

UNIVERSITY OF DUNDEE

UNIVERSITY COURT

A meeting of the University Court was held on 21 November in the Baxter Suite, Tower Building, City Campus, University of Dundee.

Present: Amanda Millar (Chair);
Janice Aitken;
Glenn Allison;
Alan Bainbridge (online);
Tricia Bey;
Ian Buerger;
Greg Colgan;
Claire Cunningham;
Professor Sir Mike Ferguson (online);
Professor Iain Gillespie (Principal & Vice-Chancellor);
Andy Lothian
Professor Linda Martindale;
Nyasha Mutembwa;
Dr Anna Notaro;
Amina Shah (online);
Karthik Subramanya;
Jay Surti;
Professor Garry Taylor;
Karen Thomson (online);
Susan Walker; and
Keith Winter.

In Attendance: Peter Fotheringham (Director of Finance);
Elise Gallagher (Director of People);
Dr Neale Laker (Deputy University Secretary);
Dr Jim McGeorge (University Secretary & Chief Operating Officer);
Dr Christine Milburn (Head of Principal's Office) (online);
Professor Shane O'Neill (Deputy Vice-Chancellor & Provost); and
Dr Alison Ramsay (Senior Policy Officer (Corporate Governance))

Apologies: Ron Mobed, Carla Rossini, Sharon Sweeney.

17. WELCOME AND INTRODUCTION FROM THE CHAIR OF COURT

The Chair welcomed members to the meeting of the Court.

18. MINUTES

The Court decided: to approve the minutes of the meeting on 12 September 2023.

19. **MATTERS ARISING**

Action Log

The Court received the action log of Court business.

The Court decided: to note the update.

20. **CHAIR'S REPORT TO COURT**

The Court received a report from the Chair on activities undertaken on behalf of the Court and the University at a University and sectoral level. Members were advised that the Chair continued to hold regular discussions with the Vice-Chancellor, Secretariat officers and UEG colleagues, which had served to keep her up to date with matters both within and outwith the University. The Chair noted that she had attended the Committee of Scottish Chairs and that she would be joining the membership of the UCEA Scotland Committee.

The Chair invited the Court to note that fewer members of the UEG would be routinely in attendance at future meetings although they would be invited to join by invitation when an item of Court's discussions would be enhanced by their input and expertise in a particular area.

Members noted the success of the winter Graduation Ceremonies and were advised that the Deputy Chair had recently attended the installation and dinner for the new Chancellor of the University, the Lord Robertson of Port Ellen. The Chair had participated in the celebration of the Chancellorship of Dame Jocelyn Bell Burnell at an earlier event.

The Chair reiterated her request that those members who, as part of their one-to-one discussions, had intimated a desire to contribute their skills to the work of the University should contact the Clerk to Court by the end of November 2023. This would contribute to a register of skills which Executive colleagues could draw upon in specific projects.

Finally, the Court was advised that the Chair and the Vice-Chancellor had attended a Vigil for Peace led by the University Chaplain and supported by the institution's Muslim and Jewish faith leaders.

The Court decided: to note the report.

21. **UNIVERSITY EXECUTIVE GROUP REPORT TO COURT**

The Principal & Vice-Chancellor introduced the University Executive Group report to Court, which provided an update on emerging sectoral issues, strategic matters, and recent events. The Principal advised the Court that the period since the last meeting of the Court had seen significant political interest in the University, contributing to a significant increase in the visibility of the institution on the national stage. Members were advised that UK Minister of State at the Department for Science, Innovation and Technology, George Freeman, had visited the University to open the Centre for Targeted Protein Degradation (CeTPD). The following week Scotland's First Minister, Humza Yousaf, had viewed the new Life Sciences

Innovation Hub at the Technopole. This latter visit had coincided with the European University Association Research Innovation and Science Group (EUA RISG) holding its first meeting outside Brussels. In his role as Convener of Universities Scotland, Professor Gillespie had met with, amongst others, the Scottish Director General (Strategy & External Affairs) and the Directors of External Affairs and of Lifelong Learning & Skills.

At the time of the Court meeting, the University was noted as hosting the British Council's annual Going Global conference, while other activities related to the institution's globalization agenda had included visits to key partners in China, a visit from the Indonesian Ministry for Education and the launch of the joint Master's Degree in Law with the University of Lagos. Members were advised of the University's intention to embed globalisation within business as usual, to deepen existing partnerships and exploit new global markets.

The Court was advised that the University had not escaped the sector-wide decline in international student recruitment to the UK and had also seen a drop in demand from RUK students. The institution had, however, met its SFC Undergraduate caps, including its Widening Access targets. League table performance had been mixed and remained a matter of intense discussion at UEG and UMG.

The Principal apprised members of new appointments at senior level, including the new Deputy Director for Equality, Diversity & Inclusion and the Director of Research & Innovation Services. The Principal had recently participated in a Vigil for Peace, one of the ways in which the University was providing support to staff and students affected by the continued conflict in the Middle East, while staff and students had shown their support for the DUSA 'Show Racism the Red Card' football match on 3 November.

The Principal provided an update on pay, pensions and industrial relations, noting that this remained a complex and rapidly-moving environment. Both UNISON and Unite were noted as having a mandate for industrial action over national pay disputes, but further action had not been announced at the University of Dundee.

The Court was apprised of the current position in relation to the Reinforced Autoclaved Aerated Concrete (RAAC) recently discovered in University buildings and noted that this would be discussed elsewhere on the agenda. Members were advised of the forthcoming departure of the Director of Strategic Change and Delivery and wished Ms Poulson well for the future. The potential impact of her departure on the delivery of the University Strategy was noted and the Court was assured that the University would continue to maintain momentum in this area.

The Principal then paid tribute to former Court member and Unison branch secretary, Phil Welsh, who had died recently. Court acknowledged his contribution and impact on the university and members noted that Mr Welsh had been remembered, too, by Dundee City Council for his legacy in matters of mental health and wellbeing advocacy.

In discussion, members requested further information on the decline in international students and were advised that the UEG remained committed to its vision for globalisation and would return to both the Finance & Policy Committee and the Court with any proposals for investment in new markets. Members welcomed the University's early-stage thinking on the redevelopment of the Cross Row site in response to the discovery of RAAC in University buildings and as part of the vision for a vibrant campus, noting that the development of

detailed proposals would take time.

The Court decided: to note the report.

22. **FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 JULY 2023**

(1) Annual Audit & Risk Committee Report

The Convener of the Audit and Risk Committee introduced the Annual Audit & Risk Committee report for 2022/23. The report summarised the Committee's activities, including internal audits during the 2022/23 academic year, external audit and the Committee's consideration of the financial statements for the year ending July 2023.

The Audit & Risk Committee had been satisfied with the work of the internal and external auditors and the reports provided by management and endorsed the annual report to the Court for approval.

The Court decided: to approve the report for onward submission to the Scottish Funding Council.

(2) Letter of Representation

The Court considered the proposed draft letter of representation which was to be provided to the auditors.

The Court decided: to approve the letter of representation for signature by the Chair and the Principal & Vice-Chancellor.

(3) Financial Statements 2022/23

The Court received the report and draft financial statements for 2022/23. The Director of Finance informed the Court that the external audit work was largely complete, with a small amount required prior to finalisation of the audit report. No material changes were anticipated.

In terms of the operational results, the reported FRS102 surplus for the year, including the USS adjustment and other gains and losses was £5.6m (2022: £54.2m). Total income had increased by 5.4% to £292.0m.

Grant income from the Scottish Funding Council had decreased by 1.5% to £86.7m and tuition fee income had increased significantly by 22.6% and totalled £117.6m. International tuition fee income had continued to exceed growth expectations and had increased by £22.9m to £77.6m.

Research income had increased by £7.1m or 9.9% to £78.9m with overhead recovery having increased during the year. The University was noted as continuing to be one of the most research-intensive institutions in the UK. Total expenditure (excluding the impact of the USS adjustment) had increased by 12.2%, an increase of £36.0m to £330.2m (2022: £294.2m).

Staff costs had increased by 4.2%, increasing by £7.0m to £174.5m. As a percentage of total income, staff costs had reduced to 53.6% (2022: 57.4%). This reflected a modest increase in staff costs against a more significant increase in overall income. Depreciation and amortisation had increased by £5.6m to £23.0m (2022: £17.4), which included an impairment of £5.9m relating to the presence of Reinforced Autoclaved Aerated Concrete (RAAC).

The Court welcomed the financial reports and commended the University on having achieved the first operational surplus in some years. Members noted that financial Key Performance Indicators (KPIs) remained on track and that management would report formally twice per annum on progress made against target for the remaining institutional KPIs.

- The Court decided:**
- (i) as recommended by the Finance & Policy and Audit & Risk committees, to approve the financial reports; and
 - (ii) to approve the 2022/23 Financial Statements subject to: finalisation of the external audit and there being no material changes; and approval by the Chair of Court and Convener of Audit & Risk Committee or the Deputy Chair of Court.

23. **OUTCOME AGREEMENT WITH SFC 2023/24**

The Deputy University Secretary introduced the above draft Outcome Agreement with the Scottish Funding Council (SFC) for 2023/24 noting that, this year, the main document also contained the University's plan for use of the University Innovation Fund (UIF). Dr Laker advised members that the document had already been submitted to SFC with the caveat that changes could be required following deliberations at the meeting of Court.

In discussion, members thanked officers for the significant work undertaken to produce the document, whilst noting the limited impact of the Agreement when SFC grants accounted for only 26% of the University's funding.

The Court commended the many valuable and transformational opportunities offered by the University and requested that consideration be given to celebrating these more widely.

- The Court decided:** to delegate to officers the responsibility for finalising the document for submission to the Scottish Funding Council.

24. **UNIVERSITY STRATEGY 2022-27: DELIVERY & COURT PRIORITIES**

The Principal introduced the above paper, intended to provide the Court with an update on the delivery of the University Strategy 2022-27. He advised the Court, in particular, of the evolution over the previous year of three overarching strategic priorities or pillars central to the delivery of the Strategy, which had originally been identified as: Ensuring our academic excellence, and sustainability; Growing our reach, particularly in widening access, social

inclusion and internationalisation; and Transforming our university to be a truly digital community. These had been refined and redefined as: Grow and Globalise; Ensuring Excellent Academic Performance; and Vibrant Campus.

Court noted that these three priorities were the means by which the implementation of the sub-strategies would be linked in a co-ordinated and coherent manner and that, in the period since the Strategy had been approved, a range of actions had been taken forward in relation to each pillar. This had, in turn, allowed the refinement of the sub-strategy implementation plans and the development of a coherent set of workstreams.

Members were advised that, as the pillar upon which the success of the University most crucially depended, the University Executive Group had sought to deepen the shared understanding of what excellent academic performance required from Schools. To that end, a new strategic planning and budget-setting process had been implemented to set targets for the academic and financial performance of each School in relation to a range of KPIs. Each School and Directorate had also been required to develop a 5-year strategic plan which would articulate their distinct contribution to the delivery of the overall Strategy.

For the University to become more financially resilient and able to invest securely and consistently in its academic future, an increased emphasis on Growth and Globalisation had been identified. Recent studies had indicated that a turnover of £500m constituted the threshold required of a University to be sustainable over the longer term, a figure to which the Court had given its in-principle endorsement at its Retreat in February 2023. Whilst changes to the external environment had made international student recruitment more challenging, the University was poised to diversify its international provision and partnerships in line with institutional values. This would entail a shift in emphasis from student recruitment alone to introducing a research dimension and, where possible, an enterprise/engagement aspect to its partnership activities.

Prior to the global pandemic, the University had focused primarily on the in-person, on-campus student experience, which had been disrupted by lockdown and the introduction of hybrid learning methods. Since the end of COVID measures, however, there had been a slower than expected return to campus by students and staff and it had become clear that the University's campuses required redevelopment in order to become attractive and fit-for-purpose spaces for students, staff and visitors. The digital transformation of the 2022-27 Strategy had therefore evolved into The Vibrant Campus, encompassing the University's three campuses but also embracing students at partner institutions overseas and in both the physical and digital/virtual worlds.

Court commended the vision contained in the paper and the goals delineated in the presentation delivered by Professor Gillespie, Professor O'Neill and Dr McGeorge. In the course of a lengthy discussion members considered, *inter alia*, the development of international partnerships and how best to bring the benefits of these to the city as a whole. The importance of public engagement beyond students and staff was emphasised and the University's close relationship with Dundee City Council noted as a powerful alliance in achieving the vision of the University in, of, and for Dundee.

In considering the transformation of the estate into the Vibrant Campus, Court noted the need for creative and flexible spaces to encourage greater engagement and welcomed management's ambitions for the Cross Row site in providing a fit-for-purpose Students'

Association building and a forward-looking Business School. Members noted the University's assistance to DUSA in supporting the student experience in the short-term and noted that strong partnership working would be required to deliver the new building. The Executive was invited to consider allocating resource for small, agile pilot projects across the University to enhance engagement.

Court noted that it would receive qualitative and quantitative reports on progress made in delivering the overall Strategy, each of the pillars and updated KPIs on a regular basis, including evaluating whether the KPIs remained appropriate as the pillars progressed. Much work remained in implementing the digital strategy and, in order to be fully transformative, the pillars would require engagement from students and staff to achieve a cultural shift.

The Court decided: to commend the clarity of the presentation, ambition, and approve the timescales set out for bringing forward more detailed discussions on each of these key strategic pillars and reporting on progress towards achievement.

25. REPORT FROM THE SENATUS ACADEMICUS

The Court received and considered the above report of the meeting of the Senate held on 11 October 2023, prepared for the Court's information. Members noted that any actions detailed within the report would be taken forward as indicated in the minutes for the meeting of the Senate.

The Court decided: to note the report.

26. COMMITTEE REPORTS

(1) Audit & Risk Committee

The Convener of the Audit & Risk Committee introduced the report from the most recent meeting and drew members' attention to the internal audit progress report. Court was advised that the Committee had received and considered an update on the Human Resources & Payroll implementation, including actions implemented. Finally, the Committee had received and considered the internal audit Annual Report and a letter from the external auditor to those charged with governance.

Minutes of the Committee's meeting on 24 October 2023

The Court received the minutes of the meeting.

The Court decided:

- (i) to approve the Committee's Remit and Terms of Reference for 2023/24;
- (ii) to note the Committee's endorsement of the Letter of Representation (Paper E2);
- (iii) to endorse the recommendation of the Committee

that Court approve the Financial Statements for the year ended 31 July 2023;

- (iv) to note the Committee's endorsement of the Audit & Risk Committee Annual Report; and
- (v) to note the Committee's endorsement of the Institutional Risk Register; and
- (vi) otherwise, to approve the minutes.

(2) Finance & Policy Committee Report

The Acting Convener of the Finance & Policy Committee introduced the report from the most recent meeting, drawing members' attention to the Committee's, robust discussion around draft financial statements, and approval of a recommended accounting treatment for fixed asset impairment. The Committee had also received a report regarding Net Zero Emissions and had approved the appointment of Rathbones as investment manager for the University.

Minutes of the Committee's meeting on 17 October 2023

The Court received the minutes of the meeting.

- The Court decided:**
- (i) to approve the Committee's Remit and Terms of Reference for 2023/24;
 - (ii) to approve the Committee's recommendation that the University should be considered a going concern in respect of the 2022/2023 Financial Statements;
 - (iii) to note the recommendation of the Committee that Court approve the Financial Statements for the year ended 31 July 2023;
 - (iv) to endorse the Committee's recommendation to approve a £15m budget in principle for the replacement of the roof of the Fulton Building, subject to a detailed business case in due course; and
 - (v) to approve the minutes.

(3) Governance & Nominations Committee

The Convener of the Governance & Nominations Committee introduced the report from the most recent meeting and, in so doing, drew members' attention to the Committee's consideration of the 2023 Modern Slavery Statement, the Skills Matrix and the Register of Interests for Court members. The Convener informed members

that the Committee had approved proposed arrangements for the conduct of the quinquennial review of the effectiveness of Court and had approved the revised Statement on the Annual Review of Diversity on Court.

Minutes of the Committee's meeting on 17 October 2023

The Court received the minutes of the meeting.

- The Court decided:**
- (i) to approve the Committee's Remit and Terms of Reference for 2023/24;
 - (ii) to approve the 2023 Modern Slavery Statement for publication; and
 - (iii) to approve the minutes.

(4) People & Organisational Development Committee

The Convener of the People & Organisational Development Committee introduced the report from the most recent meeting, in doing so drawing members' attention to the annual review of the Statement of Diversity on Court and the revised Core Health & Safety Arrangements Policy. The Court was advised that the Committee had considered a paper on the 2023 Staff Engagement Survey and the implementation of local and institutional action plans. In addition, the Committee had discussed a report on outcomes and lessons learned from recent organisational changes. The Court would receive an update at its next meeting on the development of the EDI Strategy and the implementation of the Reward and Recognition programme.

Minutes of the Committee's meeting on 26 October 2023

The Court received the minutes of the meeting.

- The Court decided:**
- (i) to approve the Committee's Remit and Terms of Reference for 2023/24;
 - (ii) to endorse the revised Statement on Equality, Diversity and Inclusion on the Court; and
 - (iii) to endorse the revised Core Health & Safety Arrangements Policy; and
 - (iv) to approve the minutes.

(5) Welfare & Ethical Use of Animals Committee

Minutes of the Committee's meeting on 2 November 2023

The Court received the minutes of the meeting.

- The Court decided:** to approve the minutes.

27. **NARRATIVE FOR THE SENATUS ACADEMICUS**

The Chair of Court recommended, and the Court agreed, to highlight to Senate the Court's consideration of the Financial Statements and the presentation on the further development of the University Strategy. Finally, the Senate would be apprised of tributes paid to the late Phil Welsh.

The Court decided: to note the areas for inclusion in the report to the Senate.

28. **COMMUNICATIONS FROM THE COURT**

The Court agreed that the post-Court communication to staff and students would focus on the Financial Statements, the University Strategy and the Court's recognition of Phil Welsh's contributions to the University and his legacy.

The Court decided: to note the areas for inclusion in the communication to staff and students.

29. **SENIOR STAFF APPOINTMENTS**

The Court noted the appointment of the following members of staff:

Name	Title	New appointment	Internal promotion
Ian Thomson	Professor (Accounting and Sustainability)	Yes	No
Deborah Stanfield	Deputy Director of Finance	Yes	No
Di Luo	Professor (Finance and Economics)	Yes	No

30. **ANY OTHER BUSINESS**

The Chair apprised the Court of an online training module on the responsibilities of Court members as charity trustees, which had been identified in response to a greater emphasis on this area within the 2022 Code of Good HE Governance. Members were encouraged to register and to submit feedback on the usefulness of the exercise to the Clerk to Court.

Amanda Millar
Chair of Court
University of Dundee