

UNIVERSITY OF ABERDEEN

UNIVERSITY COURT

MINUTES OF MEETING HELD ON 25 SEPTEMBER 2024

Present: Julie Ashworth (in the Chair for minutes 03 onwards)
Ainhoa Burgos Aguilera
Martin Barker
Eleanor Bentley
George Boyne
Ewan Cameron
Martina Chukwuma-Ezike (in the Chair for minutes 01-02)
Owen Cox
Iain Grant
Luke Halliday
Fiona Islam
Gary McRae
Helen Martin
Caryn Miller
Alison Rankin
Shona Russell
Joachim Schaper
Christina Schmid
Diane Skåtun
Robert Traynham (via Teams)
Neil Vargesson
Ilia Xypolia

In attendance: Tracey Slaven (University Secretary)
Louise Thomson (except for minutes 06-09)
Janine Whitfield

Senior Management Team members:

Siladitya Bhattacharya (for minutes 31 to 34)
Karl Leydecker
Mark White

Clerk: Bruce Purdon

Apologies: Lesley Birse, Otto Thoresen, Adaku Ufere

WELCOME AND RECTOR'S REPORT

001 The Rector opened the meeting and welcomed Ainhoa Burgos Aguilera, Ewan Cameron, Fiona Islam and Christina Schmid to their first meeting of Court. The Rector and Court also noted that it was Robert Traynham's last meeting as a member and warmly thanked him for his service to both the Court and the wider University.

- 002 The Court received and noted the Rector's report on recent activities and meetings they had undertaken in the role since the last meeting of Court (CT20240925_1).

DECLARATIONS OF INTEREST AND REMINDER OF COURT AND MEMBER RESPONSIBILITIES

- 003 The Court noted the standing reminder of the responsibilities of Court and members as charity trustees (CT20240925_2).

MINUTES

- 004 The minutes of the meetings held on 18 June and 19 June 2024 were received (CT20240925_3.1 to 3.4) and approved, with the amendments as proposed to the updated versions of minutes received of 18 September 2024 (items 3.1 & 3.2) and 19 September 2024 (item 3.3), being included.

ACTION LOG AND MATTERS ARISING

- 005 The Court received and noted a report on Matters Arising and the Court Action Log (CT20240925_4).

Recruitment of an Interim University Secretary

- 006 At the request of two members, the Court discussed whether to add to its decision of 18 September 2024 an action to approve the recruitment of a University Secretary. The action proposed was to initiate immediately the recruitment of an externally sourced Interim University Secretary to undertake the full role until such time as a permanent appointment had taken up post.
- 007 In discussion, it was confirmed that Court had on 18 September 2024, noted temporary business continuity arrangements with regard to the oversight of governance processes but that the meeting had run out of time to discuss further interim arrangements in any depth. The proposal that was suggested had, therefore, followed further reflection on the matter and a recognition of the breadth and importance of the role's responsibilities which went beyond governance processes. Given these, it was suggested that, while there was a very competent team supporting the governance of Court and contingency arrangements in that respect, the Court should consider the interim arrangements for the wider aspects of the role of University Secretary. It was, therefore, proposed that Court appoint a person with senior leadership and higher education experience. In terms of process, it was noted the Court should approve any appointment based on the recommendation of a selection panel, which could either be the panel already proposed for the University Secretary position or a smaller version of that panel structure.
- 008 The Court discussed whether a formal paper with options should be received but on balance, the consensus was that this would not be necessary for an interim position and that there was a need to move quickly given that the current Secretary would demit office in early November. The Court was also assured by the Senior Governor that the proposal would not represent additional cost, given the vacancy that would then exist.

- 009 The Court approved the exploration of the options for recruitment of an Interim University Secretary and that this be taken forward with immediate effect, while recognising that it may not be possible.

REPORT FROM THE SENIOR GOVERNOR

- 010 The Court noted a report on meetings and activities undertaken by the Senior Governor since the last meeting of Court (CT20240925_5).

REPORT FROM THE PRINCIPAL AND UPDATE ON THE SECTOR/OPERATING CONTEXT

- 011 The Court received a written report (CT20240925_6) on developments within the University and in the wider higher education sector, which the Principal supplemented with an oral report.

- 012 In discussion, the following key points were noted:

- The political context for higher education in the UK was evolving in a more positive direction following the election of a new Government in terms of the approach to international students and discussion regarding the pressures on the current funding model for universities. It was noted, however, that both the UK and Scottish Governments had significant budget gaps and it was considered unlikely that any new funding for higher education was imminent.
- It was reported that a number of universities, including Russell Group institutions, were expected to publish significant deficits in their annual accounts for 2023/24. This was indicative of the pressure on the funding model UK wide and the downturn in international students.
- Noting there was a separate report later on the agenda, the Principal provided some commentary on the University's financial position, which had been stabilised. While there would still need to be tight budgetary control in the year ahead, the focus was now to move from stabilising to achieve the revenues necessary for recovery and growth.
- The Principal paid tribute to the University community for its achievements in in the recent Guardian (12th in UK/2nd in Scotland) and Times/Sunday Times rankings (15th in UK/2nd in Scotland) and the National Student Survey (2nd in Scotland, Wales and Northern Ireland for overall student satisfaction).

STRATEGY AND RISK

STRATEGIC RISK BI-ANNUAL REPORT

- 013 The Court received and discussed the bi-annual report on institutional risk management (CT20240925_7.1) The report provided:

1. An overview of updates made to the Risk Management Framework following the last Court, including progressing implementation of risk management arrangements at School level, as recommended following an internal audit of the University's risk management arrangements.
 2. An update on the University's current strategic risk profile, with a copy of the latest iteration of the Strategic Risk Register (SRR) included.
- 014 The Court discussed the scoring of risks around cybersecurity, noting that increasing the completion rate of staff training in this area was a priority. On a more general point, it was suggested it would be helpful if the report could show where mitigations have changed.
- 015 The extension of risk management processes at School levels was noted and Court was assured that this would only relate to areas that were specific to Schools rather than duplicating University wide issues eg student recruitment.
- 016 It was noted that Court would be invited to discuss further the University's risk appetite and that a further development session for members on risk management was being considered.

ABERDEEN 2040: SUMMARY OF PERFORMANCE 2023/24

- 017 The Court received and noted a summary report on progress in delivery of Aberdeen 2040 in 2023/24 (CT20240925_7.2). This included:
1. An updated, year-end version of the Strategic Priorities Implementation Plan for 2023/24, which had been approved by Court in November 2023.
 2. An overview of progress against the key performance indicators (KPIs) in place for Aberdeen 2040 more broadly, noting that these KPIs will be used for reporting within the University's Annual Report and Accounts for 2023/24.
- 018 The Court noted that as the initial five-year planning period for Aberdeen 2040 comes to an end in 2025, the KPIs currently used to track progress would be reviewed over the year ahead. This would form part of a wider exercise to revisit Aberdeen 2040 more broadly both with Court and the wider University community, with a view to re-aligning where required, and to re-affirming the University's longer term strategic ambitions.

ABERDEEN 2040: STRATEGIC PRIORITIES IMPLEMENTATION PLAN

- 019 The Court received the University's Aberdeen 2040 Strategic Priorities Implementation Plan for 2024/25 (CT20240925_7.3). The plan has been structured to reflect the strategic themes identified at the meeting of Court of 19 June 2024, which were: Quality, New Revenue, and Ways of Working
- 020 In discussion, the challenge of addressing workload while also building the University's research and teaching quality were recognised and some examples of the initiatives being undertaken to do so in terms of ways of working were highlighted to Court. It was recognised that the early

retirement/voluntary severance scheme and Professional Services restructuring were changes which the University was still responding to and this included ensuring that available resource was focused on priority areas.

- 021 It was noted that further engagement with the Students' Union would be undertaken around the student experience dimension to the plan.
- 022 The Court discussed the wider funding environment for universities and was assured that while the University was lobbying for action from Government to review the current funding model for higher education which it considered to be no longer adequate, it was not advocating for a particular solution.
- 023 The Court approved the Strategic Priorities Implementation Plan for 2024/25.

FINANCE

CHIEF FINANCIAL OFFICER'S UPDATE

- 024 The Court received a report from the Chief Financial Officer (CT20240925_8.1).
- 025 The Court noted that:
1. The draft Accounts for 2023/24 had been prepared and reported an improvement in the final quarter resulting in a (draft) underlying deficit of £8.5m (subject to external audit) versus the approved Court budget target of a deficit of £12.5m.
 2. The report projected compliance with the revised suite of financial covenants.
 3. The significant reductions in the recurring cost base and the implications on the 2024/25 budget.
 4. The on-going work on financial projections designed to remove the material uncertainty statement in the Audit Opinion that had been required in the 2022/23 annual accounts.
 5. The Senior Management Team (SMT) were considering implementation of the outcome from the recent National Collective Pay Negotiations. A high level estimate put the cost to the University of doing so at circa £3m in 2024/25.
- 026 The Court discussed the potential implementation of the national pay deal. It was noted that full effect of implementation would be included in the Budget revision exercise following final confirmation of autumn 2024 student registrations (Snapshot 1). Only at this stage would it be confirmed if further in-year savings to achieve the budget target were required, however at this stage, the Senior Management Team's assessment was that given current levels of prudence and corresponding underspends, there was adequate cover to implement the pay award. It was confirmed that while the Financial Recovery Plan had not budgeted for this level of uplift in pay, however, the University's staff numbers had reduced and salary costs were now lower.

- 027 The Court sought assurance from Senior Management regarding affordability of implementing the pay deal at this point given there had been a drop in 2023 between forecast student registrations in September 2023 and actual numbers reported in November 2023. It discussed with Senior Management its assessment of the student numbers forecast (as also reported in the subsequent agenda item and paper). The Court noted that overall there was positive movement on Home Under Graduate (UG), whilst International Post-graduate Taught and On-line numbers were slightly behind budget although there remained three weeks before registration closed. The paper reported that, while there was an overall risk of around a £1.5m to £2m shortfall in budgeted fees, management remained confident that the overall budgeted fee intake would be realised.
- 028 In discussion, it was noted that a clarification for a member on how the pay award would relate to off-scale staff would be provided outwith the meeting.
- 029 The Court agreed that the pay award could be implemented, subject to there being no material (negative) change to the expected financial position reported to Court over the course of the next ten days. In the event of a material (negative) change to the expected position, the decision to award would be brought back to Court for further consideration.
- 030 In addition, Court members requested that it would be helpful for future budget reports that the paper include a comparison of the current position against the financial recovery plan.

STUDENT RECRUITMENT UPDATE

- 031 The Court received an initial report on the September 2024 student intake (CT20240925_8.2). It was noted that the position was still “live” until Snapshot 1 and therefore subject to change.
- 032 The key headline figures reported were noted as:
1. Home Undergraduate - showed a significant projected improvement on prior year and expected to achieve the budget target for 24/25.
 2. Postgraduate Taught International - projected to achieve 96% of the targeted £8.4m budgeted income. The most recent data available at the time of the meeting, however, suggested the target would be achieved.
 3. Online – showed a projection of a shortfall against budget target of £0.5m.
 4. Undergraduate International - projected to achieve target
 5. Postgraduate Research - projected to achieve target
 6. Home Postgraduate Taught and Rest of UK Undergraduate – projected to be short of target.
- 033 The Court discussed with the Vice-Principal for Global Engagement, the impact that changes to the University’s student recruitment and admissions strategy, processes, deposit arrangements, fee levels and scholarships, had made and where it was considered that further changes might be required.

- 034 It was noted that the Court would find it helpful for future reports to include more tabular data, with comparison to year on year performance.

ESTATES AND CAPITAL PLAN

CAPITAL PLAN

- 035 The Court received the University's proposed Capital Plan for the 3 years of 2024/25, 2025/26 and 2026/27 (CT20240925_9.1).
- 036 The Court noted that the budget for the Capital Plan in the first two years was derived from the Financial Recovery Plan and the subsequent Court approved Budget for those 2 years. The Plan also outlined the 10 year Cash Plan for reference which related directly to the resources available for capital investment.
- 037 The Court noted that the funds available over the three year period were constrained and projects had, therefore, been prioritised with a focus on those that were essential to allow the safe, effective and efficient management of the University estate and digital infrastructure. Where possible, the Plan included spend on the major strategic objectives of Net Zero and Reimagining our Campuses on a prioritised basis, such as relocating from Marischal East and work in the MacRobert Building to facilitate the creation of a single home for the Business School.
- 038 The Court noted a summary of the Finance and Resourcing Committee's consideration of the draft Plan.
- 039 In discussion, it was confirmed that given the ongoing work regarding implementation of the Reimagining our Campuses recommendations, the Plan might require to be revisited. In addition, the University intended to discuss the Plan further with the Student's Association to ensure that their views on priorities from the student perspective were fully considered.
- 040 It was also acknowledged, in discussion, that there had to be a careful focus on strategic priorities, within a very limited funding envelope. The limitations of available specialist staff resource and potential requirement of specialist consultants to deliver the Plan was also acknowledged. It was confirmed that the University was to relocate from Marischal East, both to reduce current running costs and because any longer-term future use would require significant investment to address fire/water/insurance risks and protect the special collections that were currently located there.
- 041 The Court was assured that further consideration was being given to the issues of sustainability and the longer-term future of the Hillhead student accommodation, which was part of the Reimagining our Campuses work.
- 042 Following discussion, the Court:
1. Approved the draft Capital Plan, endorsing the project prioritization methodology and resulting portfolio of projects included within the plan.

2. Noted that individual projects would require a business case and financial approval through the normal approval processes.

REIMAGINING OUR CAMPUSES: UPDATE ON IMPLEMENTATION

- 043 The Court received and noted an update on the *Reimagining Our Campuses* project following the presentation of the project's report to Court in June 2024 (CT20240925_9.2).
- 044 The Court noted that a fuller update including a prioritisation and action plan was to be provided to Court's next meeting in November.
- 045 The Court also received a briefing note to help inform members' interactions with stakeholders regarding the project.

REPORTS FROM COURT SUB-COMMITTEES

AUDIT AND RISK COMMITTEE

- 046 The Court received a report on the main items of business considered by the Audit and Risk Committee at its meeting on 12 September 2024 (CT20240925_10.1)
- 047 The Court approved updates to the Committee's terms of reference.

FINANCE AND RESOURCING COMMITTEE

- 048 The Court received a verbal report on the main items of business considered by the Finance and Resourcing Committee at its meeting on 17 September 2024.

GOVERNANCE AND NOMINATIONS COMMITTEE

- 049 The Court received a report on the main items of business considered by the Governance and Nominations Committee at its meeting on 3 June 2024. (CT20240925_10.3).
- 050 The Court formally noted that it had by circulation approved by circulation the Committee's recommendations (which were summarised in the report) on:
1. Reappointment and extensions to the periods of appointment of three independent members of Court – Caryn Miller, Gary McRae and Otto Thoresen.
 2. Appointment of Committee Chairs – Caryn Miller (Finance & Resourcing Committee), Ewan Cameron (Investment Committee) and Gary McRae (Commercialisation Committee)
 3. Membership of Court Committees for 2024-25 including appointment to some vacancies.

GOVERNANCE AND REGULATORY

Gaelic Language Plan

- 051 The Court received and approved an updated version of the University of Aberdeen Gaelic Language Plan, for submission to Bòrd na Gàidhlig (CT20240925_11.1). It was suggested that it would not be appropriate to include as an example in the Plan, elements of the University Annual Report being in Gaelic.

Outcomes Framework and Assurance Model from the SFC

- 052 The Court received and noted a report on the Scottish Funding Council's (SFC) new Framework and Assurance Model (CT20240925_11.2).

Court Schedule of Business

- 053 The Court received a draft schedule of Court business for the year ahead (CT20240925_11.3). Members were invited to forward any suggestions for future items of business to the Secretariat.

Partnership, Negotiating & Consultative Committee

- 054 The Court received for information a report on the main items of business considered by the Partnership, Negotiating & Consultative Committee at its meeting on 29 August 2024 (CT20240925_12.1).

University Secretary and Chief Operating Officer

- 055 The Senior Governor and Court recorded its considerable thanks and appreciation to Tracey Slaven for her significant and wide-ranging contribution to the Court and to the wider University community during her time as Secretary and Chief Operating Officer.

Date of Next Meeting

- 056 The Court noted that the date of its next meeting was Tuesday, 19 November 2024, 9am to 4pm.