

ROBERT GORDON UNIVERSITY

**BOARD OF GOVERNORS**

Minute of the meeting held on 22 June 2023 (1.00pm – 3.20pm).

**Present:** Dr C Hunter (Chair), S Bamigbola, G Barron, A Bannister, J Booth, A Campbell, M Clare, N Crawford, A Easton, K Gifford, Dr J Isaacs, Professor R Marcella, P Murray, Professor S Olivier, Professor N Seaton, J Strachan and E Walton.

**Apologies:** S Elston, T Lampkin, M McGinlay and T Walker.

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

**In attendance:** S Cameron (Item 8), M McCall, F McLean Whyte (Minutes), F-M Adams (Shadowing), P Innocent (Shadowing), J Oshodi (Shadowing) and W Somerville (Item 7).

**Welcome:** Patricia Innocent and Johnson Oshodi, the incoming Student President (Communication and Democracy) and Student Vice President (Education) respectively, who are to be Student Governors from July 2023, were welcomed as observers.

**1. RESERVED BUSINESS: TERM OF OFFICE OF CURRENT CHAIR**

**Action**

This item contains sensitive information.

**DECLARATIONS OF INTEREST**

No additional interests were declared beyond those recorded in the Governors’ profiles at [www.rgu.ac.uk/about/our-leadership/board-of-governors](http://www.rgu.ac.uk/about/our-leadership/board-of-governors).

**CHAIR’S OPENING REMARKS**

The Chair commented on the very successful run of recent events including the Accelerator Start Up Showcase, Fashion Show and Gray’s School of Art Degree Show. The Chair thanked and congratulated everyone who had been involved in making these successful events happen.

The Chair noted the recent external Stakeholder Event, a requirement of the *Scottish Code of Good Higher Education Governance (2023)*, which had been poorly attended by external stakeholders despite a high level of registration, and actions would be considered to ensure greater engagement.

Prof S Olivier &  
V Strachan  
[21.03.24]

The Chair’s Group had met twice since the Board’s last meeting, and the Chair’s Committee once.

A joint meeting of the Boards of North-East of Scotland College (NESCol), University of Aberdeen and the University had been held on 21 June 2023, with a focus on institutional

Dr C Hunter, Prof S  
Olivier & Executive  
[21.03.24]

approaches to *Student and Staff Wellbeing and Welfare*. The University would be hosting the next joint meeting in 2024.

## 2. MINUTE

The Board **approved** the *Minute of the Board of Governors meeting held on 9 March 2023* for publication, and noted the *Matters Arising Report*.

Governance and  
Academic Quality

### 2.1 Pension Update (item 1.2 of the minute referred)

The University Secretary advised the Board that progress continued apace with an update communicated to all staff on 22 June 2023; a deadline set for the end of the current scheme; and communications ongoing with North East Scotland Pension Fund. A new defined contribution provider had been selected, and a more detailed report had been considered by the Finance and General Purposes Committee (refer also to item 5.1 below).

### 2.2 Scottish Funding Council Funding Update (item 2 referred)

The £20million Transformational Fund, which became known as the Strategic Change Fund, had been withdrawn by the Scottish Government (refer also to item 3 below).

### 2.3 National Subsea Centre Business Plan (item 4 of the minute referred)

The updated *Business Plan* was approved by the Finance and General Purposes Committee at its meeting on 12 June 2023, where it was agreed that the Centre's performance would be reviewed annually as part of the routine consideration of research investments. An Executive-led working group was in the process of exploring options in respect of High Performance Computer Capabilities.

### 2.4 Salary Augmentation Policy

Prior to the changes in Lifetime Allowance taxation rules affecting pensions coming into force, the Remuneration Committee had, at an extraordinary meeting on 28 March 2023, approved the application of an individual in line with the Board approved *Salary Augmentation Policy*. The Remuneration Committee had also recommended that the Board suspend the *Policy* for new applicants due to the change in Lifetime Allowance pension taxation rules coming into force on 6 April 2023. This matter was referred to the Chair's Committee for consideration, which had the authority to deal with urgent matters (see item 9.1 below).

## 3. PRINCIPAL'S UPDATE

The Board received the comprehensive *Update* from the Principal, who also expressed thanks for the underpinning work of the Executive for what they had been doing and expertise they had brought to the many activities and initiatives.

The Principal highlighted

- a correction to the report in that he was unable to attend the Boat Race on 11 March 2023;
- an initiative being launched in August 2023 for a dinner for past Honorary Graduates, organised by the Head of Fundraising and Alumni Engagement, with the offer of a separate lunch for those unable to attend the planned event; and
- the growing gap between England and Scotland in dual support funding would be further discussed at the next Scottish Chair's group.

The Principal expressed his disappointment and apologies for missing some graduation ceremonies due to the conflict with his attendance at the presentation of Honours of Scotland to His Majesty King Charles III in Edinburgh, followed by a dinner with the First Minister of Scotland on 24 June 2023.

The Principal sought feedback from the Board on the format, content and level of detail within the *Principal's Update* and requested Board members email the University Secretary with their evaluations.

Governors to  
V Strachan  
[01.09.23]

#### 4. KEY DECISIONS FROM THE BOARD STRATEGY EVENT ON 22 JUNE 2023

The Chair reflected on the earlier *Board Strategy Event* and thanked the Governors for their participation and the valuable insights gathered. Presentation of both the upside and downside of each had been particularly helpful.

The Chair summarised the following four revenue investment streams **approved** by the Board on the basis of the costings provided at the *Strategy Event*:

Prof S Olivier &  
Executive

- International Diversification;
- Business and Economic Engagement;
- Automation, Analytics and Reporting;
- Fundraising,

The Principal expressed thanks to the Governors for all the feedback along the way helping to reach this point, particularly in respect of feedback received on the sub-strategies.

#### 5. UNIVERSITY FINANCES

##### 5.1 Finance and General Purposes Committee

The Board noted the *Minutes of the Finance and General Purposes Committee* meeting held on 12 June 2023, and that the majority of the substantive items were covered on the Board agenda. The Committee's Convener highlighted that the Budget and Forecast had been

thoroughly scrutinised to ensure they were justified and considered given the challenges of the external HE environment.

In noting that the Committee had established a short life group to work with the Director of Finance in taking the outsourcing of investment management forward, the Board **agreed** the Chair, Vice-Chair, Finance and General Purposes Committee Convener, University Secretary and Director of Finance would consider the appointment of an external adviser to the Board, to assist with preparation of the outsourcing and necessary revisions to the *Investment Policy*.

Dr C Hunter,  
K Gifford,  
A Bannister,  
V Strachan &  
M McCall  
[30.07.23]

## 5.2 Year End Outturn 2022/23

The Director of Finance updated the Board on the *2022/23 Year End Outturn*.

## 5.3 Budget and Forecast 2023/24

### 5.3.1 Resource Estimate and Budget 2023/24

The Board considered the *Resource Estimate and Budget 2023/24*, previously considered, and recommended for approval, by the Finance and General Purposes Committee. Points of note included:

- Although an underlying deficit was forecast, which included the research investment planned for the year, the Finance and General Purposes Committee had been satisfied this was due to external factors outwith the University's control and was not due to failings or weaknesses.
- Schools had been allocated no inflationary budget uplift, although a 1.5% contingency had been budgeted for to provide funding where modest uplifts were unavoidable. Departments were allocated a 1% inflationary uplift with a further 1% being retained as contingency to cover areas where further cost rises were uncontrollable.
- The allocation for the Sir Ian Wood Building project had moved the cash position from positive to negative.

The Board **approved** the *Resource Estimate and Budget 2023/24*.

M McCall

### 5.3.2 Financial Forecast 2023/24

The Board considered the *Financial Forecast 2023/24*, which had previously been considered, and recommended for approval, by the Finance and General Purposes Committee. The paper was regarded as an informative and helpful paper by providing upside and downside forecasts alongside the base case forecast. It also reflected the strategic investments in relation to the research investment and the Sir Ian Wood Building project.

It would be important that liquidity was monitored closely as the University was entering a period of potentially significant cash reduction.

The Principal confirmed the Executive was currently undertaking further downside planning.

The Board **approved** the *Financial Forecast 2023/24*.

M McCall

### 5.3.3 *Capital and Major Revenue Allocations 2023/24*

The Board considered *Recommendations for Capital and Major Revenue Allocations 2023/24*, previously considered, and recommended for approval, by the Finance and General Purposes Committee.

The Board **approved** the Recommendations for Capital and Major Revenue Allocations 2023/24 as proposed.

Dr D Cockburn

## 6. **BUSINESS PLAN**

The Board noted the *Business Plan 2022/23 – Third Quarter Report* from the Vice-Principal for Strategy and Planning.

The Board considered and **endorsed** the *Draft Business Plan 2023/24 to 2027/28* report from the Vice-Principal for Strategy and Planning. The draft reflected the four investment streams approved at the Board Strategy Event earlier in the day, and would permit further development by the Executive prior to a final version being submitted to the Board for approval on 5 October 2023, before its submission to the Scottish Funding Council. The Board welcomed the longer term plan, the draft's clarity, and noted the opportunity for visuals to be added to enhance the *Plan*.

Dr D Cockburn

Dr D Cockburn  
[05.10.23]

## 7. **SIR IAN WOOD BUILDING [STRICTLY CONFIDENTIAL]**

This item contains sensitive information.

## 8. **STAFF SURVEY RESULTS**

The Board received a presentation from the Director of Human Resources following the closure of the *Employee Survey 2023* on 28 April 2023. The *Survey* focused on the changes made to improve the total reward package at RGU and initial analysis identified:

- an improved response rate, up 6% from the *Staff Survey 2022* (focused on Mental Health) at 54%;
- higher rates of agreement than disagreement with positive views expressed regarding the cost of living payment, hybrid working (particularly evident amongst staff with disabilities) and the impact of recent reward interventions;
- a significant number of respondents expressed workload challenges;
- some identified a lack of understanding of how pay negotiations and awards were governed on a sector basis;

- staff expressed a similarly high level, over 90%, for commitment to the University than when previously surveyed in 2020, despite the impact of external challenges such as the pandemic, Brexit and cost of living;
- there were no outliers amongst Schools or Support Departments.

The Principal recognised the interventions of harmonising the working week and annual leave entitlements were designed as the right thing to do with expectations placed on managers to make it work without any extra resources, and this work was ongoing. The Principal clarified the nature of the HE2000 academic contract not to specify the hours of work enabled flexibility at a local level to accommodate work demand fluctuations.

The Director of Human Resources highlighted the positive engagement with respondents to the free text questions with a high number of responses (627) and over 1100 comments received. The Director also noted there were 116 positive comments about the University, which was commendable, when it would be usual for respondents to such surveys to highlight concerns and negative issues. The Director confirmed the next steps would be to conclude the analysis and disseminate the results to all staff in August 2023.

S Cameron  
[31.08.23]

The Board expressed an interest in seeing further details about the comments, the demographic breakdowns and potential areas to be addressed. The University Secretary highlighted the investment work streams, particularly the *Automation, Analytics and Reporting* stream, agreed by the Board at the Strategy Event would support improvements for staff and workload pressures.

S Cameron  
[05.10.23]

The Principal highlighted recent surveys of senior management nationally had identified a 78% dissatisfaction with how institutions were being managed and an overall mean satisfaction level at 10.4%, so the University's comparable over 90% outcome was to be celebrated.

The Principal also noted the University's staff turnover compared very favourably with the sector average of 36%. The Principal expressed a commitment not to become complacent and continue to achieve a place where people enjoyed coming to work and staff had confidence the University would respond to their feedback.

## 9. STANDING COMMITTEES

### 9.1 Chair's Committee

The Chair updated the Board on the meeting held on 7 April 2023, and the decision to suspend the *Salary Augmentation Policy* for new applicants with effect from 6 April 2023 in response to the abolition of the tax charge on the Lifetime Allowance from 6 April 2023. All other aspects of the *Policy* remained in force, including the provision for annual review of existing agreements.

Suspension of the *Policy* might be reviewed if the Lifetime Allowance was reinstated by a future UK Government.

**9.2 Governance and Nominations Committee**

The Board considered the *Minute of the Governance and Nominations Committee meeting held on 4 May 2023*.

The Board **approved** the appointment of Ken Milroy, former Independent Governor, to the Audit Committee as an external member, with effect from 1 January 2024.

V Strachan

The Board **approved** the term of office of Adrian Bannister, which would expire on 31 December 2023, be extended by a further four years until 31 December 2027.

V Strachan

The Board **approved**, with immediate effect, *Organisational Regulation O1: Board of Governors, Schedule 1.4: Standing Orders*, paragraph 8.2(iv) be amended to read: "The maximum period of office for Office Bearers shall normally be four years to extend the period of office of Office Bearers."

Governance and Academic Quality

**9.3 Audit Committee**

The Board noted the *Minute of the Audit Committee meeting held on 23 May 2023*. The Board **approved** the appointment of KPMG for the provision of internal audit services for the three-year period commencing 2023/24. The contract would have the option of two one-year extensions which the Committee could consider at the appropriate time in the future.

M McCall

The University's last External Review, normally scheduled every five years, had been conducted by an external consultant. Recent external and internal audits had found the University to have in a clean bill of health across many of its functions, and it was questioned whether there would be value in undertaking another externally-facilitated review at this time. It was considered good practice to complete such reviews on a regular basis as they could benchmark the University against sector norms, identify potential improvements and highlight good practice. It was noted that the auditors had not spoken to Governors as part of recent audits and a review of the relationship between the Board and the Executive could be valuable. This would be discussed further and a recommendation made to the Audit Committee.

Dr C Hunter,  
V Strachan,  
P Murray &  
M McCall  
[12.09.23]

9.4 **Staff Governance Committee**

The *Minute of the Staff Governance Committee meeting held on 25 May 2023* was noted.

**9.5 Remuneration Committee**

The Board noted the *Minute of the Remuneration Committee meeting held on 25 May 2023*.

**10. ACADEMIC COUNCIL**

The Board noted the *Report from the Academic Council meetings held on 15 December 2022, 15 March 2023 and 13 June 2023*, and observed it provided reassurance that what the University had been doing was producing positive results from the Student Voice Questionnaire and

quality assurance processes. The Principal expressed thanks to staff for their efforts which were very much valued by the Executive and students.

#### 11. VALEDICTORY

On behalf of the Board, the Chair wished to record its appreciation to Tamsyn Lampkin and Suzanna Bamigbola for their service to the Board, diligence in preparing for meetings, and their confidence in relaying students' views.

#### 12. BOARD OF GOVERNOR: DEVELOPMENT AND TRAINING

The Board noted a Joint Meeting of the Board of NESCol, RGU and UoA was held on 21 June 2023 with the next event due to be hosted by RGU in 2024.

#### 13. STUDENT GOVERNORS

The Board welcomed Patricia Innocent and Johnson Oshodi who had been appointed the new Student Governors from 1 August 2023.

The University Secretary would arrange for them to receive a formal Board Induction, to include the Sir Ian Wood Building issues.

V Strachan  
[01.08.23]

#### 13. RGU RESEARCH MAGAZINE

The Board noted the *download* made available at [www.rgu.ac.uk/research/research-publications](http://www.rgu.ac.uk/research/research-publications).

#### 14. DATE OF NEXT MEETING

The next meeting of the Board of Governors would be held on Thursday 5 October 2023, with a Board Strategy Event at 9.00 am followed by a Board meeting, in H230, Ishbel Gordon Building.

The University Secretary would accommodate various campus visits for future visits.

V Strachan  
[05.10.23]

Dr C Hunter