded by, with and for communities of colour.
- A project led by Dr Gareth Norton and Professor Adam Price in the School of Biological Sciences has been awarded £1.35m to explore biological nitrification inhibition in rice.
- Professor Jane Reid in the School of Biological Sciences has been awarded £566k from Natural Environment Research Council (NERC) for research into 'Eco-evolutionary dynamics of seasonally mobile systems.'
- Dr Fabien Naneix in the Rowett Institute has been awarded £550k from the BBSRC for research into adolescent diets.
- Dr Marco Palomino in the School of Natural and Computing Sciences has received £17k from Engineering, Physical Sciences Research Council (EPSRC) for a project on re-writing loneliness in dementia.
- Professor Nir Oren in the School of Natural and Computing Sciences has received a £89k grant from the Scottish Government for a project entitled 'Argumentation for the decision support in the hydrogen ecosystem.'
- Dr Lateef Akanji in the School of Engineering has been awarded a £100k industrial fellowship from the Royal Academy of Engineering on zero spill technology for mitigating fluid discharge to the environment during tanker breakout.
- Dr Marcin Kapitaniak and Dr Alicia Terrero Gonzalez in the School of Engineering have been awarded £50k from EPSRC for a project focusing on maximising the potential of shallow ports for floating offshore wind deployment.
- Professor Graeme Paton, Head of the School of Biological Sciences, has received £25k from NERC for a 'NERC Diversifying the Talent Pipeline' project.
- Professor Lorna Philip in the School of Geosciences has been awarded £4900 UKRI funding for an internship with Scottish Government.
- Professor Richard Neilson in the School of Engineering has been awarded £450k additional funding for the National Decommissioning Centre's Chevron Anchor Partnership.
- Dr Shouyong Jian in the School of Natural and Computing Sciences has received a £385k grant from EPSRC for research into cell factory design.
- Professor Nick Forsyth, Vice-Principal Research, has secured £381k dedicated funding for international research partnerships from the Scottish Funding Council for AY 2023-24 and 2024-25.
- Professor Milera Delibegovic and Dr Nimesh Mody in MMSN have received £269k enterprise and innovation funding from Innovate UK, Vertebrate Antibodies for research into next generation diagnostic tests for Type 1 diabetes.
- Professor Gary Macfarlane and Dr Rosemary Hollick in MMSN have been awarded £104k funding from the £1.5m National Institute for Health and Care Research World and Health Research Programme to support health in working people. The Centre for Musculoskeletal Health and Work project will explore how recent research might lead to important changes in workplace and healthcare practice.
- Dr Fransiska Louwagie, LLMVC, has received £53k funding from the Social Sciences and Humanities Research Council of Canada for a project on 'Visual storytelling and graphic art in genocide and human rights education'.

- Professor Tom Weber in DHPA was the historical adviser to the first serious Hitler feature film in two decades about the strategies of disinformation and demagoguery of Hitler and Goebbels.

## 29.2 Research-related awards, recognition and events:

- Professor Karin Friedrich, DHPA, won the West Prussian Culture Prize 2023 in recognition of her research on the history of Prussia and the Baltic regions of Poland.
- Dr Burcu Yüksel Ripley, Dr Alisdair MacPherson and Luci Carey from the Centre for Commercial Law, received a Royal Society of Edinburgh (RSE) Research Workshop grant for a project entitled 'Digital Assets in Scots Private Law: Innovating for the Future'. The project is carried out in collaboration with the University of Edinburgh, Edinburgh Napier University and international law firm CMS.
- Professor James N'Dow, Director of the Academic Urology Unit, has been awarded the St Peter's medal by the British Association of Urological Surgeons in recognition of his work in advancing the subject area.
- The University of Aberdeen won the Green Gown Awards UK and Ireland 2023 *Research with Impact* award in November 2023 – the second year in a row. The awards, held in association with UKRI, recognise exceptional sustainability initiatives being undertaken by universities and colleges. This year the University was recognised for the research and knowledge exchange led by the Rowett Institute (led by Professor Wendy Russell) which has underpinned a resurgence in the Scottish hemp sector.
- Delegates from the University attended COP28, the 28<sup>th</sup> annual UN climate meeting, held in Dubai from 30 November to 12 December. University students along with academic and professional services staff attended either online or in person.
- 'Picts Scourge of Rome, Rulers of the North' written by Prof Gordon Noble and Dr Nicholas Evans in the School of Geosciences (Archaeology), has been shortlisted for the Book of the Year in the 2024 Current Archaeology Awards. The team's work has also featured in the Disney Channel's Lost Cities and in the BBC's Digging for Britain programme.
- Paul Meador, Professor of Composition, and Professor James N'Dow, Chair in Urological Surgery and Director of the Academic Urology Unit, were recognised in the New Year's Honours.
- University staff and graduates were awarded three of the twelve 2023 Saltire Literary Awards, known as Scotland's National Book Awards. Dr Paula Sledzinska in Registry was awarded the Ross Roy Medal, Aberdeen alumna Grace Balfour-Harle received the joint Emerging Publisher of the Year prize, and Professor Ralph O'Connor, LLMVC and DHPA, won Research Book of the Year, co-authored by Dr Michael A Taylor at National Museums Scotland.
- Ten University academics have been included in the Clarivate Highly Cited Researchers 2023 for their research which has ranked in the top 1% by citations in their field(s) over the past decade. This includes five scientists from the Rowett Institute (Dr Sylvia Duncan, Dr Petra Louis, Professor Karen Scott and Dr Alan Walker), Dr David Cooper and former or retired staff, including Professor Harry Flint, Professor Jill Francis, Professor David Salt, and Professor Keith Kerr.
- Scotland's Minister for Energy and the Environment, Gillian Martin, MSP, visited the National Decommissioning Centre as it marked its fifth anniversary on 16 January to view the facilities and hear about research led by the centre.

### 30 EDUCATION-RELATED ACHIEVEMENTS

#### 30.1 Key education-related achievements since September include:

- The Aberdeen Business School was awarded the prestigious EQUIS accreditation in December 2023, which is awarded by EFMD, a global non-profit membership-driven organisation dedicated to excellence in management development. The Business School is one of only around 200 universities across the world to gain the international-recognised mark of distinction.
- The University has been heavily referenced in recent reports as an exemplar of good practice, including engagement with the Resilient Learning Communities Enhancement Theme, and good practice relating to the QAA Quality Enhancement and Standards Review (e.g. the QAAS '[Analysis of Findings from Quality Enhancement and Standards Reviews \(QESR\) 2022-23](#)').
- The University has been engaging with the review and development of a new Quality Code through the University's Quality Assurance Committee.
- Professor Kirsty Kiezebrink, Dean for Education Innovation, and Dr Sara Preston, eLearning Team Leader in the Centre for Academic Development, have secured funding from Advance HE's Collaborative Development Fund 2023-24 to lead on an innovative research collaboration on the rapidly evolving role of Generative Artificial Intelligence (GenAI) in education with Edinburgh Napier University, Heriot-Watt and Dundee Universities.
- £4000 QAAS funding has been secured to support engagement with enhancement activities and will be used to support the annual academic development symposium (entitled 'Embracing Diversity: Supporting Inclusive Learning Communities') and two LTEP projects (Learning and Teaching Enhancement Programme) to develop numerical support in geosciences and related disciplines.
- The Careers and Employability team will be leading an event for [Climate Week North East](#) in March 2024 in collaboration with the Sustainability and Alumni teams, following a successful bid for Development Trust Funding. The event will provide information to students of different routes into sustainability, bringing students together with University alumni panellists.
- The Careers and Employability team will also lead on two 'Working with Words' career events in February, with support from Development Trust funding, giving students an opportunity to hear about University Alumni career trajectories in media, publishing, communications, policy, heritage and the third sector.
- 25 members of staff received professional recognition for their teaching by AdvanceHE in November. The fellowships are awarded to staff who demonstrate critically evaluative, reflective, evidence-informed approaches to teaching, benchmarked against the UK Professional Standards Framework.

### 31 FURTHER INFORMATION

Further information is available from George Boyne, Principal and Vice-Chancellor ([boyne@abdn.ac.uk](mailto:boyne@abdn.ac.uk)) and Hulda Sveinsdottir, Director of Strategic Planning, Project & Corporate Governance ([hulda.sveinsdottir@abdn.ac.uk](mailto:hulda.sveinsdottir@abdn.ac.uk)).

12 February 2024

**Freedom of Information/Confidentiality Status:** *Open*

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**REPORT FROM SENATUS ACADEMICUS****1. PURPOSE OF THE PAPER**

**1.1 This is a paper outlines the main items of business considered by the Senate at its meeting on 14 February 2024.**

1.2 This paper is provided for information and forms part of the mechanism for Court to assure itself that it has academic oversight of quality within the University.

**2. RECOMMENDED ACTION**

2.1 Court is asked to **note** the items discussed (3.1 - 3.3).

**3. DISCUSSION****3.1 INTERDISCIPLINARY RESEARCH INSTITUTE**

3.1.1 The Interdisciplinary Directors attended Senate to provide an overview of activities around the five themes:

- Energy Transition
- Social Inclusion and Cultural Diversity
- Environment and Biodiversity
- Data and Artificial Intelligence
- Health, Nutrition and Wellbeing

3.1.2 Senate noted that, since the establishment of the themes, the University had appointed 14 Interdisciplinary Fellows and established 12 PhD studentships. It was acknowledged that, currently, the appointments were not spread evenly across the themes, but it was the intention that they would become so as remaining posts (up to the agreed 20) were filled.

3.1.3 Senate noted that funding awards made to date associated with the interdisciplinary themes amounted to £107,544,105. The forward focus of the Institute would focus on the production of impactful and high-quality research publications feeding into REF2029. Senate further noted that impact was emerging from the themes in areas with strong linkages to industry and to policy makers. The future work of the Institute was noted to include intentions to:

- Reinforce original brand as Interdisciplinary Institute creating equal balance across research and education;

- Provide University-wide interdisciplinary leadership promoting joined-up thinking;
- Be a source of influence and guide policymakers – emphasis on external engagement;
- Support REF via interdisciplinary insight into Environment Statements, providing lateral thinking to Impact Case Studies, and broadening scope of outputs;
- Identify interdisciplinary research and teaching opportunities and foster cross-school collaborations;
- Create opportunities and links with key internal and external stakeholders;
- Enable more and broader collaborations and support interdisciplinary bid development;
- Play an active and continuing role in University citizenship;

## 3.2 RESEARCH IMPACT

3.2.1 Following on from discussions around the Interdisciplinary Themes, Senate received a presentation from the Vice-Principal (Research) providing an update on the development of Impact Case Studies (ICS) for REF2029. Senate was provided with data quantifying the projected expectations for the number of ICS required per school and the numbers currently in preparation.

3.2.2 The Vice-Principal detailed the considerations researchers should be addressing in order to maximise potential impact from their research. It was noted that a 4\* world-leading impact case study is worth more than £100k in Research Excellence Grant income per year to the Institution. The help and support available for ICS development was also detailed.

## 3.3 ABERDEEN 2040 GRADUATE ATTRIBUTES & SKILLS

3.3.1 Senate voted to approve the finalised set of Graduate Attributes and Skills developed to support Aberdeen 2040. It was noted that the introduction of the Graduate Attributes would include the development of a new Skills Framework to support their use with students.

## 4. ROUTINE BUSINESS

4.1 Senate noted: the approval, by circulation, of the proposals to move graduations back to campus from summer 2024; the routine reports from the Education, Research and Quality Assurance Committees. It was highlighted that the Quality Assurance Committee had approved changes to the published entry requirements for admission to reflect current practice at clearing and confirmation and maximise entry from home fees applicants.

## 5. FURTHER INFORMATION

5.1 Further information is available from Tracey Slaven ([tracey.slaven@abdn.ac.uk](mailto:tracey.slaven@abdn.ac.uk)) or Rachael Bernard ([r.bernard@abdn.ac.uk](mailto:r.bernard@abdn.ac.uk))



**UNIVERSITY OF ABERDEEN**

**UNIVERSITY COURT**

**PARTNERSHIP NEGOTIATING AND CONSULTATIVE COMMITTEE (PNCC)**

**1. PURPOSE OF THE PAPER**

1.1 This paper reports on the meeting of the PNCC held on 31 January 2024.

**2. PREVIOUS CONSIDERATION BY / FURTHER APPROVAL REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
Previously considered/approved by	PNCC	February 2024
Further consideration/ approval required by	N/A	

**3. RECOMMENDED ACTION**

3.1 Court is invited to note the report from the PNCC.

**4. FINANCIAL SUSTAINABILITY**

4.1 The Committee had received a copy of the November 2023 Monthly Management Report (MMR) for information. The Committee received and noted a presentation from Mark White, Chief Financial Officer on the current financial position of the University. This provided detail of the financial position, the ongoing challenges and the actions that were being taken to address these.

**5. PAY AND PENSION UPDATE**

5.1 The Committee received a brief update on the positive changes to the USS Pension Scheme which staff members of the Scheme will have seen a benefit to in their January salary. The Committee was also asked to note that the responsibility for negotiations on USS had moved from Universities UK (UUK) to University and College Employers Association (UCEA).

**6. STAFF HARDSHIP FUND DISBURSEMENT**

6.1 The Committee received and noted a paper which provided further detail on the disbursement of the fund. The Committee noted thanks from Unison and Unite on the operation of the Hardship Fund.

**7. WORKLOAD**

7.1 The Committee received a brief update on the work of the Workload Review Group and noted that a further communication would be issued imminently, including information on the listening exercise, the work being undertaken in Professional Services and the steps being taken to reduce workload.

## **8. PROPOSAL FROM THE REWARD CONSULTATION AND NEGOTIATION GROUP (RCNG) TO HARMONISE TERMS AND CONDITIONS OF EMPLOYMENT**

8.1 The Committee received and noted a paper on the work of the RCNG and the proposal for implementing certain aspects of harmonisation. The Committee approved the proposals and Tracey Slaven expressed her appreciation for all those participating in the group and subgroups and particularly the Reward Workshop that had taken place pre-Christmas. Please see **Appendix 1**, Detail of the Harmonisation Proposal, attached for further information.

## **9. GENDER PAY GAP REPORT 2023**

9.1 The Committee received and noted the Gender Pay Gap Report and action plan. It was noted that there had been an increase in median gender pay gap, however it was recognised that this would fluctuate over the coming year depending on the uptake of the Enhanced Retirement and Voluntary Severance Schemes. The Report was approved for publication. Please see **Appendix 2** attached for further information.

## **10. DISCIPLINARY, GRIEVANCE AND CAPABILITY CASEWORK UPDATE**

10.1 The Committee received and noted the bi-annual report which included data for Jan 2023 to Dec 2023. It was noted that the number of cases had increased, but generally the time taken to conclude these cases had reduced. However, there were a few complex cases which had taken longer to conclude, and this impacted on the overall figures.

Further information is available from Catherine Cook, Clerk to the Partnership and Negotiating Consultative Committee ([c.cook@abdn.ac.uk](mailto:c.cook@abdn.ac.uk)) or Debbie Dyker, Director of People, ([d.j.dyker@abdn.ac.uk](mailto:d.j.dyker@abdn.ac.uk)).

5 February 2024

**Freedom of Information/Confidentiality Status: Open**

## UNIVERSITY OF ABERDEEN

## PNCC

**PROPOSAL TO HARMONISE TERMS AND CONDITIONS OF EMPLOYMENT****Table 1: Detail of the Harmonisation Proposal**

<b>Element/summary of current terms and conditions</b>	<b>Proposal</b>
<p><b>Annual Leave</b></p> <p>Grades 1-4 – total 35 days, rising to 36 days after 5 years' service; 37 days after 7 years' service and 38 days after 12 years' service) (min 24 days annual leave; 8 days public holiday, 3 University closed days)</p> <p>Grades 5-9 – total 41 days (30 days annual leave; 8 days public holiday, 3 days University closed days).</p>	<p>The proposal includes the following options to harmonise to match Grade 5-9 terms and conditions, subject to an assessment of impact on service provision.</p> <ul style="list-style-type: none"> <li>(i) 1 additional day March 2024 with the intention of uplifting to 41 days from October 2024, or additional 2 days from October 2024 and then 41 days from October 2025.</li> <li>(ii) Bearing in mind 3 additional days have been given over the Christmas/New Year closedown period, accelerate to 41 days, with an additional 2 days be given in March (to be taken between March and September 2023) and then 41 days to apply to Grades 1-4 from the 2024/25 leave year.</li> </ul> <p>Information has been gathered to establish the likely impact on key areas and a summary is presented in Appendix 1.</p>
<p><b>Public Holiday Pay</b></p> <p>Grades 1-4: Where agreed that staff work a public holiday entitled to receive an overtime payment (double time) along with a day in lieu.</p> <p>Alternatively, staff may elect to be paid at standard rate for time worked and receive 2 days in lieu. Any requirement to work a public holiday will be agreed in advance with line manager. Staff required to work a closed day will receive a day in lieu.</p> <p>Does not apply to Grades 5-9.</p>	<p>The proposal is to remove enhanced rates for public holidays, other than the 7-day period over Christmas and New Year closedown period.</p> <p>This replaces the current enhanced rates applying to Grade 1-4 staff who are required to work on a public holiday and means that all public holidays (other than the Christmas/New Year public holidays and the additional three closedown days) are treated as normal annual leave days.</p> <p>In addition, the current enhanced rates for public holidays will be replaced by an allowance, payable to staff who are required to work during the Christmas/New Year closedown period.</p> <p>In the event that additional days are given to all staff (e.g., as applied in the 2023/24 closedown period) the allowance will not be payable to staff required to work on those days but a day/days in lieu will be provided.</p> <p>The allowance will be developed based on ensuring parity with the rates currently paid to staff required to work during this period.</p> <p>The allowance will apply to posts where there is a clear statutory requirement to attend work or there is a specific service requirement to do so.</p> <p>Subject to the decision regarding annual leave, enhanced rates for public holidays will be removed for the remainder of the 2023/24 annual leave year or will apply from the 2024/25 annual leave year.</p> <p>The new allowance for the Christmas/New Year close down period will apply from the 2024/25 annual leave year.</p>

Element/summary of current terms and conditions	Proposal
<p><b>Overtime Pay</b></p> <p>Grades 1-4 only. Defined as hours worked outside of the full-time working week (36.5 hours). Wherever possible, voluntary overtime compensated with time off in lieu but if not possible, then payable based on</p> <p>Monday-Saturday (time and a half) Sunday – double time</p> <p><u>Public holidays and overtime options are:</u></p> <p>Salary + Time + Day off in lieu; Salary + Double Time or Salary + 2 days off in lieu</p>	<p>This is to be considered in greater detail, with urgency, bearing in mind the following:</p> <ul style="list-style-type: none"> <li>- It is no longer proposed to consider implementation of a 35-hour week at this stage and, therefore, the appropriateness of changing overtime rates for staff in Grades 1-4 at this stage.</li> <li>- The impact of enhanced annual leave for Grades 1-4 and fairness of overtime rates continuing to be applied, particularly for those in posts graded 5/6 who do not attract overtime.</li> <li>- Discussion about other grades and overtime.</li> </ul>
<p><b>Sickness Leave</b></p> <p>Grades 1-4: Up to 6 months service – SSP; 6 months to 1 year – 2 months full pay/2 months half pay; Second/Third year – 3 months full pay/3 months half pay; Fourth/Fifth year – 5 months full pay/5 months half pay; After Fifth year – 6 months full pay/6 months half pay</p> <p>Grades 5-9: 6 months full pay (basic salary) and 6 months half pay (basic salary)</p>	<p>The proposal is to stagger matching grade 1-4 terms and conditions with grade 5-9 terms and conditions, with the aim of equalising after 2 years.</p> <p>Further work is required to enhance the Attendance Management policies/guidance in place as well as consider the implications for Payroll.</p>
<p><b>Pre-retirement Leave</b></p> <p>Support Staff and Technical Staff with a minimum of 25 years of service at their date of retirement - 20 days additional leave, to be considered pre-retirement leave, in their last full year prior to retirement.</p> <p>Does not apply to other staff Grade 5-9.</p>	<p>The proposal is to harmonise entitlement to pre-retirement leave (currently not applying to staff Grades 5-9) and introduce the following terms and conditions.</p> <p>Subject to a 3-year service qualifying period, staff who have indicated they will be retiring will be entitled to 20 days' leave and as detailed below:</p> <p>Staff giving 12 months' notice would be entitled to 20 days Staff giving 9 months' notice would be entitled to 17 days Staff giving 6 months' notice would be entitled 14 days</p> <p>Staff cannot take this leave as a block at the end of their employment. It is solely designed to ease them into retirement. Staff can only take leave and not payment if unable to take the leave. All applications to be treated sympathetically by managers where possible.</p>

***Next steps***

- 4.10 Subject to feedback/agreement from the PNCC, the proposal will be submitted to Court for information and thereafter steps taken to implement the key elements.
- 4.11 Once approved, a collective agreement will be created/agreed to implement the changes to terms and conditions of employment. In addition, correspondence such as contracts of employment and HR policies and procedures will be updated to reflect the changes. The changes would also be communicated to managers and staff through a series of briefing session.

**5. FURTHER INFORMATION**

- 5.1 Further information is available from Tracey Slaven, University Secretary and Chief Operating Officer, Debbie Dyker, Director of People or Tracey White, Senior HR Partner.

January 2024 [Open]

## University of Aberdeen

### Gender Pay Gap Report 2023

#### 1. Executive Summary

1.1 The Gender Pay Gap (GPG) shows the difference in the average and median pay between males and females in the workforce. It is not the same as equal pay, which looks at the pay differences between males and females undertaking roles of equal value (i.e., at the same grade). As part of our GPG report, we also detail the Gender Bonus Gap (GBG) which considers the difference in the mean and median bonus pay of males and females, expressed as a percentage.

1.2 This Gender Pay Gap report sets out and contextualises the GPG and GBG data for 2023. The overall GPG is based on a snapshot date of 31<sup>st</sup> March 2023 and the GBG on bonus data in the year leading up to 31<sup>st</sup> March 2023.

1.3 Our mean GPG for 2023 is 17.3% (a reduction from 18.2% in 2022) and our median GPG 18.2% (an increase from 16.2% in 2022).

1.4 Analysis of data pertaining to pay quartile information, highlights that we continue to see a higher percentage of females in roles in the lower and lower middle quartiles. Comparison with 2022 highlights small increases in the % of males/small decreases in % of females in the lower, upper middle and upper quartiles.

1.5 Our mean GBG for 2023 is 10.9% (2022: 4.9%) and our median GBG 23.2% (2022: 4.4%). Bonuses included for the purposes of this calculation are contribution payments awarded to staff during the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023. Both the 2023 mean and median GBG have been heavily impacted by no Senior Staff Pay Policy awards being reflected in the calculation, as these were backdated to December 2021, therefore, form part of the 2022 report.

1.6 We are committed to continue to positively influence the GPG and GBG, to further our commitment as outlined Aberdeen 2040. Practical measures, in areas known to potentially influence both, are outlined in the report including recruitment, progression, recognition, career development opportunities and our pay policies, including contributions.

#### 2. Our workforce headcount for this report and how we calculate the Gender Pay Gap/ Gender Bonus Gap

2.1 There are 3355 full pay relevant employees who form part of the calculations based on the snapshot date of 31<sup>st</sup> March 2023. At this date, 1918 (57.2%) of the University's workforce were females and 1437 (42.8%) were males.

2.2 Our workforce is diverse and multi-national, with a wide range of occupational groups including cleaning, security and catering roles, grounds and maintenance, administrative, professional services and technical staff, academic and managerial roles.

2.3 Calculations pertaining to the GPG and the GBG are based on the requirements detailed in legislation<sup>1</sup>. Further background information about this, including what is and is not included in the calculations, can be found at **Appendix A**. A key point to highlight is that the legal calculation includes the requirement to deduct any salary sacrifice arrangements that staff have signed up to (e.g., childcare vouchers) despite these being voluntary.

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<sup>1</sup> [Making your calculations - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

### 3. Mean and Median Gender Pay Gap 2023

3.1 Our statutory mean GPG for 2023 has reduced, from 18.2% on 31<sup>st</sup> March 2022 to 17.3% on 31<sup>st</sup> March 2023.

3.2 Our statutory median GPG for 2023 has increased, from 16.2% on 31<sup>st</sup> March 2022, to 18.2% on 31<sup>st</sup> March 2023.

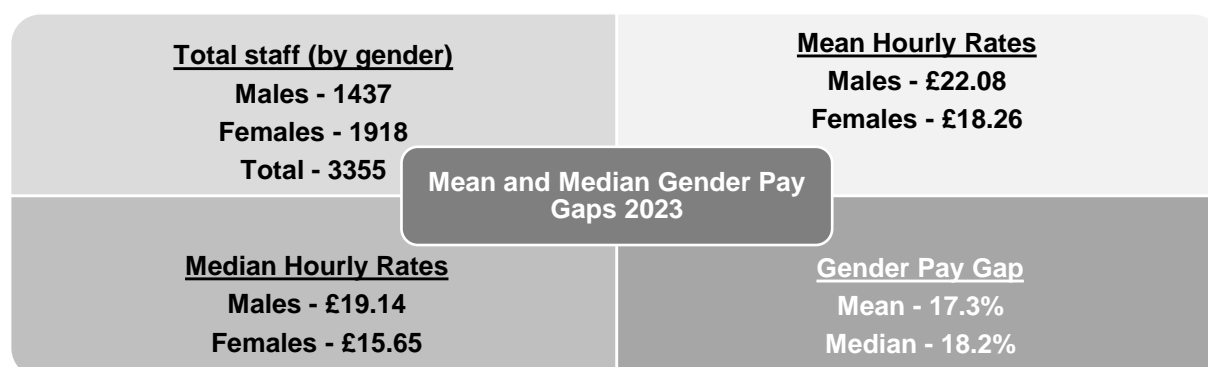
3.3 Table 1 below details the GPG Mean and Median percentages, highlighting a positive trend in that the mean GPG is the lowest since 2017. We have, however, seen a slight increase in the 2023 median GPG, following a series of reductions between 2019 and 2022.

**Table 1: Gender Pay Gap Mean and Median 2017-2023**

Year	Mean (%)	Median (%)
2023	17.3 ↓	18.2 ↑
2022	18.2 ↓	16.2 ↓
2021	20.2 ↑	19.4 ↓
2020	19.5 ↓	20.2 ↓
2019	20.6 ↓	22.4 ↓
2018	22.03 ↓	22.7 ↑
2017	22.4	22.2

3.4 Diagram 1 below provides a fuller breakdown of the GPG hourly rate information which results in the 2023 mean and median pay gap percentages.

**Diagram 1**



### 4. Mean and Median Gender Bonus Gap (GBG)

4.1 The GBG considers the difference in the mean and median bonus pay of males and females, expressed as a percentage. Bonuses normally included in our calculation includes awards provided for in the Contributions Awards Policy (open to all staff Grades 1-9), as well as those awarded to Grade 9 offscale staff through the Senior Staff Pay Policy. However, for the 2023 report, the latter are not

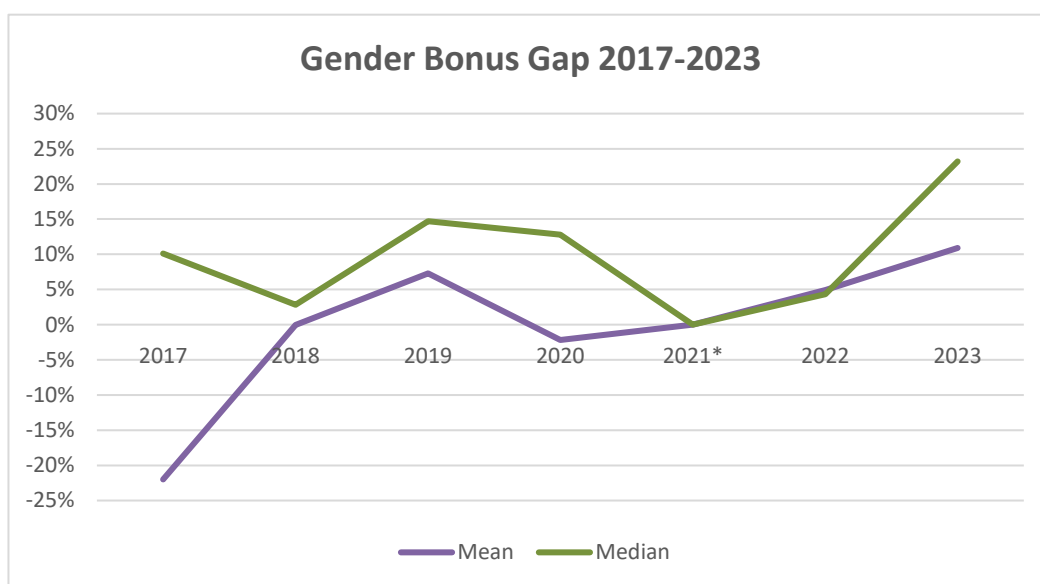
included as, following a pause during the Covid-19 pandemic, Senior Staff Pay Policy awards were reinstated during 2022/23 but were backdated to December 2021. This resulted in these bonus payments being captured in our 2022 report. For 2023, therefore, the bonus payments reflect only those awarded through the Contributions Awards Policy.

4.2 The data for 2023 (based on bonuses awarded through the Contributions Awards Policy between 1<sup>st</sup> April 2022 and 31<sup>st</sup> March 2023) highlights:

- A total of 76 members of staff (51 females and 25 males) received a bonus during this period.
- The average bonus for females was £1,086 and for males £1,219, resulting in a mean GBG of 10.9%.
- The median bonus for females was £966 and for males £1,259, resulting in a median GBG of 23.2%.

4.3 Diagram 2 illustrates historical information pertaining to the GBG.

**Diagram 2 – Gender Bonus Gap Mean and Median (2017-2022)**



	2017	2018	2019	2020	2021*	2022	2023**
<b>Mean</b>	-22%	-0.04%	7.29%	-2.20%	0.00%	4.94%	10.9%
<b>Median</b>	10.10%	2.82%	14.70%	12.80%	0.00%	4.35%	23.2%

\*during the period 1<sup>st</sup> April 2020 – 31<sup>st</sup> March 2021 no bonuses were paid based on the Senior Staff Pay Policy and Contribution Awards Policy due to the projected financial impact of the Covid-19 pandemic.

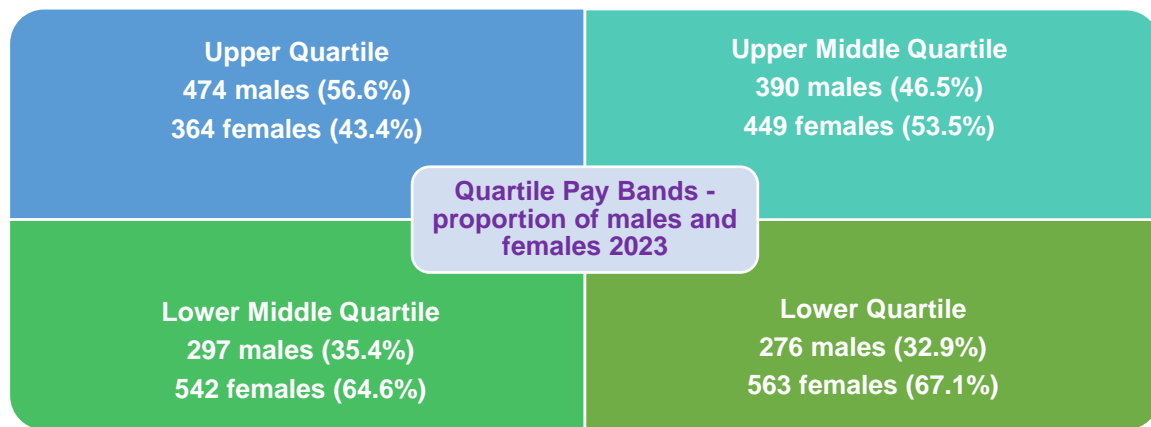
\*\*during this period, the Senior Staff Pay Policy was reinstated and awards backdated to December 2021, therefore these figures are captured in the 2022 report.

## 5. Proportion of males and females in quartiles pay bands

5.1 The distribution of males and females in each of the quartiles pay bands is presented in Diagram 3. This demonstrates a continuing trend of a disproportionate distribution of males and females in the quartiles – i.e., a higher % of females in our workforce in roles in the lower and lower middle quartiles and a higher % of males in our workforce in roles in the upper quartile.

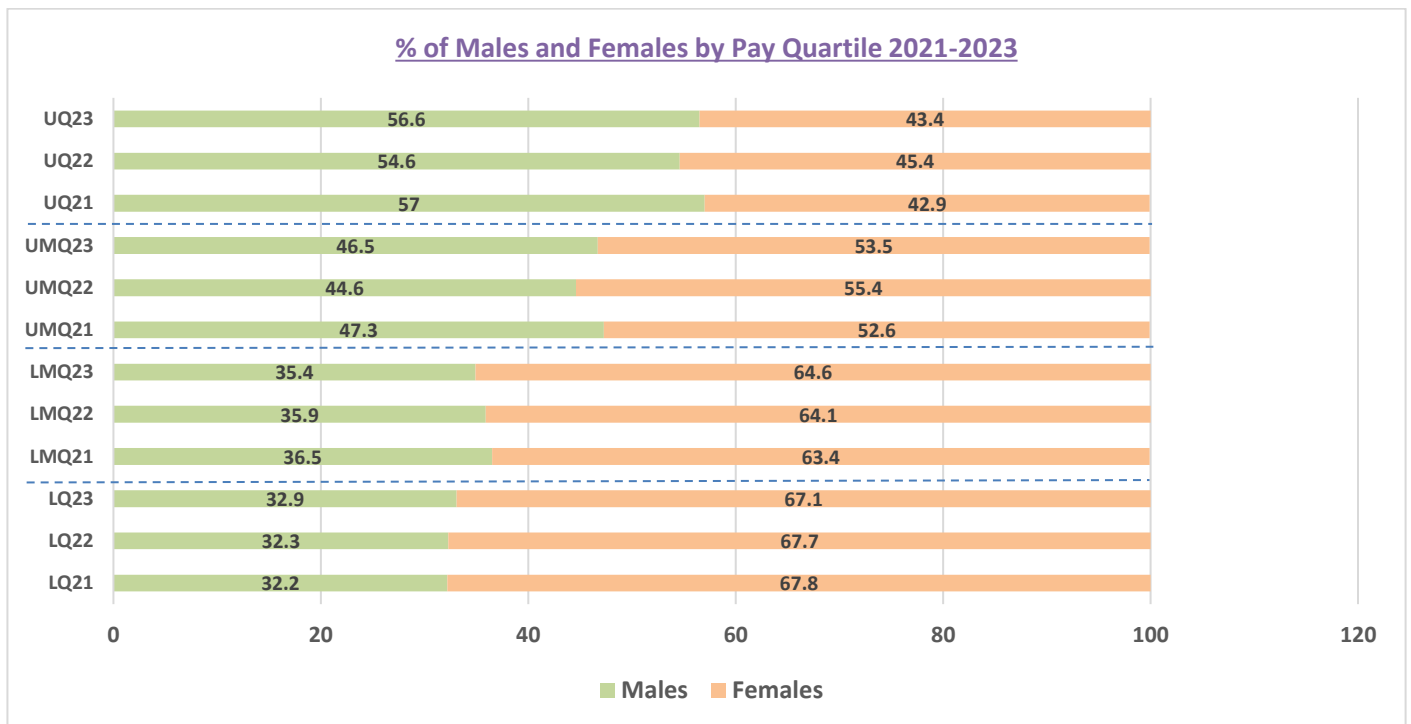


**Diagram 3 – Distribution of males and females in quartiles pay bands**



5.2 Diagram 4 below illustrates the comparison between 2021, 2022 and 2023 in the % split between males and females for each of the pay quartiles. This demonstrates: (i) small changes in the distribution for the lower quartile, with a small decrease in the % of females/increase in % of males between 2021 and 2023; (ii) small increase in % females and decrease in % of males in the lower middle quartile; (iii) a drop in the % females in the upper middle quartile/rise in % males between 2022 and 2023; (iv) similarly, a drop in the % females in the upper quartile/rise in % males in 2023, compared to 2022.

**Diagram 4**



**Key**

- LQ – lower quartile (followed by year)
- LMQ – lower middle quartile (followed by year)
- UMQ – upper middle quartile (followed by year)
- UQ – upper quartile (followed by year)

5.3 The 2023 mean and median gender pay gaps within each of the quartiles is provided in Table 2 below, including comparison with the 2022 figures. This illustrates that the area of concern remains the upper quartile with a mean GPG of 7.1% (but down from 10.3% in 2022) and median GPG of 6.9% (up from 5.8% in 2022).

**Table 2 – Mean and Median Gender Pay Gap by Pay Quartiles 2023**

Quartile	Mean GPG 2023	Mean GPG 2022	Median GPG 2023	Median GPG 2022
Lower	1.1%	1.4%	1.9%	2.3%
Lower Middle	-0.04%	-0.1%	-0.4%	0.3%
Upper Middle	1%	2.1%	1.4%	4.5%
Upper	7.6%	10.3%	8.1%	5.8%

## 6. Factors affecting the Gender Pay Gap and Gender Bonus Gap

### Gender Pay Gap

6.1 The GPG continues to be attributable to a mix of different factors in the areas of recruitment, career progression and reward as per the examples outlined below.

- **Occupational segregation** and, in particular, females still being over-represented in roles within the lower and lower middle quartiles continuing to have a significant impact. Our new Recruitment and Selection Policy, launched in 2022 aims to address this through use of workforce equality statistics to inform recruitment and positive action measures, seeking to achieve greater overall balance in each pay quartile.

- Variations between **starting pay** for females compared to males. Considering new appointments to posts graded 1-9, between 1<sup>st</sup> April 2022 and 31<sup>st</sup> March 2023, a higher percentage of males (46.4%) were appointed above the first spinal point of the grade compared to females (37.2%). In addition, although small numbers, the data shows that males are still more likely to be appointed in the contribution zone of a grade. Furthermore, males remain more likely than females to be appointed to a Grade 9 off-scale post (11 males compared to 4 females in the period 1<sup>st</sup> April 2022 and 31<sup>st</sup> March 2023). This is an area that requires further action and we are taking steps through a new Pay Policy implemented during 2023. The Policy includes an approval mechanism to be followed for any appointment above the first point of a grade. In addition, it specifies expectations with regard to recruiting managers, working with HR, proactively identifying where the skills and experience of a new start merits appointment above the first point, rather than relying on candidates requesting a higher starting point.

- Analysis of **leaver** information demonstrates that senior female members of staff leaving may also continue to impact. During this period, 7 female members of staff on Grade 9 off-scale left the University, therefore, with 4 females commencing in Grade 9 off-scale posts, overall, there was a reduction in female members of staff in these senior positions. The implementation of our new Recruitment and Selection Policy during 2022 aims to contribute to improvement in this area, through more effective use of equality data to inform recruitment campaigns as well as specific use of the Rooney Rule for vacancies at University Management Group level.

- **Promotion data** (applying to academic staff for the period 1<sup>st</sup> April 2022-31<sup>st</sup> March 2023) illustrates that, overall, slightly less females applied for promotion than males (40 females/44 males). In addition, the level of application varied with a higher % of female applicants (40%, compared to 15% of male applicants) applying for Grade 7 academic posts and a higher % of male applicants (49%, compared to 34% female applicants) applying for Reader and Chair positions. This is an area that we also recognise needs improvement and our new Promotion Policy and Procedure, launched in 2023, aims to impact through measures such as an enhanced opportunity to note individual circumstances that may have impacted on the quality of outputs for consideration, as well as encouraging Heads of School/Academic Line Managers to ensure discussion about promotion in annual review and regular catch ups with staff.

### Gender Bonus Gap

6.2 The key factor impacting on our overall GBG 2023 levels relates to the Senior Staff Pay Policy awards being applied at a different period of time than normal, as detailed earlier in the report.

6.3 Awards given to staff under the Contribution Awards Policy illustrates that whilst more females than males received such awards, a higher % of females received a lower amount than males. A key action for us will be to review our Contribution arrangements to ensure consistency and fairness in their application.

## **7. Actions to reduce our Gender Pay Gap and Gender Bonus Gap**

7.1 The table at Appendix B represents practical steps, including those referenced above, we are taking with the aim of positively influencing the gaps. These are in the key areas where we can do so, including recruitment, recognition, pay policies, progression and career development opportunities.

## **Appendix A – Background information about the Gender Pay Gap (GPG) and Gender Bonus Gap (GBG) calculations**

The GPG concerns differences in the mean and median earnings between females and males in an organisation regardless of their role or seniority. It is important, therefore, to note the difference between the GPG and equal pay calculations as follows:

- Equal pay calculations identify differentials in the rates paid to women and men for the same or comparable work (an Equal Pay Audit was undertaken by an external consultancy during 2021 to review equal pay).
- GPG reporting is a comparison of the average salaries paid to women and men in the University and takes no account of the roles or work involved.

### Data analysis undertaken

Data analysis for the report is undertaken as per the stipulated requirements:

- GPG – data at a snapshot date of 31<sup>st</sup> March 2021
- Gender Bonus Pay Gap – data 12 months prior to 31<sup>st</sup> March 2021
- Proportion of females and males in each quartile – data at a snapshot date of 31<sup>st</sup> March 2021.

### Who/what is included in the calculations?

The analysis for the GPG is based on all posts held by 'full pay relevant' staff as at the snapshot date of 31<sup>st</sup> March 2021. Full pay relevant staff refers to staff who during the relevant period, are not being paid at a reduced or nil rate as a result of being on leave, which includes unpaid annual leave, maternity, paternity, adoption, parental and shared parental leave, sick leave and other special leave.

Data for Gender Bonus Gap is based on bonuses received between 1<sup>st</sup> April 2020 and 31<sup>st</sup> March 2021. (NB payments classified as bonuses under GPG reporting were frozen during the reporting period, i.e. 12 months prior to 31<sup>st</sup> March 2021, other than retention payments made to two members of staff).

As per the GPG regulations, the data we report on includes:

- The mean GPG (the difference in the mean pay of full-pay males and females, expressed as a percentage)
- The median GPG (the difference in the median pay of full-pay males and females, expressed as a percentage)
- The mean bonus GPG (the difference in the mean bonus pay of males and females, expressed as a percentage)
- The median bonus GPG (the difference in the median bonus pay of males and females, expressed as a percentage)
- The proportion of males and females who received bonus pay
- The proportion of full-pay males and females in each of four quartiles pay bands.

Bonuses normally considered as part of the reporting include Remuneration Committee payments and consolidated and non-consolidated contributions awards (received in the 12 months prior to 31<sup>st</sup> March 2022).

For staff with non-standard working hours (zero hours, guaranteed minimum hours, casual workers) the number of hours is based on the average number of hours worked over the 12 weeks ending with the last complete week of the 31<sup>st</sup> March 2022 pay period.

Non-monetary benefits cannot be included in the GPG reporting. Salary sacrifice arrangements are regarded as a non-monetary benefit therefore deductions for salary sacrifice are excluded from base pay for the purposes of GPG reporting.

**Appendix B**

**GENDER PAY GAP REPORT 2023**

**ACTION PLAN**

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
<b>1. University Strategy</b>	1.1 Incorporate GPG and other pay gaps as part of University Strategy and planning.	Ensure our ambitions around GPG are clearly stated and accountable.	Clearly stated and accountable ambitions to reduce our GPG	This has been included in A2040 (with the aim of closing all pay gaps) and features in the annual planning round process.		Ongoing	SMT/UMG Planning	Ongoing
	1.2 Embed the principles of reducing the GPG within School/ Directorate plans, through agreement of specific improvement targets for each.	Ensure consideration of reducing the GPG is part of the everyday business at School/ Directorate level, rather than the focus being solely at University level.	GPG actions considered as part of everyday business at a School/ Department and Directorate/ Section level, therefore all have a role in addressing the GPG.	GPG at University and School/ Directorate level to be shared and discussed as part of the planning round.	Planning round 2024		HR Planning Heads of School and Directors	Planned
	1.3 Benchmarking with other universities to establish what other measures they have taken that may have positively influenced their	Understand, based on benchmarking, whether there are other specific measures that may have a positive influence on our GPG. This will include benchmarking with	Proposed actions based on benchmarking that may positively influence our GPG.	Review of the GPG reports and actions plans of universities that we normally benchmark against (available at <a href="#">Benchmarking   StaffNet   The University of Aberdeen</a> )	Jan 24		Senior HR Partner (Reward & Policy)	Planned

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	GPG (normal benchmark and Top 10 based on median pay gap).	universities that we normally include for other purposes as well as reviewing measures taken by universities in the 'Top 10' with the lowest median GPG.		<a href="http://abdn.ac.uk">abdn.ac.uk</a> as well as the Top 10 universities with the lowest GPG.				
<b>2. Recruitment and Retention</b>	2.1 Apply the principles contained in the Recruitment and Selection Toolkit with regard to equality, diversity and inclusion, including sharing of workforce/ School/Directorate equality statistics to inform recruitment campaigns.	The provisions contained in the Toolkit, launched in 2021, are designed to assist in establishing a greater balance of males and females across our pay quartiles. This includes use of the Rooney Rule for UMG level posts as well as use of workforce equality data to inform recruitment campaigns (e.g., acknowledging that there are more females than males in the lower and lower middle pay quartiles and, therefore, actions to attract more males to such roles being required).	Assist in addressing issues of under-representation and over-representation of males and females in the pay quartiles with the specific aim of:  Increasing males in the lower and lower middle quartile and,  Increasing females in the upper quartile.	Apply the Recruitment and Selection Toolkit with regard to the Rooney Rule for UMG level posts and consideration of workforce data to information selection processes for all other posts.  N.B., it is acknowledged that the level of recruitment in the University will be lower in 2024 due to the recruitment freeze in place to address financial challenges.	Jan 2024	Dec 2024	HR Recruiting Managers	Ongoing

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	2.2 Ensure all selection committee members complete EDI and Unconscious Bias Training prior to involvement in selection committees.	We want to create a work environment which makes those involved in recruitment aware of potentially harmful unconscious biases and to reduce the impact of those biases in the recruitment process.	Ensures selection committee chairs and members have an awareness of how unconscious bias can impact on decision making.	Highlighting this requirement to Recruiting Managers and Selection Committee members as part of correspondence being sent to them.  HR clerk to the Selection Committee monitoring completion of the training as part of pre-briefing.	Jan 24	Dec 24	HR  Recruiting Managers/ Selection Committee members  Staff Development  HR Clerk	Ongoing
	2.3 Review recruitment outcomes on a quarterly basis to ascertain what impact the policies have.	We want to establish whether use of equality information to inform our recruitment campaigns is having an impact and establish whether other positive action measures may be appropriate.	Helps establish whether our steps are having an impact and whether other measures are appropriate.	Monitoring recruitment outcomes on a monthly basis and providing updates to the relevant groups on a quarterly basis.	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Ongoing
	2.4 Establish other proposals in respect of	We need to consider what other steps we can take to address under-	Address issues of under-representation and see a shift	We will undertake benchmarking with other universities that	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Pending

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	recruitment which aim to positively influence the GPG, including positive action initiatives.	representation in particular disciplines and roles by actively intervening to create more opportunities for those under-represented and taking positive measures to increase the proportion of them, e.g., males in positions falling in the lower quartile and females in positions falling in the upper quartile.	change in the pay quartile information.	have lower median pay gaps to ascertain what steps they have taken in this area. We will also seek guidance from UCEA, CIPD etc.				
	2.5 Review leaver information to ascertain why staff are leaving and any key trends that may impact on the GPG (e.g., females leaving senior positions).	We need to address the under-representation of female staff in the upper pay quartile and, in particular, Grade 9 and Grade 9 Offscale posts. We know that female members of staff leaving positions at this level has an impact on the Mean and Median pay gap therefore to establish if measures could be taken to prevent them leaving the University.	Understand if there are any key themes as to why staff are leaving and whether we could put steps in place to reduce turnover (e.g., increase in flexible working, part time opportunities etc).	We will review our leaver statistics, including a campaign to improve the rate of completion. We will also consider whether we can retain staff where they indicate they intend to leave, on a balanced basis.	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)/ SHRP Team	Ongoing



Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	2.6 Regularly monitor the impact that any exercises to address the financial sustainability of the University during 2024 have on the GPG.	As the University takes steps to address the challenging financial position, we recognise that these may influence the GPG. We need to, therefore, understand what impact these may have.	Understand if there are key impacts of measures to address the financial sustainability of the University.	Reporting has been established based on running on a monthly basis to assist in identifying the impact of steps being taken at a local and/or University wise level.	Jan 24	Dec 24	Head of HR Systems & Employment Services/ Senior HR Partner (Reward & Policy)	Pending
<b>3. Reward – Terms and Conditions</b>	3.1 Implementation and monitoring of the Pay Policy	We need to ascertain whether the Pay Policy, launched in 2023, is being applied as intended with regard to salary on appointment (acknowledging that more males than females have historically been appointed above the first point of a grade and in the contribution zone of grades) as well as salary on promotion/regrading etc.	Regular monitoring through use of the reports that have been set up to establish if the Pay Policy is being followed in respect of seeking approval/ cases approved.	Using the report that has been established and providing updates to committees on a bi-annual basis. Taking action as appropriate based on the outcome of monitoring.	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Pending
		We need to understand if the steps outlined in the Pay Policy are having a positive impact on the GPG.	Reviewing whether application of the Pay Policy has the intended positive impact on the GPG at grade level as well as overall.	Reporting has been set up to be able to review what requests/approval for appointment above the expected spinal	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Pending

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
				point there have been. We will review this information on a monthly basis to establish any trends against the GPG reports that we have in place.				
	3.2 Precarious Contracts – application of the guidance	We need to ensure that appropriate contracts are used for posts, with fractional contracts offered as alternatives to GMH or Temporary Services as provided for in our guidance.	Regular reviews of those on GMH contracts and transfer to FTE contracts offered where appropriate/ in line with the guidance				Senior HR Partner (Reward & Policy)/ HR Partners	Regularly reporting to the Reward Consultation and Negotiation Group
	3.3 Contributions	We need to take steps to close the Gender Bonus Gap, by ensuring that contributions are awarded consistently and fairly.	Contribution Policy being operated appropriately, with a gender balance in terms of the number of awards as well as the level of award given.	Reduce the Gender Bonus Gap to 5% or less.	Jan 24	Dec 24	HR Partners	Pending
<b>4. Career Progression</b>	4.1 Review the Academic Promotion exercise 2023	Our new Academic Promotion Policy/ Framework of Criteria were launched for the 2023 exercise. This included new criteria which aim to broaden how we recognise	Identifying the number of applications/ successful outcomes will assist in establishing if the new process has had the impact we were	Review of the 2023 promotion exercise once complete.  Updating the Policy and Guidance as appropriate based on the feedback for the	Mar 24  Tbc	Dec 24	Senior HR Partner (Reward & Policy)	Pending completion of the 2023 Promotion exercise in February/ March 2024

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	4.2 Consider feedback on the Social Bias Observer Scheme and update accordingly.	<p>academic achievement through promotion and flexibility in the evidence requirements. In addition, it includes the opportunity for applicants to highlight individual circumstances (either in the application form or separately in a confidential document), that may have impacted on the quantity of their outputs. We need to establish what impact the new process has had on the number of applications/ successful outcomes for each grade.</p> <p>We will seek feedback from those undertaking the role of social bias observer during the promotion committee meetings to understand what actions are required.</p>	<p>seeking, in increasing application from female members of staff and successful outcomes. We will also be able to establish the effectiveness of including the opportunity to disclose individual circumstances and identify what other steps we may need to take for future exercises, acknowledging that the measures to address the financial sustainability of the University may impact on the normal timescale for promotion exercises.</p> <p>Incorporating feedback for future promotion exercises as appropriate.</p>	<p>next promotion exercise.</p> <p>Gathering feedback from social bias observers and taking action as appropriate, including updating scheme guidance, Promotion policy and guidance etc.</p>	tbc		Social bias observers/ Senior HR Partner (Reward & Policy)	Pending completion of the 2023 exercise

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	<p>4.3 Review/update the Regrading Policy/Procedure and consider development of further career development opportunities for Professional Services staff/ roles.</p>	<p>The Regrading and Professional Services Career Progression Sub-Group has progressed work to consider how we can enhance career progression for Professional Services staff specifically. With an initial focus on updating our Regrading Policy initially, the sub-Group will also consider career development opportunities including increasing the use of career graded posts and development of a secondment/ work shadowing policy. As part of this work, consideration will be given to how such measures could potentially impact the GPG positively. It is acknowledged that progressing this work has been impacted by measures to address the University's financial sustainability.</p>	<p>Improved policy/guidance pertaining to Regrading.</p> <p>Enhanced opportunities to support career development of staff including career graded posts and measures to encourage career progression/lateral career progression e.g., work shadowing and secondments.</p>	<p>The sub-Group is expected to recommence work in these areas during Spring 2024.</p>	<p>Apr 24</p>	<p>Dec 24</p>	<p>Regrading and Professional Services Career Progression sub-Group</p>	<p>Pending</p>

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	4.4 Project to review our Annual Review processes for Academic and Professional Services staff.	Our annual review process needs to be enhanced to ensure a stronger focus on career development including, for academic staff, specific reference to the new promotion criteria and to ensure clear discussions on career development opportunities across all staff groups, linking to Staff Development as appropriate.	A new annual review process for all staff, catering for different staff categories, policies/procedures and will clear links to these.	Review of annual review to be undertaken.	Tbc		HR Partner (Staff Development)/ Senior HR Partner (Reward & Policy)	An initial review of the academic process was undertaken to ensure a link with the new Promotion Framework of Criteria.  Other work in this area is pending.
<b>5. Learning, Development &amp; Support</b>	5.1 Ensure the roll out/ completion of relevant EDI training to raise awareness amongst managers and staff.	We have a range of EDI training that staff are asked to complete and others that are signposted to. We need to ensure that EDI awareness continues to be raised with the mandatory training completed as appropriate.	Ensuring mandatory training is completed as well as a high level of completion of other training available for staff.	We will continue to advertise training that is available and ensure that mandatory training is completed through monitoring.	Jan 24	Dec 24		Ongoing
	5.2 Encourage participation in the leadership initiative for females (the	We support female members of staff accessing this key leadership programme for Higher Education, by asking that schools	Continued increase in the number of female members of staff completing the programme and	We will review the number of staff completing the programme.	Jan 24	Dec 24	Schools/ Staff Development/Senior HR Partner (Reward & Policy)	Pending

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	Aurora Programme) and its impact on careers of our female members of staff.	allocate budget for at least one attendee per annum. To date, over 100 female members of staff have completed the programme with 49 completing it between 2021 and 2024.	evidence of a positive impact on them.	We will undertake a review to ascertain if attendance has impacted positively but a survey of those who have completed it and analysis of career progression/development.	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Pending
	5.3 International Leadership Development Programme (ILDLP)	The ILDP is designed to support staff at Grade 8 and 9 considering progression to a senior management level and, therefore, potentially supports more females being appointed to senior roles where we know from our pay quartile data that have a disproportionate number of males.  Following a pause due to the pandemic, we launched the ILDP during 2023 with 18 members of staff (8 females/10 males) participating. We will launch a further programme, cognisant of the fact there will be a delay in 2024 due to the	We will seek to take positive action measures with a greater proportion of females completing the ILDP.	Further ILDP taken forward.  We will review the number of staff completing the ILDP and future outcomes for them (e.g., establishing if it impacts on the likelihood of progression to a senior management role).	tbc  Jan 24	Dec 24	Staff Development  Senior HR Partner (Reward & Policy)	Pending  Pending

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	5.4 Continue to offer Institute of Leadership and Management (ILM) training to staff and review its impact.	<p>financial challenges facing the University.</p> <p>We offer ILM (level 3 and 5) training to staff with trends identifying that higher numbers of females complete ILM Level 3 and higher numbers of males complete ILM5 (linked to the occupational segregation and distribution of males and females in our pay quartiles).</p> <p>We will encourage more females to complete ILM 5 (acknowledging that offering the ILM courses may be impacted by measures to address the University's financial sustainability during 2024).</p>	<p>Increased numbers of females participating in ILM5.</p>	<p>Continue to offer ILM courses, acknowledging that there may be a pause due to financial circumstances.</p> <p>Include positive action measures to encourage more females to complete ILM 5.</p>	tbc		Staff Development/ Senior HR Partner (Reward & Policy)	Ongoing Pending
		<p>We need to establish what impact the training has on staff – i.e., whether it assists in progression,</p>	<p>Understanding the impact of the completing the training and whether there is evidence that it assists staff in</p>	<p>Undertake a review of those who have completed the training in the last 2 years and establish whether there has</p>	Jan 24	Dec 24	Senior HR Partner (Reward & Policy)	Pending

Reference	Action Point	Rationale	Outcome	How	Start date	End date	Responsible stakeholders	Status
	5.5 Support for staff	undertaking their existing role etc.	progression to more senior posts.	been an impact in terms of career rpggression.	,			
	Delivery of mentoring and coaching for staff to support them in their current role and consideration of career development.	We have trained mentors and coaches to support staff, including those trained specifically to mentor parents and carers. We have encouraged more female members of staff to sign up to becoming a mentor, e.g., asking those completing the Aurora Programme to sign up once they have completed it. We currently have a total of 102 mentors (65 females/ 37 males) in place.	Mentoring and coaching support available for staff.	Continue to offer mentoring/ coaching to staff and encourage females to sign up to becoming a mentor.	Jan 24	Dec 24	Staff Development	Ongoing
	Continue to support the work of the Women's Development Network	Our Women's Development Network is established, providing a range of support to staff. A key activity it provides is support to staff seeking guidance who are considering applying for promotion.	Continue to operate the Network including offering guidance for staff.	Publicising opportunities and encouraging staff.	Jan 24	Dec 24	Staff Development/ Network members	Ongoing



## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**GOVERNANCE AND NOMINATIONS COMMITTEE REPORT****1. PURPOSE OF THE PAPER**

1.1 **This paper provides a report on the key items of business considered by the Governance and Nominations Committee on 5 February 2024.** It includes recommendations to Court for approval, as detailed in section 3, and summaries of other item business considered (the detail of which is available through the agenda/papers and draft minutes of the meeting that are available within the [Decision Time Resources](#) area).

**2. PREVIOUS CONSIDERATION BY /FURTHER APPROVAL REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
Previously considered/approved by	N/A	N/A
Further consideration/ approval required by	University Court	28 February 2024

**3. RECOMMENDED ACTION**

3.1 The Court is invited by the Committee to:

- 1) Approve the Committee's recommendation for the areas of skills/experience to be prioritised in the recruitment of independent members of Court to succeed members retiring in August 2024 and for any potential future vacancies in 2025. Section 4.4 refers.
- 2) Approve that recruitment of a new Chair of Remuneration Committee be undertaken directly as part of the wider recruitment of independent members. Section 4.6 refers.
- 3) Note the other items of business reported for information.

**4. MEMBERSHIP OF COURT AND RECRUITMENT OF COURT MEMBERS**

4.1 The main item of business for the Committee was to consider the future membership of Court and future recruitment requirements within the Independent Membership. This was informed by reports on the findings of the Court's annual audit of members' skills and experience and on how the Court's diversity profiled compared to that of the University staff and student communities.

4.2 There are four vacancies for Independent Members arising by August 2024. The Committee also noted that the Senior Governor was due to hold discussions with a further three members who were concluding their current periods of

appointment in 2024 and a further two members in 2025 and would report back to the Committee at its next meeting in June.

4.3 The Committee also discussed the skill sets that independent members retiring from Court would take with them, with most members agreeing that addressing the loss of financial/accounting skills and experience from Court should be a priority for the recruitment, particularly given the current financial challenge facing the University. There was also a future need to ensure that the future membership, and that of Audit and Risk Committee, continued to include a qualified accountant. It further noted that people and culture represented the other particular key priority area.

4.4 **Recommendation:** The Committee recommends to Court that individuals with the following specialist skills/experience be prioritised in the recruitment of new members:

- Finance, in particular those with a professional accountancy qualification;
- People and Culture at a senior executive level and Remuneration;
- Senior FTSE/International Management experience;
- Corporate or Sector Turnaround/Transformation (at a senior level).

4.5 The Committee also noted the following as secondary areas of priority emerging from the skills mapping:

- Digitisation and Emerging Technology;
- Sustainability;
- HR, Media and Communications;
- Legal.

***Note By Clerk*** – *In discussion of this report at the meeting of Court on 28 February, it was noted that some points of further context on the intended meaning of the following paragraph (4.6) should be recorded in the Court minutes. These related to noting that the paragraph referred to formal review of Court's diversity profile against comparator data and that, therefore, the terminology of comparing well was a relative one against those benchmarks. It was confirmed that performing well against sector benchmarks was not intended to imply complacency and that the University remained committed to enhancing diversity at all levels.*

4.6 The Court is also asked to note that after consideration of the reports on the diversity of Court, the Committee has identified that while comparing well with averages in the sector and generally well with the staff community and some aspects of the student community, as part of the recruitment there is scope for Court to enhance its diversity in regard to religion and belief, disability and age, and while there was ethnic diversity within the Court, this could be broadened to a wider range of ethnicities.

#### *Recruitment of Remuneration Committee Chair*

4.7 The Committee also discussed a proposal that the recruitment of new independent members, should include the direct recruitment of a Chair for the Remuneration Committee. This approach, as opposed to seeking nominations

for the role from the existing membership, was being proposed in recognition of the Court's current independent membership not including those with recent Executive/Director level experience in People & Culture (that assessment having been made during previous discussions with members and in the 2023 recruitment process). Following discussion, given the anticipated turnover in Independent Members the Committee agreed to recommend to Court the approach of direct recruitment to the role of Chair of Remuneration Committee.

4.8 **Recommendation:** The Court is invited to approve that recruitment of a new Chair of Remuneration Committee be undertaken directly as part of the wider recruitment of independent members.

4.9 The Committee agreed that rather than use recruitment consultants, the recruitment should be run 'in-house', particularly given the current pressure on budget. It was also agreed that if the field of applicants was not considered to be sufficient, the option of engaging consultants could be revisited.

4.10 The Committee approved the establishment of an Appointment Panel with delegated authority from the Committee to make recommendations for appointment to Court. The composition of the panel, to be drawn from the Committee's membership, was agreed as:

- Senior Governor (Chair) – Julie Ashworth
- A staff member of Court – Iain Grant
- A further independent member of Court – Alison Rankin
- A Students' Association nominated member of Court – Sai SS Viswanathan

4.11 Subject to the approvals above requested of Court being confirmed, following the meeting of 5 February, the Committee agreed by circulation: (i) the person specification/further particulars for the role of Chair of Remuneration Committee; and (ii) to delegate authority to the Senior Governor to approve the wider recruitment materials for independent members, which would be developed to a similar template to those for the Chair of Remuneration Committee but incorporating the skills/experience and diversity priorities that were agreed by Court today.

## **5 UPDATE ON RECRUITMENT OF EXTERNAL CO-OPTED MEMBERS OF COURT COMMITTEES**

5.1 The University Secretary provided the Committee with a verbal update on the progress of the recruitment to six vacancies for external members across the Audit and Risk (1 vacancy), Commercialisation (2 vacancies), Governance and Nominations (up to 2 vacancies), and Remuneration committees (1 vacancy). Twenty applications had been received by the close date of 24 January and shortlisting by a panel composed of the Chairs of the relevant committees would take place on 8th February.

## **6. TIMETABLE FOR COURT & COMMITTEE EFFECTIVENESS REVIEWS 2024**

6.1 The Committee received and approved the timeframe for the annual effectiveness reviews of Court and Court sub-committees, together with the proposed questionnaires that would be used to help inform the process. The

review is to be undertaken during the March to June period, concluding with a discussion at the June meeting of Court. This responded to feedback received on the 2023 process from Court members on avoiding the summer period.

- 6.2 The Committee received and noted the timeline for the Senior Governor Annual Performance Review which would be undertaken in parallel to the effectiveness reviews.

## **7. REVIEW OF COURT'S STATEMENT OF PRIMARY RESPONSIBILITIES**

- 7.1 The Committee reviewed the Court's [Statement of Primary Responsibilities](#) which, in line with good practice, should be reviewed periodically. The review was informed by a benchmarking of the Statement to the requirements of the new Scottish Code of Good HE Governance 2023 which the Committee noted the Statement was compliant with. The Committee confirmed the assessment of the paper that no changes to the Statement were considered necessary.

## **8. ANNUAL REPORT ON RESEARCH GRANTS/CONTRACTS AND ON DONATIONS FROM THE DEVELOPMENT TRUST TO THE UNIVERSITY**

- 8.1 The Committee received a report on research grants and contracts awards and donations from the Development Trust that had been received by the University in calendar year 2023. The Committee noted that the report identified no items or awards that required its specific consideration in the context of reputational risk.

## **9. BI-ANNUAL REPORT OF COURT AND SMT CONFLICT OF INTEREST REGISTER**

- 9.1 The Committee received a report on the declarations of interests and loyalty received from members of Court, external members of the Audit & Risk Committee and the Senior Management Team. The Committee noted that no matters had been identified by the Secretariat which, under the Conflicts of Interest and Loyalty Policy, required the further consideration of the Committee.
- 9.2 As required by the Conflicts of Interest and Loyalty Policy a copy of the current register of declarations of interests from Court members, Court Committee members and Senior Management Team members has been made available in the [Decision Time Resources Area](#) and members are reminded that in accordance with the Policy this will be published (with any sensitive information redacted) on the University's website following this meeting of Court.

## **10. FURTHER INFORMATION**

- 10.1 Further information is available from Bruce Purdon, Clerk to the Committee (email [b.purdon@abdn.ac.uk](mailto:b.purdon@abdn.ac.uk)).

15 February 2024 v3

**Confidentiality Status:** Open

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

**PENSIONS ADVISORY GROUP REPORT**

**1. PURPOSE OF THE PAPER**

1.1 This paper reports to Court on the main items of business discussed at the meeting of the Pensions Advisory Group of 9 January 2024 which had been rescheduled from 4 December 2023. The agenda, papers and draft minutes are available [within the Decision Time Resources](#) area for members of Court.

1.2 The report is for information.

**2. PREVIOUS CONSIDERATION BY /FURTHER CONSIDERATION REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
Previously considered by	n/a	n/a
Further consideration required by	University Court	28 February 2024

**3. RECOMMENDED ACTION**

3.1 The Court is invited to:

- (i) Endorse that the Senior Governor write on behalf of the University to UCEA regarding the timeline for the USS reform workstreams; See Section 4.
- (ii) note the remainder of the report which is for information.

**4. USS: UPDATE FROM UNIVERSITIES UK (UUK)**

4.1 The Group received and noted an update from UUK on the status of various matters related to the Universities Superannuation Scheme (USS). This included the well documented outcome of the scheme’s valuation and subsequent agreement of a new structure for reduced employee and employer contribution rates and the restoration of some benefits to employees. The Group was advised that since the date of the circular from UUK, it had been confirmed that the new rates would take effect from 1 January.

4.2 In discussion, it was confirmed that the University was not aware of any significant progress on the ‘governance reform workflow’ of USS. The Group remained concerned regarding the pace of progress in this area and the need to build confidence in the scheme going forward given the significant swings in the recent valuations and resulting impact on both employee and employer contributions. The governance of the scheme was considered key to addressing

concerns around the recent volatility in the scheme and potential for further changes arising at the next valuation. The Group agreed, therefore, that it would be appropriate for the University, either through the Group's Chair or the Senior Governor, to write to seek an update from the Chief Executive of the Universities & Colleges Employers Association (UCEA) on the timeline for the progress of this work and to underline its importance for the reasons noted above, subject to Court's agreement.

- 4.3 **Recommendation:** Court is asked to endorse that the Senior Governor write to UCEA.

## **5 UASLAS VALUATION REPORT AS AT 31 JULY 2022**

5.1 The Group received the actuarial valuation report for the University of Aberdeen Superannuation and Life Assurance Scheme (UASLAS) as at 31 July 2022. This reported a scheme deficit of £9.6M which was largely unchanged from the position at the last valuation in 2019. The reports also detailed that as part of the recovery plan for the Scheme, the University had taken on the cost of an increase in contributions of £725k per annum and that the deficit recovery contributions period had been extended to eleven years.

5.2 The Group noted that it was surprising to an extent that there had not been an improvement in the Scheme deficit and that there had been a significant increase in charges. It was agreed that it would be helpful to better understand the context for these and the Group therefore agreed that the proposal to invite the Chair of the Trustees and relevant Scheme advisors to its next meeting in March should be taken forward.

## **6 USE OF ALTERNATIVE PENSION SCHEMES**

6.1 The Group received for information a report from UCEA on a survey of the use of Defined Contribution schemes in the UK higher education sector. The Group noted that the report was helpful information and would be relevant to the further discussion currently scheduled for May on additional pension scheme provisions within the University.

## **7 TERMS OF REFERENCE**

7.1 The Group received and approved its terms of reference which included changes to the wording of the section on composition/membership to reflect the changes that had been agreed by the Court in September 2023.

## **8 SCHEDULE OF BUSINESS**

8.1 The Group received and noted the proposed schedule of business for the remainder of the academic year 2023/24. It was noted that due to the pressure of other Court business noted above, discussion of additional options for pension schemes for staff, scheduled for May 2024, might need to be deferred to 2024/25.

## **9. FURTHER INFORMATION**

9.1 Further information is available from or Bruce Purdon, Clerk to the Advisory Group (email [b.purdon@abdn.ac.uk](mailto:b.purdon@abdn.ac.uk)).

12 February 2024

**Confidentiality Status:** Open

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**COMMERCIALISATION COMMITTEE REPORT****1. PURPOSE OF THE PAPER**

- 1.1 This paper is provided to University Court for information as an overview of the business conducted by the Commercialisation Committee at its meeting on 7 February 2024, to provide an overview of the assurances obtained, and for onward noting of specific items of business, as outlined in section 3 below.
- 1.2 The agenda, papers and draft minutes are available [within the Decision Time Resources area](#) for members of Court.

**2. PREVIOUS CONSIDERATION BY /FURTHER APPROVAL REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
<b>Previously considered/approved by</b>	N/A	
<b>Further consideration/ approval required by</b>	N/A	

**3. RECOMMENDED ACTION**

- 3.1 University Court is invited to **note** the Committee's consideration and discussion of the following matters:
- A presentation from Scottish Enterprise on their work to support knowledge exchange and innovation with Universities (items 4.1 – 4.7 refer).
  - An update on current commercialisation activity, including the sector and broader entrepreneurship environment (items 5.1 – 5.2 refer).
  - A presentation to outline the strategic purpose of the University's Enterprise & Innovation (E&I) activity (items 5.3 – 5.7 refer).
  - The redeveloped draft institutional Intellectual Property, Equity and Revenue Sharing Policy (items 5.8 – 5.12 refer).
  - The draft institutional Costing and Pricing Policy (items 5.13 – 5.17 refer).

**4. GUEST SPEAKERS: SCOTTISH ENTERPRISE**

- 4.1. The Vice-Principal Regional Engagement introduced Nicola McMillan, Team Leader and David McLay, Head of Innovation Systems for High Growth Company Creation at Scottish Enterprise (SE), who presented on SE's work to support knowledge exchange and innovation with Universities.



- 4.2. An overview was provided of SE's entrepreneurship and investment activity within the University sector, and it was highlighted that Scotland produced 50% less spin outs and raised relatively lower amounts of funding compared to other areas of the UK. SE's key goal was to achieve step change in this area via:
- Supportive relationships with entrepreneurs, founding and leadership teams of high-growth start-ups and early-stage scale-ups throughout their growth journey.
  - The provision of specialist support, start-up and scale-up advice, funding, pump-priming and investment to help companies validate business models, develop strategic scale-up plans, investor-ready propositions and raise appropriate investment.
  - Connecting entrepreneurs to relevant public and private sector support, peer networks, and collaborative opportunities within Scotland, the UK and internationally.
- 4.3. A summary of key sectors and clusters of expertise within Scotland was presented, which included green energy, high-growth technological and life sciences industries. It was hoped that Scottish Universities could be brought together under a consortium model to drive future commercialisation in these areas at regional and national levels. To achieve this, SE were currently exploring where appropriate pools of intellectual property were being created, how academics working on these projects could collaborate to work on consortium bids, and how a mapping of the entirety of institutional projects could be developed to better identify future opportunities for co-funding and collaboration.
- 4.4. The Committee asked regarding examples of current good practice within the Scottish sector, and it was reported that a small number of larger Universities had well-established staff teams working across Enterprise & Innovation (E&I) activity, however capacity remained a challenge for the majority of Scottish institutions.
- 4.5. The Committee sought SE's view on the University's current position with regard to E&I, and it was noted that programme delivery was felt to be good and the institution had a strong track record of getting spin-out projects off the ground. However, there was a need more generally to agree at a strategic level its target focus areas, to ensure it could better exploit untapped opportunities. Currently, its numbers of initiatives were relatively small compared to its overall research income levels and it was suggested that additional commercial capacity would be required to support academics in their endeavours and to target staff and students as part of the entrepreneurial campus project to ensure they could realise their commercial potential.
- 4.6. Extended discussion was held to explore the range of wrap-around support services that SE could provide the University and its spin-outs in support of their forward aims for commercialisation. The Committee noted that the BioHub at its Foresterhill Campus had been established in working partnership with SE.
- 4.7. The Committee suggested that approaches for advice and guidance could be made to other Universities who had achieved success in participating in partnerships and multi-organisation approaches to streamline the growth journey for start-ups.

## **5. COMMERCIALISATION**

### **Vice-Principal's Update**

- 5.1. An update was provided by the Vice-Principal Regional Engagement on current commercialisation activity, including the sector and broader entrepreneurship environment.
- 5.2. The Committee's particular attention was drawn to the following:
  - It was confirmed that the Regional Economic Strategy was still pending publication and would be provided to the Committee via circulation once available.
  - An update was provided in respect of the University's Entrepreneurs in Residence (EiRs) Scheme. A further two EiRs were in the process of being appointed, and the positions had been funded via the University Innovation Fund. It was agreed that the Vice-Principal Regional Engagement would seek to arrange a further opportunity for the Committee members to meet informally with the EiRs once the expanded group was in place.
  - The Dean for Enterprise & Innovation was currently leading an inclusive innovation project. As part of the initiative, a StartHER conference event would be held on 20 March 2024, aimed at encouraging and inspiring female entrepreneurs and innovators.
  - The University had recently established an External Business Advisory Group – the first of its kind in the sector. A copy of the Group's membership and terms of reference was provided for the Committee's awareness, and members urged that opportunities should be pursued whenever possible to broaden the diversity of the group's composition. It was reported that Stanley Morrice MBE (Chairman, Garrets International and Deputy Chair, Opportunity North East) had agreed to chair the Group. At its first meeting the Group received an overview of the University's Aberdeen 2040 strategy and plans around industry engagement and entrepreneurship, before moving into an open discussion. One outcome of this discussion was an offer from Bob Keiller (former CEO Wood Group and Chair of Aberdeen & Grampian Chamber of Commerce) to co-develop a pilot programme on how to engage with business for delivery to a small cohort of academics. It was noted that the Group was not a formal governance committee, but an advisory group, but that a summary note of its discussions could be provided for the Commercialisation Committee on a regular basis.
  - It was reported that several other UK universities offered a multi-year corporate partnership arrangement providing access to a suite of services (consultancy hours, CPD training, industry-academic working sessions) for a fixed, multi-year fee. A proposal for the University's new Strategic Corporate Partnership Offer had been approved at the December meeting of the Enterprise and Innovation Committee and was provided to the Committee for information and awareness.
  - A confidential update was also provided on the current status of the North East Scotland Investment Zone, and the Committee discussed the University's alignment with the project's key sub-categories.
  - The Dean for Enterprise & Innovation had now completed a mapping exercise to understand how the institution was positioned with respect to the various actions outlined in the Entrepreneurial Campus Report (Tuffee Review). This would

inform the creation of an Entrepreneurial Campus Action Plan to be considered by the Enterprise and Innovation Committee and SMT.

### **Strategic Discussion**

- 5.3. The Vice-Principal Regional Engagement and Director of Research & Innovation delivered a presentation to outline the strategic purpose of the University's Enterprise and Innovation (E&I) activity.
- 5.4. It was reported that the strategy was focussed on transforming research, ideas and intellectual property generated within the University into products or services, working with businesses to support their growth, with the overall purpose of supporting regional and national economic development. In line with key Scottish Government guidance, strategies and white papers, Universities were positioned to be at the forefront of this activity.
- 5.5. It was confirmed that the strategy's six key pillars aligned with the findings of the Entrepreneurial Campus Blueprint, and were as follows:
  1. Purpose – to grow the University's base of activity, ensuring it met the expectations of Scottish Government and the Scottish Funding Council, whilst maximising cost recovery.
  2. People – to enable an entrepreneurial mindset amongst staff and students and provide appropriate support for start-up and spin-out formation.
  3. Place – to align the University's innovation with regional economic strategy and emerging place-based innovation priorities, based on the functional economic geography of the North East of Scotland.
  4. Partnership – to partner with regional and national organisations to deliver against ambitions and maximise resources.
  5. Promotion – the showcasing of University successes and expertise.
  6. Process – having the right policies and processes to simplify business engagement and ensure a founder friendly approach.
- 5.6. The key projects and initiatives being progressed during 2023-24 towards the achievement of the strategic pillars were summarised, alongside School commercialisation priorities, which were mapped against key KPIs for E&I activity for the coming year under Aberdeen 2040. Schools were now developing action plans based on their identified areas of focus, and these would return to the Committee in due course.
- 5.7. The Committee provided comments and questions as follows:
  - Members stressed the importance of maintaining an appropriate balance of input and equity in partnership ventures as they moved from planning to delivery. The Vice-Principal Regional Engagement confirmed that a clear set of policies and processes were in place for the oversight of partnership funding and operating models. The University's approach was to establish more outward-facing partnership conversations around a set of shared objectives to maximise opportunities, reduce bureaucracy and ensure that engagement was taking place on the basis of enabling academic inspiration to move into the E&I space.

- The Committee commented that the Business School had not indicated that additional consultancy was a focus area for 2023-24. It was suggested that this represented an indication from the School that it would only invest research in this area once the University's overarching consultancy model and marketing was in place. It was suggested that the Committee might further explore the School E&I priorities for 2023-24 together with the Vice-Principal Regional Engagement to better understand what support could be provided to individual Schools going forwards.
- Members commented that there remained a requirement to achieve an understanding at Court level of what was meant by commercialisation, and the different strands of activity that it comprised. It was felt that this would underpin a realistic view of the revenue possibilities of commercialisation activity, which were longer-term and unlikely to support financial recovery more immediately.
- The Committee queried how other institutions across the UK were funding commercial development. Committee Member Gary McRae reported that he had met with the Chief Executive of the Northern Gritstone group of Universities to explore their approach, which involved taking a volume of ideas and innovations with money from pension funds as venture capital towards support and resources to develop those ideas into commercial reality. It was agreed that, at the current time, this approach was not available to the University, given its current lower levels of funding and partnership arrangements.
- Discussion also took place regarding investment funds for commercialisation, and it was reported that the University was currently involved in the Epidarex Fund, which supported new life sciences spin-out companies. It was agreed that the Director of Research & Innovation would provide further information to the Committee out with the meeting as to the University's total investment and return to date.
- It was reported that discussions were ongoing towards the creation of a pan-Scotland National Investment Fund. The Committee confirmed its appetite to explore options to engage with this and other potential funds on a partnership basis to ensure the University could be positioned as part of the wider commercialisation ecosystem.
- It was noted that the University had established a Task and Finish Group for the development of an institution-wide Entrepreneurial Curriculum. The Committee welcomed the development and its potential positive implications for future National Student Survey performance.

## **Policy Focus**

### Intellectual Property, Equity & Revenue Sharing Policy

- 5.8. The Committee received a draft of the new institutional Intellectual Property, Equity and Revenue Sharing Policy for consideration and comment.
- 5.9. It was confirmed that a Task and Finish Group had been established to consider the draft policy against sector benchmarks and the November 2023 HM Treasury Report, which contained a clear recommendation as to the expected level of equity share of University spin-outs.



[Redacted]

[Redacted]

[Redacted]

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5.13. The Committee expressed thanks and satisfaction with the direction of travel of the new policy.

Costing & Pricing Policy

- 5.14. The Committee received a draft of the institutional Costing and Policy for consideration and comment.



- 5.17. The committee noted that the final policy document would return via circulation for final endorsement prior to approval by the Senior Management Team and Audit & Risk Committee for its inclusion within the University Financial Regulations.

**6. FURTHER INFORMATION**

- 6.1. Further information is available from Jan Whitfield, Clerk to the Commercialisation Committee, [janine.whitfield@abdn.ac.uk](mailto:janine.whitfield@abdn.ac.uk)

**Freedom of Information/Confidentiality Status:** Partially confidential/closed.  
The following sections contain commercially sensitive information and should remain confidential pending final approval and publication: 5.10 – 5.12, 5.15 – 5.16.

## UNIVERSITY OF ABERDEEN

## UNIVERSITY COURT

**FINANCE AND RESOURCING COMMITTEE REPORT****1. PURPOSE OF THE PAPER**

- 1.1 This paper is provided to University Court for information as an overview of the business conducted by the Finance and Resourcing Committee at its meeting on 6 February 2024, to provide an overview of the assurances obtained, and for onward noting of specific items of business, as outlined in section 3 below.
- 1.2 The agenda, papers and draft minutes are available [within the Decision Time Resources area](#) for members of Court.

**2. PREVIOUS CONSIDERATION BY /FURTHER APPROVAL REQUIRED**

	<b>Board/Committee</b>	<b>Date</b>
Previously considered/approved by	N/A	
Further consideration/ approval required by	N/A	

**3. RECOMMENDED ACTION**

3.1 University Court is invited to:

- **Note** the following items approved by the Committee via its delegated authority:
  - The provision of delegated authority to the TRAC Steering Group to recommend to the Senior Management Team the approval of the 2022-23 institutional TRAC Return (items 7.12 – 7.13 refer).
- **Note** that new External Member, Duncan Fraser was appointed to the Committee on the approval of the Governance and Nominations Committee from 1 February 2024, and attended his first meeting on 6 February, following the conduct of initial induction sessions (item 4.1 refers).
- **Note** the Committee's consideration and discussion of the following matters:
  - An update on the forward partnership arrangements for the Aberdeen Sports Village (items 4.2 – 4.6 refer).
  - An update on lobbying in respect of the funding clawback by the Scottish Funding Council for Undergraduate funded places (items 4.7 – 4.11 refer).

- An update on the progress of the Fast Field Cycling MRI Project (items 4.12 – 4.14 refer).
- An update on HE sector and University developments (items 5.1 – 5.3 refer).
- A presentation on the current status of borrowing covenant renegotiations with the University’s lenders, including an overview of the University’s debt and servicing (items 5.4 – 5.9 refer).
- A presentation on the development of the University’s Reimagining the Campuses Plan (items 6.1 – 6.6 refer).
- A report on the January 2024 student intake and the development of a revised institutional Recruitment Strategy (items 7.1 – 7.4 refer).
- An update on the budget position for 2023-24, following the publication of the December 2023 Monthly Management Report (MMR) (items 7.5 – 7.8 refer).
- An update on recent changes to the USS and UASLAS pension schemes, following the recent conclusion of statutory valuation exercises for both schemes (items 7.9 – 7.11 refer).
- A report on the current status of the University Endowment, Development Trust and Northern College portfolios (items 8.1 – 8.5 refer).
- The outcomes of the Committee’s effectiveness review, undertaken during the Summer 2023 (items 9.1 – 9.4 refer).

#### **4. MATTERS ARISING**

##### **Introductions**

4.1. The Chair welcomed new External Member, Duncan Fraser to the Committee.

##### **Aberdeen Sports Village**

4.2. The University Secretary and Chief Financial Officer provided an update on the forward partnership arrangements for ASV.



4.4. It was also noted that the maximum terms of office of the current Chair and University appointed Member of the ASV Board were due to expire shortly, and preparations were currently being made to ensure a positive transition.

4.5. It was noted that revised funding proposals and a timeframe for implementation would return to the Committee at its April 2024 meeting. Any material changes



in the interim, as the City Council moved to address their budgetary proposals, would be reported to the Committee via circulation in advance of this meeting.

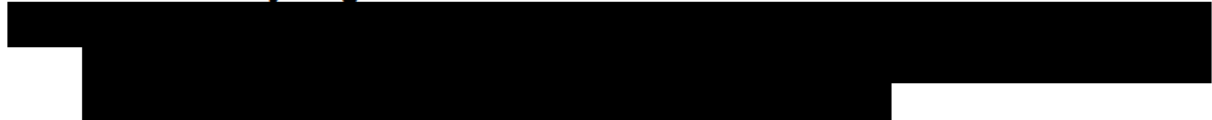
- 4.6. Members stressed the importance to both the University and the City of the continued operation of the ASV, particularly as a number of Council run facilities had recently been closed due to budgetary pressures.

**SFC Funding Clawback**

- 4.7. The Senior Vice-Principal provided an update on lobbying in respect of the funding clawback by the Scottish Funding Council (SFC) for Undergraduate funded places.
- 4.8. The Principal had met recently with Member of Parliament, Graham Dey to highlight the issue, and significant lobbying was taking place across the sector in light of the December 2023 Scottish Government budget announcement.
- 4.9. The SFC had confirmed that funded places would be removed, the exact number of which had yet to be confirmed. Feedback had been submitted by institutions via the 2022-23 Outcome Agreement process and other routes to request that reductions should be limited as far as possible. It was anticipated that initial indications would be received from SFC in March 2024, and final funding letters issued in mid- to late-May 2024, a month behind the usual timeline for notification.
- 4.10. The Committee sought confirmation that the delay in funding notifications would not further affect the institutional timeline for sign off of the Annual Report and Accounts. The Chief Financial Officer reported that a provision had been made within the accounts, representing the mid-point of the potential clawback range. As such, it should not negatively impact the sign off process. In respect of 2024-25, provision had been made within the financial plans, but there remained a risk that greater levels of clawback may be levied.



**Fast Field Cycling MRI**



[REDACTED]

[REDACTED]

**5. PRINCIPAL’S INTRODUCTION**

- 5.1. The Committee received an update from the Senior Vice-Principal on HE sector and University developments. Particular attention was drawn to the financial sustainability of UK Universities and the significant discussions currently ongoing across the sector regarding funding. It was confirmed that an increasing number of institutions were now reporting significant financial challenges.
  
- 5.2. An update was provided on the next Research Excellence Framework (REF), which was now scheduled for 2029 – a further one-year delay. It was noted that this would have additional funding implications for the University in terms of an extended timeframe for the recovery of lost income due to previous REF results. However, the announcement did offer a longer period for the University to complete its programme of cultural change to ensure improvements in its research impact.
  
- 5.3. It was reported that the University Business School had achieved accredited status with EQUIS, an internationally acknowledged quality review system for business and management schools. The Committee welcomed the news, and the positive standing this would create for the Business School in support of future income growth. It was confirmed that the award was being mobilised via marketing to prospective students, and the School was now working towards further accreditation by the Association to Advance Collegiate Schools of Business (AACSB), known worldwide as the most recognised form of specialised accreditation for business programmes.

**Covenant and Debt Position**

[REDACTED]

[REDACTED]

to be replaced by a Revolving Credit Facility (RCF) to the same value, for draw

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]



## **6. PLANNING AND RESOURCING**

### **Estates Planning**

- 6.1. The Vice-Principal Regional Engagement and Director of Estates and Facilities joined the meeting to provide an update on the development of the Reimagining the Campuses Plan.
- 6.2. It was highlighted that the core remit of the project was to lead, manage and oversee a comprehensive reimagining of the configuration and use of the estate across all Aberdeen campuses to ensure that future investments supported the delivery of the Aberdeen 2040 ambitions, encouraged interdisciplinarity and met the University's needs in the post-pandemic world.
- 6.3. It was noted that a full report with initial findings and recommendations for candidate projects would be presented to Court in June 2024. The outcomes would then inform the development of the forward Estates Strategy and Capital Plan.

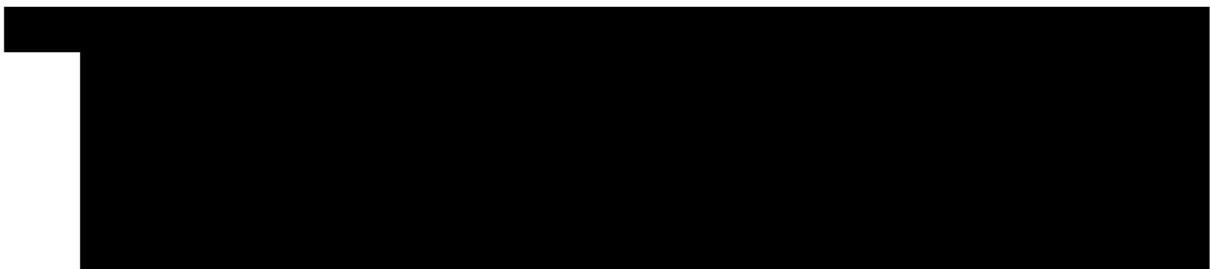
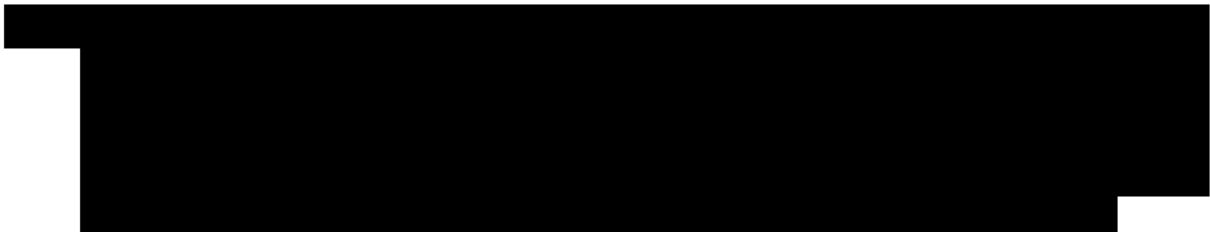
- 6.4. The key strategic imperatives of the project were outlined, including the need to respond to the changing size and shape of the staff and student population, the changing needs of education and research, sustainability and net zero commitments under the Aberdeen 2040 strategy, and the need to leverage the University's estate to generate commercial income. It was planned to identify a single-site solution for housing the University's Business School, which would align with the requirements of their EQUIS accreditation and enhance the School's physical presence and promotion. Work was also in train to explore possibilities for the creation of a Kings Innovation Quarter, High Street Commercial Strategy and Commercial Services Strategy to exploit income potential from events, corporate promotion, visitor generation and branded merchandising.
- 6.5. Key observations from the project to date were reported. It had been identified that there was currently a lack of coordinated data to inform decision-making and identify gaps in the coordination and management of the estate. A data collection project was now underway in response. There was also a need to reshape staff perceptions of the estate and their use of its spaces and facilities, and to move to a new occupancy model and configuration in support of cost savings, the disposal of expensive and under-utilised assets and the release of others for alternative use.
- 6.6. The Committee commented and raised questions as follows:
- Members queried whether visits were taking place and external input sought to observe examples and best practice at other campuses and institutions. The Director of Estates & Facilities reported external members of the Project Board with considerable estates experience had committed to supporting the University to develop new models of office configuration. Guidance was also being sought from the Estates Management Team at PwC and other private sector partners.
  - It was queried whether any elements of the University estate could be divested in the shorter term in support of cost saving initiatives. The Director of Estates & Facilities confirmed that an exercise was currently being undertaken to develop a clear set of statistics of usage and cost that could be used to identify a number of buildings for more immediate divestment.
  - The Committee queried whether funding might be available in support of the project from the Public Sector Decarbonisation Scheme, and it was confirmed that appropriate bidding opportunities were being explored.
  - The Committee queried whether there was currently a commercial market for the rental of vacant buildings to third parties. The Director of Estates & Facilities reported that the University was exploring the kinds of occupiers that might be attracted to buildings within the University's historic core. Any unused heritable interests would be assessed for alternative use and not subject to disposal.
  - Members asked regarding the proposed location for the University Business School, following the suspension of the Kings and Johnston capital projects. The Director of Estates & Facilities confirmed that under the terms of the School's EQUIS accreditation, a single building was not required to house the School, however there was a stipulation that it should

be based within an identifiable space on campus. Work was ongoing in liaison with the School to identify a suitable solution.

- The Committee sought confirmation as to whether there were any areas of the estate that were at significant risk due to the presence of RAAC (Reinforced Autoclaved Aerated Concrete) or asbestos. It was reported that three major campus buildings containing RAAC had already been made safe and mothballed. This process had prompted wider thinking around space utilisation, as it had been possible to successfully relocate all activity. The removal of asbestos was subject to management whenever it was identified.
- The Committee urged that discussions should be held with external stakeholders to assist with key strategic themes such as student accommodation and environmental sustainability. It was reported that engagement with third parties was ongoing and options were being explored for showcasing the University's estate to identify viable partnership opportunities.
- The Committee asked regarding the specific timeline for completion of the reimagining project and whether this could align with the finalisation of the institutional Financial Recovery Plan. The University Secretary confirmed that the project report and initial recommendations would be presented to Court in June 2024. The outcomes would then align with future financial planning, also informed by a better understanding of forward capital revenue availability following the completion of covenant renegotiations. The Committee's attention was also drawn to the reporting provided to Court in November 2023 which included an outline disposals list and underlying revenue assumptions. The Senior Vice-Principal commented that, due to the current constraints on the University's financial capital, an overall reduction in estate would be required in response to the anticipated future size and shape of the institution and its revised working practices. All aspects of this major reworking were being considered within the development of the final Financial Recovery Plan.

## **7. FINANCIAL MANAGEMENT**

### **Interim Student Recruitment Update**



offer making, with offers for Undergraduate non-controlled, Postgraduate Taught

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**Chief Financial Officer's Report**

Budget Position 2023-24

7.5. The Chief Financial Officer provided an update on the budget position for 2023-24, following the publication of the December 2023 Monthly Management Report (MMR).

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Pensions Update

7.9. An update was provided on recent changes to the Universities Superannuation Scheme (USS) and University of Aberdeen Superannuation & Life Assurance Scheme (UASLAS) pension schemes, following the recent conclusion of statutory valuation exercises for both schemes.



7.10. It was confirmed that the UASLAS had reported a deficit of £9.6m which remained as per the 31 July 2019 valuation exercise. As a result of the valuation results, the Scheme trustees had requested a number of changes to contributions, all of which had been accepted by the University. The entire increase to the future pension accrual contribution had been added to the employer contribution at a cost of approximately £0.15m per annum, meaning that the employee rate remained unchanged.

7.11. The USS 31 March 2022 valuation exercise concluded in December 2023, with the Scheme returning to a surplus of £7.4bn compared with a deficit of £14.1bn in 2020. Following discussions with employers, an employee consultation was held in late 2023, proposing a reduction to contribution rates and a reinstatement of benefits to pre- April 2022 levels, when benefits were cut following the 31 March 2020 valuation exercise. The proposals were accepted, and contribution rates were reduced from 1 January 2024 with the revision to pension benefits starting from 1 April 2024.

#### **TRAC Return 2022-23**

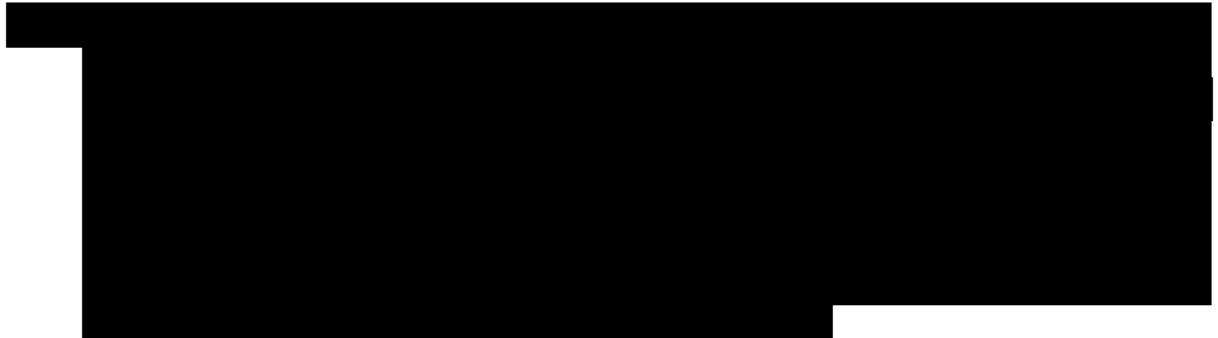
7.12. The Committee received a proposal for the process for the governance and approval of the institutional Transparent Approach to Costing (TRAC) Return.

7.13. As per the process previously agreed by the Committee in 2022-23 in relation to the 2021-22 return, it was noted that the Finance & Resourcing Committee were not required to approve the result of the TRAC Return, as this should be done by the TRAC Steering Group as the relevant oversight committee. It was therefore proposed and approved by FRC that the Steering Group should produce a report for the Senior Management Team, and that SMT should approve the final return for submission.

## **8. INVESTMENTS**

### **Investment Portfolio**

8.1. The Chair of the Investment Committee, Caryn Miller joined the meeting to present an update on the University Endowment, Development Trust and Northern College portfolios.



8.3. It was noted that the Investment Committee had held extended discussions at its last meeting with Goldman Sachs, with regard to the portfolio's lowest performing

investments. The advisors had expressed continued confidence in the placements and had recommended that they should continue to be held.

[REDACTED]

8.5. The Committee's attention was drawn to the revised composition and membership of the Investment Committee, including new members with strong investment experience.

## 9 COMMITTEE EFFECTIVENESS REVIEW

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## 10 FURTHER INFORMATION

10.1. Further information is available from Jan Whitfield, Clerk to the Finance and Resourcing Committee, [janine.whitfield@abdn.ac.uk](mailto:janine.whitfield@abdn.ac.uk)

**Confidentiality Status:** The following sections contain commercially sensitive information and should remain closed: 4.3, 4.11, 4.12-4.14, 5.4-5.9, 7.1-7.4, 7.6-7.8, 8.2, 8.4. 9.1-9.4.