

Approved



UNIVERSITY COURT

MINUTES

of the meeting of the University Court held on 17 April 2019 at 2pm in the Boardroom of the University.

Chair: Mr M Shaw
Vice-Chair: Mrs S Scott

Professor L Bacon
Mr J Barnett
Mr M Batho
Mr J Burt
Dr Y Deeni
Ms G Ghafoor

Dr A Ingram
Mr I Lowe
Ms V Lynch
Mr G MacDougall
Mr I McDonald
Dr J Rees

Ms F Robertson
Professor N Seaton
Dr K Smith
Mr T Wilson
Mr O Wright

Secretary: Mrs S Stewart
Clerk to Court: Dr A Ramsay

In attendance: Mrs M Clark, observer
Mr R Francis, Thorntons LLP (items 54–61)
Ms K Graham, observer
Ms L Jack, observer
Mr J Nicholson (item 63)
Mrs F Palser, observer
Mrs C Summers (items 54-62)
Mr S Uphill

Apologies for absence were intimated on behalf of Mr A Bailey.

NON-RESERVED AREAS OF BUSINESS

54 WELCOME

The Chair welcomed members to the meeting. In particular, Mr Shaw welcomed Ms L Jack, Mrs M Clark and Mrs F Palser, who were attending the meeting as observers from External & Corporate Relations and Finance, respectively.

The Chair invited reflections from Court on their tour of the School of Applied Sciences sports areas, which had preceded the meeting. Members noted that improvements as the result of investment had been visible but that the University remained without a dedicated sports facility to attract and retain students and requested that consideration be given to establishing external partnerships to address internal shortcomings.

The Chair invited members to provide suggestions for future tours, noting that the Chair's Committee had requested a presentation from Student Services in June.

55 DECLARATION OF POTENTIAL CONFLICTS OF INTEREST

The Chair reminded members of their responsibility to indicate if they had, or could be perceived to have, a conflict of interest in relation to the non-reserved items for discussion. None was disclosed.

56 STRATEGIC PLAN 2020-2025: EMERGING THEMES

CT/0419/37

Court received a presentation from the Principal on themes emerging from the extensive consultation process undertaken as part of the development of the next Strategic Plan. Members were advised that the process remained ongoing and so, given the richness of the information gathered, instead of presenting a draft plan, management wanted to consult Court on the 'direction of travel' of the new Strategic Plan and invite members' comments on the messages the University would wish to communicate.

Professor Seaton advised Court of points of continuity with the present Plan, noting that the University would continue to focus on offering transformational opportunities, preparing our students for the world of work and engaging with business on a local, national and international scale. The University also remained committed to its continued sustainability, noting that the coming years would be increasingly challenging and require new sources of income to be identified. Whilst desirous of developing its reputation in areas other than in Computer Games, the University recognised the need to reinforce areas of strength and further exploit opportunities to raise income.

Members were advised of proposed new directions the University intended to explore, including the development of partnerships to deliver education elsewhere in the world and investment in a transformational digital strategy to fundamentally change the way the institution worked.

In the course of a detailed and lengthy discussion, members noted that any decisions to invest in some areas of the University would necessarily impact on other areas and sought clarification as to how the University intended to operate differently. Professor Seaton advised Court that management was cognisant that there was a cost inherent in operating differently but was also committed to sustainability, based on financial prudence.

Members commended the clear objectives and outputs but requested that the Plan as it was developed should contain more emphasis on the impact of the University's future vision and a clear articulation of its contribution to society. Court also considered the potential for international social mobility that might be achieved if the University were to establish partnerships in countries that shared Abertay's widening access ethos. Overall, members requested a greater emphasis on the deliverables of a change in strategy, including a more systematic analysis of demand and supply in order to demonstrate the value and validity of changes in focus and activity.

Court recognised the merit of capitalising on the University's areas of strength and, in particular, Computer Games education, but warned against the perception of favouritism and the potential risks of being perceived as a niche institution. Professor Bacon advised that the University sought to achieve a

balance going forward between teaching and research and was asking staff to identify areas for which the institution could become better known and reputationally significant.

Court identified the importance of collaborations with partners willing to invest capital in the technology required to be able to develop online provision with minimal risk.

Thereafter, Court noted the proposed direction of travel for the new strategic plan and the underlying assumptions on which this was based.

57 MINUTES OF THE MEETING OF THE CHAIR'S COMMITTEE HELD ON 8 APRIL 2019

Court noted the above minutes, submitted for information as Enclosure 38.

58 MINUTES OF THE MEETING OF THE UNIVERSITY COURT HELD ON 6 FEBRUARY 2019 – UNRESERVED AREAS OF BUSINESS

Court approved the above minutes, submitted as Enclosure 39, as an accurate record.

59 MATTERS ARISING FROM THESE MINUTES

The University Secretary advised Court that there were no other matters arising that were not already on the agenda.

60 APPOINTMENT OF NEW MEMBERS OF COURT

CT/0419/40

The University Secretary introduced the above paper, intended to apprise Court of the results of the recent search for new lay members of Court, undertaken by the Governance & Nominations Committee.

Mrs Stewart advised members that five applications had been received, four of which had been shortlisted by the Chair of the Governance & Nominations Committee and University Secretary. The applicants were invited to visit the University to meet the Governance & Nominations Committee members¹ (other than the Principal) for a discussion. These meetings took place on 5th and 15th March 2019. All shortlisted applicants also had the opportunity to talk with the Principal informally.

The Governance & Nominations Committee had then deliberated on the candidates in the context of the requirements of the University's governing order, the existing skill-mix amongst the lay members of Court and the need to ensure diversity. The Committee had agreed on three individual applicants. In addition, one of the successful applicants from last session (but for whom there was at that time no vacancy) had expressed continued interest and had therefore been included in the Committee's consideration and was being recommended for acceptance.

In discussion, Court expressed disappointment regarding the lack of gender diversity of the applications received, noting that this would have a deleterious effect on the gender balance of the governing body. Members urged proactive steps to model the future composition of Court to encourage diversity, whilst

¹ Note: Members: Shirley Scott, Murray Shaw, Veronica Lynch, Ian Lowe and Tam Wilson

maintaining cognisance that not all protected characteristics were visible.

Court thereafter unanimously endorsed the recommendation of the Governance & Nominations Committee that Court appoint the following individuals to membership of Court with immediate effect: Mr F Keir, Professor T Inns, Mr T Marks and Mr J MacGregor. Court delegated appointment of these individuals to Court's committees to the University Secretary in line with the proposals contained in the paper.

61 DRAFT NEW ABERTAY UNIVERSITY (SCOTLAND) ORDER OF COUNCIL 2019

CT/0419/41

The University Secretary introduced the above paper, which contained the latest version of the draft new Governing Order for the University as prepared by the Scottish Government Legal Directorate (SGLD) with input from the University Secretary and the University's legal advisers. Mrs Stewart reminded members that the University had begun the process of reviewing the governing order in January 2018. The first meeting with representatives of SGLD had taken place in May 2018, with the detailed work having begun in earnest in December 2018 when the SGLD suggested that, rather than their initial proposal to draft an amendment to our current Governing Order, they would prepare an entirely new Governing Order.

Court was apprised that the draft had been through a significant number of iterations, with input from both the previous and current Chairs of Court, as well as significant support from Thorntons LLP, although the Scottish Government remained the author of the Order. Minor amendments were still being received from the SGLD at the time of reporting but it was to be hoped that the review was largely complete. The University had also submitted parallel applications to OSCR to change to the institution's constitutional document and its charity name and had received consent.

Members' attention was drawn to the summary of main changes, compared to the existing Order, including the removal of items which could be considered discriminatory under primary legislation enacted since 1994, such as age limits. Operational items more appropriately included in the Standing Orders of Court and its associated rules had been removed and some content re-structured so that all powers and functions of Court were included in a single schedule.

Mrs Stewart advised members that, if Court approved the new draft Governing Order, it would be submitted to the Privy Council with Court's resolution on the change of legal name and other associated documents. This would be required to enable the University to place the new Order before the Scottish Parliament by 20 May 2019 at the latest so that the new Order was in place for the start of the next academic session from September 2019.

Court noted that the new membership of the governing body would include greater representation of staff as well as students, with the Abertay SA Vice-President becoming a member. The number of lay members would decrease from 15 to 10 but would remain in the majority. The composition of Senate would also change to a majority of elected staff.

In discussion, members noted that the next Chair of Court would require to be elected by a constituency broader than Court itself, emphasising the importance of the role of Vice-Chair in maintaining continuity. Concerns were

expressed regarding the calibre of applicants for the role of Chair and were advised that the appointing committee of Court would define the acceptable criteria for the position, which would have the effect of ruling out unsuitable candidates. It was further noted that the election process would require to be scheduled well in advance to avoid a prolonged interregnum.

Thereafter, Court approved the draft new Governing Order and delegated authority to the University Secretary to agree any final changes prior to its submission to the Privy Council.

[Secretary's note: Mr R Francis left the meeting at this point]

62 SFC MATTERS

62.1 Indicative funding for Session 2019/2020

CT/0419/42

The Director of Strategic Planning introduced the above report, intended to provide Court with a brief overview of the SFC's indicative funding announcement for academic year 2019/2020. Mrs Summers advised members that the final announcement would be expected later in April and a further update would be circulated at that time.

Members noted that the overall position for Abertay, excluding funding associated with accelerated degrees, indicated a small reduction (in cash terms) in SFC grants for teaching, research and innovation, which was in line with the University's planning assumptions for 2019/2020. SFC would continue to fund the same number of core students in 2019/2020 as in previous years, with the amount of funding per student remaining at the same level as 2018-19.

Funding that the University previously received for taught postgraduate skills places (c. £170k) would not continue in 2019/2020, with SFC intending to allocate this funding to support new types of course aimed at up-skilling people already in work and / or addressing skills shortages although no further information had been made available. In the indicative funding announcement, the amount of funding allocated to each institution for this purpose was the same as the funding previously allocated for the taught postgraduate places.

Mrs Summers noted that there were no other significant changes to teaching funding, though SFC had advised that they still intended to consult with the sector over a review of the Widening Access and Retention Fund (WARF) with any changes to be implemented for 2020/2021. Additionally, the Scottish Government and SFC had announced additional funding across the HE and FE sectors to fund counsellors to support mental health but that this had yet to be allocated.

At sector level, there had been no change to the overall level of funding allocated for research and knowledge exchange. Abertay's total funding for research and innovation would decrease by £100k (8.8%) as the result of a change in way the Research Excellence Grant (REG) had been allocated and by a drop in the reported number of postgraduate research students. This latter was noted as being partly due to an error in reporting by the University and was being reviewed by SFC.

Court was advised that the sector budget for strategic funding had decreased by £13m and that there would be no funding for new projects. The funding announcement was noted as including overall capital funding of £109.8m, of which £37.5m was from the Scottish Government HE budget, £16.8m was UK Government (DBEIS) research capital grant and the remaining £55.5m from Scottish Government Financial Transactions funding.

Of this, capital maintenance funding had decreased by £1.5m from the previous year and the University's capital maintenance grant funding in 2019/2020 would be £443k, a decrease of £38k (8%) from 2018-19.

In discussion, members noted that, whilst Universities Scotland had traditionally not criticised Government policy or campaigned publically, it would do so going forward, although with no expectation of any resultant change in policy. The position of FE colleges was noted as appearing to be more highly funded, although pay bargaining reduced this in real terms.

Thereafter, Court noted the indicative funding announcement for 2019/2020.

62.2 SFC Outcome Agreement for Session 2019/2020

CT/0419/43

Mrs Summers introduced the above final draft of the University's Outcome Agreement with SFC for the three-year period 2019/2020 to 2021/2022. As last year, the Agreement was noted as covering a three-year period, with the expectation that the existing Agreement would be rolled forward and updated unless significant change had occurred within the institution.

Members were reminded that the negotiation of the Outcome Agreement was a two-stage process, with a draft required in early December and submission of the final document by the end of April. SFC officers had indicated that they were content with the draft submitted and with the proposed content of the final agreement.

The draft had been discussed, at various stages, with the trade unions, Students' Association and Senior Management Group. It had been approved by the Executive Group at its meeting on 18 March, and considered by Finance and Corporate Performance Committee on 26 March as well as by Senate on 3 April.

Court noted that the SFC had asked for a number of additional annexes to be included as part of the formal submission. These were available to Court members.

Court further noted that the document would remain draft until the University received the final funding allocations for 2019-2020 and, should the funding announcement not have been received by the time of submission, the agreement to SFC would be clearly marked as 'subject to confirmation after the funding announcement'.

In discussion, members expressed concern regarding the volume of additional material required in comparison with previous years and

commended Mrs Summers' efforts in producing the Agreement. One member sought clarification of the performance of the University relative to its peer group in terms of gender balance and was advised that the institution compared favourably with the sector average. The President of the Abertay Students' Association requested an update on the progress of the University's application to become an accredited living wage employer and was advised that an announcement was expected by the end of April 2019.

Thereafter, Court approved the draft Outcome Agreement, subject to confirmation of the final funding allocation for 2019/2020.

[Secretary's note: Mrs Summers left the meeting at this point and the Director of Student Services joined the meeting]

63 PUBLIC SECTOR EQUALITY DUTY: EQUALITY MAINSTREAMING REPORT

CT/0419/44

The Chair of the People, Health & Equality Committee (PHEC) introduced the above paper, intended to apprise Court of progress made and impact achieved by the University since the publication of the Equality Mainstreaming Report in 2017. Mr Burt reminded members that publication of the report was a legal requirement of the Public Sector Equality Duty and noted that the report had been discussed in some detail by PHEC prior to submission to Court.

In discussion, members commended the impact of actions taken across the University, noting that the University was a very favourable example to the sector. One member raised concerns regarding the gender pay gap and was advised that this arose primarily because more men than women were in academic roles and more women than men were in support roles. This notwithstanding, the University was committed to increasing the number of women in senior positions.

The Vice-President of the Abertay Students' Association noted the rise in student suicides in Scotland over the previous five years and sought assurances that Student Services was equipped to cope with rising numbers of students with mental health disabilities. The Director of Student Services advised that, although more people were choosing to declare a mental health condition, the University needed capacity to deal with all students, including those who chose not to declare.

Thereafter, Court accepted and approved the paper, subject to amendments required prior to publication of the Report.

[Secretary's note: The Director of Student Services left the meeting at this point]

64 REVISED CALENDAR OF COURT AND COURT COMMITTEE DATES FOR 2019/2020

CT/0419/45

The University Secretary introduced the above draft calendar of Court and Court committee dates for session 2019/2020. Members were advised that some minor changes had been required since the previous iteration of the calendar had been considered by Court.

Thereafter, Court approved the calendar of meetings, with the caveat that operational matters may require specific dates to be changed from time to time.

65 AUDIT & RISK COMMITTEE: MINUTES OF THE MEETING HELD ON 11 FEBRUARY 2019

The minutes of the above meeting, submitted as Enclosure 46, were approved.

The following matters were noted:

65.1 Risk Management update (paragraph 28 refers)

Court noted the Committee's consideration of the regular update on risk management, in line with the revised Risk Management Policy and Framework approved by Court in June 2018.

65.2 Internal Audit 2017/2018: follow-up report (paragraph 29 refers)

Court noted that members has received and considered a report on the implementation of recommendations made in prior years. Court noted that, of the 39 recommendations identified, almost all had been implemented.

65.3 Internal Audit 2017/2018: annual report (paragraph 30 refers)

Court noted the Committee's consideration of the annual report from the internal auditors, BDO.

65.4 Internal Audit 2018/2019: report on review of Corporate Governance (paragraph 31 refers)

Court noted that the Committee had received and considered a report on the review of Corporate Governance within the University, which had identified areas of good practice and made four minor recommendations.

65.5 Internal Audit 2018/2019: report on review of Communications & Stakeholder Engagement (paragraph 32 refers)

Court noted that the Committee had received and considered a report on the review of Communications & Stakeholder Engagement. The report had found substantial assurance, with only one recommendation made.

65.6 Internal Audit 2018/2019: progress report (paragraph 33 refers)

Court noted that the Committee had been apprised of progress made to date in the conduct of the internal review schedule.

65.7 Project Governance Assurance proposal (paragraph 35 refers)

Court noted that the Committee had requested a further iteration of the above proposal to mitigate against issues arising from large-scale or high-risk projects.

66 FINANCE & CORPORATE PERFORMANCE COMMITTEE: MINUTES OF THE MEETING HELD ON 26 MARCH 2019

The minutes of the above meeting, submitted as Enclosure 47, were approved.

The following matter was approved:

- 66.1 Draft Outcome Agreement with SFC for 2019/2020 – 2021/2022
(paragraph 33 refers)
Court noted that the Committee had approved the Draft Outcome Agreement with SFC for 2019/2020 – 2021/2022, which had already been considered as a separate agenda item.

The following matters were noted:

- 66.2 UBS Investment Mandate and performance update
(paragraph 26 refers)
Court noted that the Committee had received a report on the performance of the University's current investment portfolio and gave consideration to potential changes to the Investment Mandate.

- 66.3 TRAC report
(paragraph 30 refers)
Court noted that the Committee had received and considered the findings of the annual TRAC return, which had been submitted to SFC at the end of January 2019.

- 66.4 University Finance report
(paragraph 31 refers)
Court noted that the Committee had received and considered the above Finance report, which included an integrated view of the University's current financial position and financial results to date.

- 66.5 Capital Projects update
(paragraph 32 refers)
Court noted the Committee's consideration of an update on previously-approved capital expenditure projects.

- 66.6 Project Governance Assurance proposal
(paragraph 35 refers)
Court noted that the Committee had requested a further iteration of the above proposal to mitigate against issues arising from large-scale or high-risk projects.

In discussion, Court was apprised of the opportunity to make use of the UBS low-interest borrowing facility, noting that this would be a matter for Court to consider going forward, including the need to benchmark against other sources of borrowing. It was agreed that Dr Ramsay would circulate the presentation slides to Court members. The President of the Abertay SA apprised members that the Committee had held a robust discussion on fossil fuels and advised Court that the SRC had again passed a motion that the University divest itself of any investment in fossil fuels.

Court noted that the Committee would be kept apprised of progress made in

capital projects during the summer recess.

67 GOVERNANCE & NOMINATIONS COMMITTEE: MINUTES OF THE MEETING HELD ON 5 MARCH 2019

The minutes of the above meeting, submitted as Enclosure 48, were approved.

The following matters were noted:

67.1 Higher Education Governance (Scotland) Act: draft new Governing Order

(paragraph 29 refers)

Court noted that the Committee had received and noted an update on progress made on the development of the University's new Governing Order, which had already been approved by Court as a substantive agenda item.

67.2 Internal Audit of Corporate Governance: report

(paragraph 30 refers)

Court noted that the Committee had received and considered a report on the review of Corporate Governance within the University, which had identified areas of good practice and made four minor recommendations, also considered under paragraph 65.4

67.3 Court membership report

(paragraph 32 refers)

Court noted the Committee's consideration of a report on the current status of the membership of Court.

68 PEOPLE, HEALTH & EQUALITY COMMITTEE: MINUTES OF THE MEETING HELD ON 7 MARCH 2019

The minutes of the above meeting, submitted as Enclosure 49, were approved.

The following matter was approved:

68.1 Draft Equality Mainstreaming report

(paragraph 6 refers)

Court noted the Committee's approval of the above report, which had already received Court's approval under paragraph 63.

The following matter was noted:

68.2 Occupational Health Annual report

(paragraph 16.2 refers)

Court noted that the Committee had received and considered the above annual report, intended to provide an overview of the University's occupational health activities in 2017/2018.

69 ACADEMIC MATTERS INCLUDING REPORT ON SENATE'S APRIL 2019 MEETING

CT/0419/50

Court received and noted the above report, prepared by the Vice-Principal (Academic) and the University Secretary in order to keep Court apprised of

the core academic business of the University and advise members of items discussed by Senate at its most recent meeting in April. Members thanked Professor Bacon and Mrs Stewart.

The Principal provided Court with a verbal update on the re-profiling of academic staff to take account of the change in School structures. Professor Seaton advised that the University was currently in the process of collective consultation with the Abertay UCU and that individual discussions would begin shortly. Court was advised that this exercise was being undertaken, not to cut costs, but to improve the performance of the University.

The Chair of Court noted that members would be kept informed of the process and reminded Court that such matters remained management decisions.

70 REF 2021: CODE OF PRACTICE

CT/0419/51

The Principal introduced the above Code of Practice, noting that Senate had already approved it. Professor Seaton noted that the Code of Practice sets out the underpinning principles and processes for identifying the staff and outputs to be submitted to the UK Research Excellence Framework (REF) 2021. Members were advised that this was a requirement of the REF 2021 and followed published guidelines.

Thereafter, Court noted the report.

71 BREXIT UPDATE

The Vice-Principal (University Services) provided Court with a verbal report on the University's preparations for the possibility of Brexit. Mr Batho advised members that management had prepared a no-deal contingency plan and that the University had held open meetings with staff and students, whilst HR staff facilitated a Brexit support group for those affected.

Members were advised that the Scottish Government had not yet made an announcement regarding funding for EU students starting in 2020 and noted that this would require to have been addressed by September 2019 in order to inform potential applicants. Mr Batho further advised that the University was hopeful that the postponement to Brexit would mean that admission to Erasmus 2019/2020 would remain available but that the long-term position was unclear.

Court noted that, whilst the UK Government had agreed three years' temporary leave to remain for students, this would require students in Year 4 and beyond (e.g. medical students) to apply for a Tier 4 visa.

Members thanked the Vice-Principal, noting that the University continued to monitor this complex situation.

72 ANY OTHER BUSINESS

No other business was declared

73 DATE OF NEXT MEETING

Court noted that the next meeting would take place on 26 June 2019 at 2pm

in the Boardroom of the University.

RESERVED AREAS OF BUSINESS

74 **MINUTES OF THE MEETING OF THE UNIVERSITY COURT HELD ON 6
FEBRUARY 2019 – RESERVED AREAS OF BUSINESS**

Court approved the above minutes, submitted as Enclosure 52, as an accurate record.

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CHAIR