**MINUTES OF UNIVERSITY COURT**

**30 November 2023**

**Ross Priory, Gartocharn**

**Present:** Dame Sue Bruce (Convener), Paula Galloway (Vice-Convener), Professor Sir Jim McDonald (Principal), Professor Scott MacGregor (Vice-Principal), Neelam Bakshi, Cllr Richard Bell, Charles Berry, Virginia Beckett, Fiona Salzen, Stephen Ingledew, Mary Jo Jacobi, Elaine Blaxter, Professor Jonathan Delafield-Butt, Peter Young, Eva Curran, Justyna Kardasz, Clyde Marwick, Belinda Oldfield, Professor Jan Sefcik, Professor Yvonne Perrie, Michael Timar, Dr David Pritchard, Chris Jones.

**Videolink:** Clyde Marwick.

**Other Attendees:** Beth Lawton, Professor Douglas Brodie, Gillian Docherty, Dr Stuart Fancey (University Secretary), Professor Duncan Graham, Professor David Hillier, Louise McKean, Lucy Noble, Wesley Rennison, Professor Ian Rivers, Gordon Scott, Professor Tim Bedford, Raymond McHugh, Sarah Parry, Chrissie Finnigan, Beth Lockhart and Kirsteen McLeod (Item 2), Emer McDougall (Item 6), Amy Ritchie (Item 8).

**Apologies:** Mary Jo Jacobi, Catriona Schmolke, Melfort Campbell, Stephen McArthur.

**Welcome and apologies**

The Convener welcomed Court members and attendees to the meeting and noted apologies as above.

No interests were declared.

1. **Minutes**

Subject to a clarificatory amendment Court **approved** the Minutes of the meeting held on 3 October 2023.

1. **Matters arising**

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

1. **Principal’s Report**

The Principal welcomed attendees to Ross priory and updated Court on recent developments, including the following:

* An event to celebrate the life of Professor Sir John Arbuthnott had recently taken place. The event had celebrated Sir John’s contribution to public life in the UK and Ireland, including his time at the University, where he served as the University’s third Principal and Vice-Chancellor.
* Staff and student communications had been issued, from the Principal, on the events and ongoing situation in the Middle East. Staff and students affected by the events had received information on how to access support. A Task Group led by the University Secretary had been established to monitor developments.
* Professor Jillian MacBryde had been appointed to the post of Associate Principal - Enterprise and Entrepreneurship Education and to the University’s Executive Team with effect from 1 January 2024. The Director of Marketing and Development Services, Ray McHugh, had also recently been appointed to the Executive Team.
* The Principal had attended and spoke at the British Council’s Going Global 2023 conference for leaders of international education.
* The University was working with the Princess Nourah Bint Abdulrahman University in Saudi Arabia to deliver taught programmes on campus in 2024. The University was undertaking a through due diligence exercise and ensuring an appropriate governance framework was in place.
* Updates on other developments in the Middle East were noted, including developments in Jordan and Bahrain.
* The University had been awarded the Queen’s Anniversary Prize for Higher and Further Education for excellence in the field of Photonics. This was the University’s third successive Queen’s Anniversary Prize in recent years and its fourth award in total.
* Recent engagements with UK Government Ministers were highlighted.
* A themed tube map had been developed, in partnership between Transport for London and the Royal Academy of Engineering, to celebrate National Engineering Day on 1 November. The map showcased the role that engineering had played in shaping society. The Aldgate East Station had been renamed the Sir Jim McDonald station for the day.
* The Principal and a senior delegation from the University had recently visited partner universities in Canada and the US, including hosting successful alumni events.
* The Principal and a senior delegation from the University had recently travelled to China to meet with partners at Peking University, Tsinghua University and also Chinese Government Ministers. The Principal had been appointed an honorary professor at both Peking and Tsinghua Universities.
* 16 individual awards, 11 team awards, four Principal special team awards and 6 Principal special individual awards had recently been given out at the Strathclyde medals ceremony which had been running for 10 years and celebrated and recognised the special achievements amongst the Strathclyde community.
* The University’s annual Alumni and Development University Giving Day had recently taken place and had raised almost £200,000 from more than 225 donations.
* Strathclyde academics had won a number of large research grants.
* There had recently been five days of strike action held by UNITE union members. The Principal thanked colleagues who had worked to mitigate any disruption over the five-day period.
* A recent joint statement had been issued by Universities UK and the Universities and Colleges Union. It was expected and welcomed that members’ pension contribution rates would reduce from 1 January 2024.
1. **Q1 2023-23 – Quarterly Business Report** *(noted as item 5 on the agenda but taken as item 4 on the day)*

The Director of Strategic Planning gave a summary of the non-financial elements of the business report. It was noted that the proportion of SIMD0-20 and 0-40 entrants had increased compared to 2022-2023 and the NSS measure for Student Satisfaction remained in the upper quartile for a third consecutive year. Student recruitment was strong at undergraduate level. Home and international PGT recruitment was behind target and additional work to close the gap was underway with further in-year growth anticipated. PGR indicators remained below targeted levels.

The Acting Chief Financial Officer (ACFO) summarised the core financial elements of the Q1 Business Report and financial forecast. There was a shortfall in tuition fee income compared to budget, primarily related to international recruitment, and this was mirrored across the UK Higher Education sector. Research income, Capital Grant income and Knowledge Exchange income were forecast to be ahead of budget.

Court noted the Q1 2023-2024 Business Report, noting ongoing action to address the shortfall relative to budget and recognising that, whilst forecast income was lower than budget, this was also the case for forecast expenditure, largely as a result of targeted action being taken across all areas of the University.

1. **Going Concern Assessment and 2022/23 Financial Statements** *(noted as item 4 on the agenda but taken as item 5 on the day)*

The ACFO outlined the Going Concern (GC) assessment that had been completed as a basis for the financial statements. This had been reached through two kinds of modelling: a plausible worst-case scenario and reverse stress testing. Following the repayment of the University’s European Investment Bank loan in July 2023, the GC criteria relating to the adherence to covenant terms was no longer applicable and the University’s GC measure was now focused on cash and liquidity. It was expected that, throughout the GC assessment period, the University would have sufficient resources to continue to operate normally. The GC modelling had demonstrated that the University would continue to be resilient should adverse circumstances arise.

The ACFO presented the draft Financial Statements for the year ending 31 July 2023.

In the context of inflationary pressures on expenditure, the ACFO summarised the accounts as demonstrating a positive and resilient performance and the University had completed the year in a strong position.

Key points included the following:

* Total recurrent income had increased by 10.6%.
* Tuition fee income had increased by over 15%, largely due to increased overseas PGT provision, including programmes with January commencement.
* Research income had increased by 6.9%.
* The increase in investment income reflected both higher average cash balances and higher interest rates.
* Underlying salary costs had increased and been significantly impacted by the high inflationary environment. Pay awards had been realised in August and February and a supplementary ‘cost of living’ payment had also been made in November 2022 to provide support to staff.
* Utility costs had increased.
* The increase in net assets which were up by 38.5% was mainly attributable to the release of deferred capital grants, largely due to the National Manufacturing Institute Scotland (NMIS) and the decrease in pension provisions.

Looking forward, the focus would be on navigating external challenges whilst maintaining momentum with the achievement of the University’s strategic aims.

The University’s external auditor, E&Y, had proposed a late adjustment to the Financial Statements about recognition of an asset relating to pensions. and discussions between E&Y and the University’s Senior Officers were ongoing. It was agreed that ARC would reconvene following discussions with E&Y to review and make their recommendation to Court on the Financial Statements.

The Convener commended the work of the ACFO and Finance colleagues for their diligence and careful approach in preparing the Financial Statements and work to reach a satisfactory conclusion on the recognition of the pensions asset. The Convener also thanked the Treasurer, Convener of ARC and Lay Member Michael Timar for their guidance and oversight.

Court noted the Going Concern assessment and 2022-2023 Financial Statements. The Financial Statements would return to Court for final approval after ARC had reconvened.

1. **Technology and Innovation Zone Expansion**

**[Reserved Business]**

1. **Strathclyde 2030**

The University Secretary provided Court with an update on the near-final draft of the University Strategy – Strathclyde 2030. It was noted that the Strategy Session the next day (1 December) would provide an opportunity for Court’s further engagement with the draft Strategy. Members considered the draft Strategy and provided feedback on the case studies and content, KPIs, and targets captured under the five strategic goals: Outstanding Education and Student Experience; World Leading Research; Transformative Innovation and Impact; Global Engagement and Operational Excellence

Court **approved** the draft document in principle, including the KPIs and targets and **delegated** authority to the Convener of Court to consider and approve any subsequent amendments following the 1 December Strategy Session of Court, consulting Court as appropriate.

*[Committee Manager’s note: In response to feedback received at the Court’s strategic session, Court Members received an updated version of the draft Strategy document on Wednesday 13 December and were invited to review the final draft. On Monday 18 December, an email, sent on behalf of the Convener, was circulated to Court Members thanking them for their comments on the draft document and confirming that the Convener had approved the amendments on their behalf.]*

1. **Net Zero Strategy and Reporting**

The Head of Sustainable Resources and Social Responsibility joined the meeting for this item.

The Associate Principal Research & Innovation and Head of Sustainable Resource and Social Responsibility provided an update on the University’s activities to address climate change and contribute towards a Just Transition. Court noted that the University had recently submitted its annual report to the Scottish Government detailing compliance with the Public Bodies Climate Change Duties (PBCCD).

Court noted the wide ranging work taking place across the University to address climate change and to support the transition to a low-carbon society. Court would continue to receive regular updates on the University’s Net Zero strategic activities.

Court **noted** the update.

**Items for formal approval**

1. **UK Research Concordats: Annual Reporting**

On the recommendation of Senate, Court **approved** the Research Integrity Concordat Annual Statement 2022-23 and the Researcher Development Concordat Annual Statement 2022-23.

**Items for noting**

1. **2022/23 Strategic Plan Progress Report**

Court **noted** the report and changes to KPI 3 (National Student Survey) arising from the review of the NSS.

**Committee Report**

Court **noted** the following committee reports and considered recommendations as noted below:

1. **Executive Team**
2. **Senate**
3. **Court Business Group**
4. **Audit & Risk Committee** (Including Annual Report to Court)
5. **Staff Committee**
6. **EIC Report to Court**
7. **AOB**

No further business was raised.

**Date of next meeting**

* 13 March 2024

***CF, 14 December 2023***