

MINUTES OF UNIVERSITY COURT

16 June 2022

Court-Senate Room, Collins Building

Present: Dame Sue Bruce (Convener), Paula Galloway (Vice-Convener), Professor Sir Jim McDonald (Principal), Professor Scott MacGregor, Neelam Bakshi, Kirsty Bannatyne, Virginia Beckett, Elaine Blaxter, Linda Brownlow (from item 4), Melfort Campbell, Ronnie Cleland, Alison Culpan, Professor Jonathan Delafield-Butt, Andrew Eccles, Susan Kelly, Benn Rapson, Professor Jan Sefcik

Present by remote video link: Malcolm Roughead, Peter Young

Attending: Professor Douglas Brodie, Gillian Docherty, Dr Stuart Fancey, Professor Duncan Graham, Professor David Hillier, Professor Atilla Incecik, Beth Lawton, Professor Stephen McArthur, Lewis McDermott, Louise McKean, Adam Morrow, Professor Eleanor Shaw, Steven Wallace, Dr Daniel Wedgwood, Helen Young (Research Policy manager, item 4 only), Tony Weir (Head of Strategic Research & Knowledge Exchange, item 4 only), Lucy Noble (Director of Finance, items 5&6 only), Kirsty McLeod (Deputy Director of Finance, items 5&6 only), Sara Copeland (Deputy Director of HR, item 7 only), Manish Joshi (Chief Executive Officer, USSA, item 9 only)

Apologies: Gillian Hastings, Stephen Ingledew, Councillor Ruairi Kelly, William McLachlan, Brenda Wyllie, Mary Jo Jacobi

Welcome and apologies

The Convener welcomed Court members and attendees to the meeting, extending a particular welcome to Dr Stuart Fancey, who was attending his first meeting as University Secretary, and to Adam Morrow and Lewis McDermott, who were attending as observers, prior to joining Court as student members of Court in the next academic year.

No interests were declared.

1. Minutes

Court **approved** the minutes of the meeting held on 3 May 2022. It was noted that one addition would be made to the note of the strategy session, to capture the full range of discussion in one of the groups.

2. Matters arising

There were no matters arising, other than those covered in the main agenda.

3. Principal's Report

The Principal updated Court on recent developments, including the following:

- Planning for the development of the TIC Zone in the Glasgow City Innovation District, as reported to the May Court meeting, was progressing well, including planning of the TIC East building.
- Other projects outlined at the May Court meeting were also progressing well and according to the plans that had been presented to Court. Final proposals would be presented to Court Business Group where appropriate.

- Senior members of University staff were contributing to significant external bodies, on the national stage. A number of examples were noted, including the Chief Commercial Officer's membership of the Scottish Government's National Strategy for Economic Transformation Delivery Board and Ministerial Trade Board and the Principal's continued membership of the Prime Minister's Council for Science and Technology.
- Work to quantify KPI10, 'Key strategic relationships', was progressing well. In this context, it was noted that senior officers from a number of industry-leading organisations had visited the University recently or were due to do so soon, evidencing a structured and effective approach to such engagement and the value placed on Strathclyde's contributions by these organisations.
- The University was a significant partner in the development of plans for Glasgow's Innovation Accelerator, as introduced by the UK Government's Levelling Up White Paper. Initial proposals had been developed, with strong contributions in Strathclyde's priority areas of research and innovation.
- The Executive Team had held a highly constructive meeting with the outgoing and incoming Student Executives. It had been agreed that a joint strategic framework should be developed.
- The Students' Association had won a Herald Higher Education Award in the Widening Access category, for their innovative development of the role of an Access and Participation Coordinator. These awards had showcased many of the University's activities, as Strathclyde had received eight nominations in seven categories.
- The Climate Neutral Innovation District had been selected as a winner in the Partnerships for Progress category of the International Sustainable Campus Network Excellence Awards. The Principal commended the work on the Executive Lead Sustainability, Roddy Yarr, in this area.
- The University had recently welcomed new colleagues in senior positions. In addition to the new University Secretary (as noted above), the new Director of Safety, Health & Wellbeing, Charlotte Cannon, had joined the University in early June and Claire Carroll had been appointed as Director of Research & Knowledge Exchange Services.
- The University had formulated and publicised to staff a structured approach to returning to campus-based work, while capturing lessons learned and the benefits of new ways of working, and with due recognition of those who had worked on campus throughout the Covid-19 pandemic.
- The University had recently held a Children's University graduation ceremony. It was noted that this had not only provided an inspiring event for the children who took part but had also welcomed their families to the campus. While this was the last such graduation under the existing framework, a new 'Young Strathclyde' scheme was in development; which would capture the benefits of the Children's University alongside a range of other widening access activities.
- The University's own graduation ceremonies were due to start on 20 June, with around 3,800 graduands due to be graduated. Court members were invited to attend.
- The Scottish Funding Council had released its final funding allocations for 2022/23. Alongside confirmation of the indicative allocations, details of research funding had been released, taking account of REF results. Strathclyde was a net beneficiary of the new, REF-influenced allocation model, reflecting the University's significant achievements in the REF. The impacts of the new funding model would be limited during a transitional year.

In addition, the University Compliance Officer outlined the University's continuing measures to mitigate Covid-19 risks appropriately and proportionately and its preparedness for any future outbreaks.

Court **noted** the report.

4. REF Results

The Executive Dean of Engineering, the Research Policy Manager and the Head of Strategic Research & Knowledge Exchange provided an overview of the University's results in the REF 2021 exercise. Key points included the following:

- Strathclyde had increased the proportion of its submission that was judged to be world-leading (4*), with 89.3% of research rated as world-leading (4*) or internationally excellent (3*).
- Among Scottish universities, Strathclyde was ranked fourth for its overall REF quality profile, second for Impact and third for Environment, as measured by grade point average (GPA).
- Strathclyde was the only top 8 Scottish institution to improve its position between each RAE or REF exercise on overall GPA (according to Times Higher Education (THE) rankings).

- The University had performed well across a range of Units of Assessment, with particularly strong Impact rankings.
- Helpful feedback had been received from REF panels, a great deal of which was very positive.
- Areas for improvement had been identified. In general, the University had performed particularly well on Impact and Environment, while the results of Outputs could be improved. However, different Units of Assessment had performed differently in these areas of the REF.
- Next steps were to include review meetings with each Unit of Assessment and identification of priority actions for each.

Members discussed expectations of the next REF or equivalent exercise. It was noted that some reform of the process was likely, but the nature and extent of this could not be predicted at present. The University was closely monitoring and, wherever possible, influencing relevant discussions. Irrespective of the details of the next exercise, it could be assumed that current research and knowledge exchange activity would feed into it. The University was already focused on maximising the quality and impact of this activity. It was noted that some of the identified areas for improvement had seen significant investment in recent years and resultant progress was already visible in these areas.

Members commended the REF performance and Court recorded congratulations to the University's entire academic community and the REF team.

Court **noted** the presentation.

5. Q3 2021-22 – Quarterly Business Report

The Chief Financial Officer (CFO) presented the financial data from the Business Report and the financial forecast.

Normalising for variances in the timing of capital grant allocations, the University's finances were forecast to meet the budgeted surplus. Relative to Q2, there had been increased income from student recruitment for January commencement, although income had reduced in some other areas. Staff and operating costs had fallen as a result of University-wide targeted cost mitigation actions, although rising utility costs had partially offset these savings. The University's gross cash position was robust and all debt covenant conditions were met. With this background, the focus was now on the delivery of a balanced budget in uncertain times.

Members discussed the University's mix of fixed and variable interest rates across its range of debt. It was noted that these arrangements were regularly reviewed in the light of prevailing risks and had been found appropriate for the current period.

It was noted that the Q3 results showed the robust nature of the University's finances in the face of a challenging external context.

The Director of Strategy & Policy summarised other elements of the report. Key points included the following:

- PGR recruitment continued to be below targeted levels. Additional data had been provided to contextualise these ambitious targets, showing that Strathclyde's existing PGR population was the third highest in the Scottish sector. Measures were being taken to boost recruitment, including recent workshops across all Faculties. Opportunities for relevant systems improvements had been identified. It was noted that the high levels of part-time PGR study found in some parts of the University were not reflected in the University's FTE-based KPI.
- International recruitment was strong at PGT and undergraduate (UG) levels.

Members discussed whether any of the KPI targets might be re-based at the upcoming mid-point review. It was noted that if any adjustments were to be proposed, these would be discussed with Court.

It was noted that UG applications had fallen, on a year-on-year basis, that this was a common pattern for many universities and that offer numbers were generally not falling – i.e. the conversion rate had increased.

Court **noted** the Business Report.

6. 2022-23 Budget, Financial Forecasts and Operating Plan

The CFO presented the budget context and financial forecasts.

The budget process had taken place against the background of easing Covid-19 measures. This was expected to lead to increased income generation, the budget being modelled on the basis of a return to near-normal business on campus. At the same time, there was a context of significant global uncertainty resulting from the conflict in Ukraine. Resulting inflation would impact the University's finances especially through rising utility costs, although these were mitigated to some extent for Universities by the rates secured through the APUC procurement framework. The impact of anticipated inflation had been modelled in the budget.

The expected increase in the University's cost base would be balanced by significant growth in tuition fee income. Projected growth was based on rich evidence, including application levels, feedback from markets and intelligence from the Faculty level.

Delivery of the budget would maintain a year-end positive gross cash position and debt covenant health, with increased headroom on key net operating cashflow covenant.

The budget was tipped to risk because of external uncertainty. Enhanced cost control measures would remain in place as a risk mitigation and inflationary pressures would be monitored closely.

The Convener relayed comments from the Treasurer, who was unable to attend this meeting. The Treasurer had noted key risks and relevant mitigations and commended budget to Court.

Members noted that students had been affected by the Covid-19 pandemic and would also be affected by inflation, through the cost of living. It was noted that the University had disbursed substantial hardship funds over the last two years, drawn from a combination of Scottish Government and University funding and private donations. Support for students impacted by external events was a continuous and prioritised part of University business.

Members also discussed the contractual safeguards in place on major infrastructure projects.

The Director of Strategy & Policy presented the University's Operating Plan. This overview of planned activity was provided to Court as a complement to the budget and in fulfilment of a requirement of the Scottish Code of Good Higher Education Governance.

Court **approved** the Draft 2022/23 Budget and Financial Forecasts, and the University Operating Plan.

7. People Strategy, Policy and Investments

The Deputy Director of Human Resources outlined the University's People Strategy, its five strategic themes being built on a Staff Pledge and, ultimately, the University's Values. The ongoing HR Payroll System Transformation was also outlined. It was noted that this would play an important part in fulfilling the People Strategy.

The Associate Principal (Social Inclusion) presented an overview of developments in key people-related policy areas, summarised under the following headings:

- **Safe and secure environment**, including work under the Safe360 framework, revision of the Dignity & Respect Policy and development of a Code of Conduct, along with key staff training initiatives.
- **Equality, Diversity & Inclusion**, including preparation of a bid for Athena SWAN silver certification and measures to improve diversity through recruitment.

- **Socially progressive policies**, including family-friendly policy, policies on menopause, return from maternity leave and flexible working, and the development of a new initiative to support staff who are carers.
- **The Staff Pledge**, including a commitment to pay the Voluntary Living Wage and recent work on job security.
- **Values and engagement**, including independent pulse surveys, which revealed that a high proportion of staff would recommend Strathclyde as an employer, and action plans based on feedback.
- **Wellbeing**, including award-winning measures taken to promote staff welfare during the Covid-19 pandemic and prominent discussion of Health & Safety as a regular element of Executive Team business.

Members noted the progress in ongoing initiatives in this area and commended the work of Staff Committee, HR and other relevant parts of the University.

Court **noted** the presentation.

8. Corporate Risk Register and Risk Appetite

The University Compliance Officer (UCO) presented the Corporate Risk Register (CRR). Court **noted** changes from the previous iteration of the register and **approved** the University's top risks and mitigating actions.

The UCO also presented the University's approach to assessing and presenting risk appetite. It was noted that this was a continuation of work that had begun before the Covid-19 pandemic. Examples of the new risk statements had been shared with Court and this approach was now to be rolled out across other areas. Members commended the approach taken. It was noted that Audit & Risk Committee had discussed the risk appetite statements in detail and made helpful recommendations, which would be implemented as work progressed. Court **noted** the format and content of the risk appetite statements.

Items for formal approval

9. USSA budget 2022/23

The Chief Executive Officer of the University of Strathclyde Students' Association (USSA) presented the organisation's budget 2022/23 and also gave a brief overview of its strategic plan, which was due to be launched officially in October 2022. The plan was built on three main pillars: unleashing potential, amplifying community and empowering everyone. Members discussed how student leaders' individual aims and manifesto commitments and the longer-term strategy of USSA could be balanced and effectively complement one another. Members also discussed the relationship between USSA's stated Values and those of the University.

It was noted that budget was appropriately formulated at a time of uncertainty in the wider world, but also a time of significant opportunity for USSA, in particular in relation to its new premises in the Learning & Teaching Building. The President of USSA recorded thanks to USSA's Finance, Audit & Risk Committee and to USSA's Deputy Chief Executive Officer for their roles in creating the budget.

Court **approved** the budget for 2022/23.

10. Court and Committee memberships 2022/23

Court **approved**, on the recommendation of Court Membership Group (CMG):

- re-appointment of Neelam Bakshi, Melfort Campbell and Mary Jo Jacobi as lay members of Court for a second term of office, following their standard initial one-year terms, to last four years, 1 August 2022 – 31 July 2026;
- the appointment of Stephen Ingledew to be a member of Court Business Group from 1 August 2022;
- the appointment of Fiona Salzen to be a member of Audit & Risk Committee, for the academic year 2022/23;
- the appointment of Melfort Campbell to be Convener of Remuneration Committee from 1 August 2022;

- the appointment of Mary Jo Jacobi to be a member of Remuneration Committee from 1 August 2022; and
- the appointment of Mary Jo Jacobi to be a member of Staff Committee from 1 August 2022.

Court also **noted** the appointment of Stephen Ingledew as Deputy Convener, Staff, and his consequent *ex officio* membership of Staff Committee and CMG, from 1 August 2022.

Items for Information

Court received and **noted** the following reports:

- 11. Enterprise & Investment Committee Annual Report**
- 12. Equality, Diversity & Inclusion Committee Annual Report**

Committee Reports

Court received and **noted** the following committee reports:

- 13. Executive Team**
- 14. Senate**
- 15. Court Business Group**
- 16. Audit & Risk Committee**
- 17. Staff Committee**
- 18. Enterprise & Investment Committee**
- 19. Estates Committees**

- 20. AOB**

The Convener thanked the following members, who were due to demit office at the end of the academic year, for their substantial contributions to Court and to the wider University:

- Ronnie Cleland
- Brenda Wyllie
- Benn Rapson
- Kirsty Bannatyne

Date of next meeting

- 5 October 2022

DW, 20 June 2022