

ROBERT GORDON UNIVERSITY

BOARD OF GOVERNORS

Minute of the meeting held on 9 March 2023 (9.00am – 1.00pm).

Present: Dr C Hunter (Chair), S Bamigbola, A Bannister, M Clare, A Easton, S Elston, K Gifford, M McGinlay, P Murray, Professor S Olivier, Professor N Seaton, J Strachan, T Walker and E Walton.

Teams: Professor R Marcella.

Apologies: G Barron, J Booth, A Campbell, N Crawford, Dr J Isaacs, T Lampkin,

Members of the Executive in attendance: D Beaton, Dr D Cockburn, Professor N Fyfe, Professor L Kilbride, and V Strachan (University Secretary).

In attendance: M McCall, J McCall (for Item 4), B Somerville (Item 5) and J Azeem (Minutes).

Action

DECLARATIONS OF INTEREST

In addition to the interests declared and recorded in the Governors' profiles at www.rgu.ac.uk/about/our-leadership/board-of-governors, interests were declared by Tricia Walker in respect of Item 5 and Susan Elson (NESCoL) in respect of item 7.

CHAIR'S OPENING REMARKS

The Chair commented on the very successful launch of the National Subsea Centre.

1. MINUTE

1.1 The Board **approved** the *Minute of the meeting held on 29 November 2022* for publication.

1.2 Matters Arising

The Board **noted** a comprehensive *Matters Arising Report* by the University Secretary, who also gave a brief update on the following:

- Item 4 – Pensions: an alternative scheme was being identified and engagement with the Unions was underway. It was emphasised that current staff would remain in the NESPF Scheme; with only new staff being offered an alternative scheme. At the recent UMG meeting the decision to take this route had been conveyed and a communication would be circulated when an alternative scheme had been identified and the relevant Trade Union was invited to be part of the selection process.
- Item 5 –Research Investment - The Vice Principal for Research updated the Board on the Chancellors Fellows (part of the Research Strategy funding). A total of 128 applications had been received from a broad range of backgrounds and were currently being matched to specific areas of research and it was hoped ten would be selected.

Governance and Academic Quality

2. PRINCIPAL'S REPORT

The Board **noted** a comprehensive Report from the Principal. In addition, an oral update was provided as follows:

- A pay settlement had been agreed which saw between 5% and 8% on baseline salaries; this being the largest pay increase in 20 years. Re UCU action, it was noted that there was only around 40 UCU members, so the recent strike action had, thankfully, made little impact.
- The Dean of Gray's School of Art (Libby Curtis) was retiring, and the position of Dean was out for tender.
- The Director of ITS was leaving for personal reasons and was currently being advertised.
- The new Dean of Scott Sutherland (Peter Exley) would be in Aberdeen next week viewing properties and would be in post shortly.
- Additionally, the Director of Finance post was currently with search consultants, and it was hoped there would be a handover period before the Director's retirement at the end of the year. A Board member will be identified to be part of the selection process.
- A number of parliamentary visits had been attended and the Deputy First Minister (John Swinney) visited RGU to discuss the Just Transitions Funding.
- The Committee of Scottish Chairs met yesterday (on Teams) where there had been mention of a £20m flat cash Transformation Fund (now Strategic Change Fund) where institutions could apply for a portion of this funding, where rationale/reasonable decisions would be considered

3. SUB-STRATEGIES

The Board noted updates from the Vice-Principal for Strategy and Planning on the sub-strategies. Board members and UMG has been involved in similar sub strategy events, and a summary of the changes were highlighted. It was hoped that the investment asks in relation to the sub-strategies would be ready for final submission to the June Board.

As the funding from SFC would be flat cash and with the percentage salary increases the investment would be cautious with sight of the next three-year financials. Student recruitment would be critical as would the SFC funding letter due out in April. International tuition fees and the scope of recruiting will inform the budget for the coming year, especially if funded places are reduced.

4. NATIONAL SUB-SEA CENTRE (NSC) BUSINESS PLAN

The Director of the NSC gave a presentation (see **Appendix**), providing additional context to supplement the previously circulated Business Plan. Following the presentation there was discussion around a number of key themes:

- Location on the campus, and the future suitability of premises.
- Competition and opportunities for collaboration

This transitional period was essential for RGU to grasp all opportunities in renewables and in particular wind power. RGU needed to ensure that investment in these areas was made.

- The Director mentioned Platform Funding from the Government/Research Council which invested in infrastructure with capital funding covering running costs and this may be an area to explore.
- What are the areas of research that students (undergraduate/postgraduate) could link to?
- For further investment in the Centre specifically for an HPC (high performance computer) the Business Plan needed to show a case between leasing/owning the equipment, what reserves were in hand, what were the running costs and contingency on the budget with available free funds. It was noted that the current leased HPC had restrictions in its use which would not be there if the equipment was bought.

It was **agreed** as funding for the HPC required full Board backing, this would be discussed again at the June meeting giving the Centre Director plenty of time to revise the Plan.

Board Holding File

A tour of the National Sub-Sea Centre followed this Presentation.

5. SIR IAN WOOD BUILDING **[STRICTLY CONFIDENTIAL]**

This item contains sensitive information.

6. BUSINESS PLAN AND KEY PERFORMANCE INDICATORS

The Board considered a paper prepared by the Vice-Principal for Planning and Strategy. This paper provides an overview at the mid-year point of this academic session on the achievement of outcomes set out in the 2022/23 Business Plan. This was the first time a progress update had been provided in line with the refreshed Strategy, which has an updated and extended set of KPIs.

Many of the KPIs had already been addressed throughout the meeting but KPI Item 5 Tuition Fee revenue, with the forecast outturn expected to be around £54m had in fact in second semester realised £59m.

The Board **approved** this report.

7. ANNUAL REPORT ON ENGAGEMENTS WITH NORTHEAST SCOTLAND COLLEGE (NESCoL)

The Board were asked to **note** a paper provided by the Vice-Principal for Strategy and Planning giving an overview of the engagement with North-East Scotland College and recognising the importance of the strategic alliance with the University. The paper provided detail on the activities to support articulation arrangements between the two institutions over the last year. This is part of the SFC Regional Pathfinder initiative which involves the three tertiary institutions in the region. A Project Officer had been appointed (on a secondment from RGU) concentrating on themes/highlighting alternative pathways and data sharing between the NESCOL and RGU giving a clearer picture which is informing joint advertising in student recruitment.

Board liaison with AU and NESCoL where all three Board are due to meet on 21 June to share topics, and a neutral topic of "Health & Wellbeing for staff/students" identified as a joint event.

8. STUDENTS UNION ANNAUL REPORT AND BUDGET

The Board were asked to **note** the following as part of the Students Union Annual Report and Budget:

1. Financial Summary for year end 2021/22
2. Recommendations and actions relating to Student Election complains procedure; and
3. Updated Complaints Regulation for Student Elections.

And asked to **approve**:

1. Confirmation of Students' Union's compliance with the Code of Practice and by extension the 1994 Education Act.
2. Students' Union 2022/23 budget; and
3. Conditions of Grant 2022/23

The above were both **noted** and **approved**.

9. STANDING COMMITTEES

9.1 Audit Committee

The Board considered the Minute of the Audit Committee meeting held on 9 February 2023 and received an update from the Convener as follows:

- The Committee **approved** the recommendation that the University finalise discussions and enter a contract with Henderson Loggie along the terms of their proposal for a period of 2 years, 2022-2024, with two one-year extensions available thereafter.
- Internal Auditors Appointment for 2023/24; had recommended a joint procurement with AU and PWC to pursue the option to extend and go jointly to the market. However AU had confirmed they were no longer willing to consider a joint tender on the basis of their own past experience of recruiting new external auditors.
- The University had just received a proposal from PWC to extend their services for the 2023/24 year. Following discussion, it was agreed that, between now and the next meeting, the University should go out to market on its own. There was a strong desire to remain with the 'big 6' for internal audit purposes. It was agreed that further consideration would be given to the next steps, with feedback to the Committee in the next 7-10 days, to include information on the average days for internal audit in other similarly sized institutions

M McCall

9.2 Finance and General Purposes Committee

The Board noted the Minute of the Finance and General Purposes Committee meeting held on 14 February 2023, with majority of items being substantive on the agenda already discussed. The Convener highlighted the following:

- Management Accounts for the period to 31 January 2023 where the university was showing a surplus for the period £23,084k against a budgeted surplus of £17,709k, a favourable variance of £5,376k.
- FGPC had considered a detailed report and Action Plan from the Carbon Reduction and Net Zero Project Board. Overall, the University was making major progress, particularly in relation to electricity and waste. Emissions was still an issue, especially gas. Substantial reductions had been made in relation to Scope 1 and 2 emissions, with reporting on Scope 3 commencing, which would result in an increase in reductions. Work was ongoing in a number of areas, including procurement; Scope 3 emissions related to procurement and travel could equate to more than 50% of RGU total emission, therefore understanding this aspect was vital. Individual building groups were also looking at ways to reduce carbon emissions in each building. The development of alternative energy sources was currently being reviewed and included: Heat from Waste (in conjunction with Scottish Water) – utilising heat from the Sewer system adjacent to campus to minimise or negate the need for Gas fired heating systems; and an assessment of the campus to undertake solar installation. There was still a considerable way to go to reach Net Zero and there would be a cost factor which would require prioritisation of spending.

The Convener noted, that following the NSC presentation, an item on the HPC should be added to the next agenda for discussion.

FGPC Holding File

10. HE INSTITUTIONS FINANCIAL FORECAST UPDATE (FFU) 2022-23

The Director of Finance gave an update on the above highlighted that SFC had requested a Financial Forecast from June 2022 to June 2023 and now want a 1 year-on update to this years' outturn. Financial Review was also being looked at for 2022/23 and was likely to break-even or even make a small surplus.

11. MODERN SLAVERY STATEMENT

The Board considered a paper from the Director of Finance seeking approval for the *Modern Slavery Statement for 2021/22*. The Board **approved** this statement.

12. REVISED SCOTTISH CODE OF GOOD HIGHER EDUCATION GOVERNANCE

The Board received an update on the above which had been discussed yesterday at the Committee of Scottish Chairs. This Statement ensures that our procedures are consistent. The Statement of Primary Responsibilities which formed part of the Governors' Handbook would, therefore, accordingly be amended.

Veronica Strachan
to Angela Cassie

13. CALENDAR OF MEETINGS AND BOARD VISITS IN 2023-24

The Chair asked Board members to note the dates of meetings for next Session and that outlook requests will be issued soon.

Veronica Strachan
to Angela Cassie

14. VALEDICTORY

On behalf of the Board, the Chair wished to record its appreciation to Eric Ogilvie-Brown for his service to the Board.

Colin Hunter

ITEMS FOR NOTING**15. BOARD OF GOVERNOR: DEVELOPMENT AND TRAINING**

The Board were asked to note:

- Two new Board members had completed inductions in January 2023; and
- All RGU staff and Board members are to complete online GDPR training by 13 March 2023.

16. DATE OF NEXT MEETING

The next meeting of the Board of Governors would be 1pm on Thursday 22 June 2023 at 9.00 am in H230, Ishbel Gordon Building.

Governors

Dr C Hunter, C
March 2023