

UNIVERSITY OF DUNDEE

UNIVERSITY COURT

A meeting of the University Court was held at 9.00am on 13 May 2025 *via* Microsoft Teams.

Present: Tricia Bey (Acting Chair);
Alan Bainbridge;
Carolina Castro;
Greg Colgan;
Regius Professor Sir Mike Ferguson;
Marcus Flucker;
Andrew Lothian;
Claire Martin;
Professor Linda Martindale;
Ron Mobed;
Dr Andrea Mohan;
Dr Anna Notaro;
Professor Shane O'Neill (Interim Vice-Chancellor);
Amina Shah;
Karthik Subramanya
Jay Surti; and
Professor Garry Taylor

In Attendance: Elise Gallagher (Director of People);
Roddy Isles (Head of Corporate Communication);
Dr Neale Laker (Acting University Secretary);
Richard Maconachie (SFC)(*qua* observer);
Dr Alison Ramsay (Senior Policy Officer (Corporate Governance));
Helen Simpson (Interim Director of Finance); and
Louise Soutar (Head of Principal's Office and V-C's Chief of Staff)

Apologies: Manaswi Budhathoki, Dr Ian Mair, Carla Rossini and Sharon Sweeney

148. WELCOME AND INTRODUCTION FROM THE ACTING CHAIR OF COURT

The Acting Chair welcomed members to the meeting and thanked them for attending. Ms Bey noted that a future discussion would be held on the frequency of meetings over the summer months and requested members to maintain the confidentiality of their discussions.

149. CONFLICTS OF INTEREST

The Chair invited members to declare if they had, or could be perceived to have, any conflicts of interest in relation to any items on the agenda, beyond those already declared. Thereafter, no new conflicts were declared.

150. **MINUTES**

- (i) **The Court decided:** to approve the minutes of the meeting on 15 April 2025.
- (ii) **The Court decided:** to approve the minutes of the meeting on 29 April 2025, subject to the inclusion of additional information requested by the Interim Director of Finance and one minor amendment.

151. **MATTERS ARISING**

Minute of Previous Meeting

Members sought assurances, as noted under paragraph 145 of the meeting of Court held on 29 April, that the Interim Director of Finance had formally advised SFC and pension scheme providers of the change in materiality in relation to the Financial Statements. Ms Simpson advised the Court that, whilst SFC had not been formally notified, they were aware of the position and that she would be meeting with pension scheme providers the following week.

Action Log

Court received and considered the action log summarising progress in relation to outstanding actions from previous meetings. Thereafter, members were advised that there were no items on the action log not already on the agenda or which were not yet due.

Resolved: to note the Action Log

152. **ACTING CHAIR'S REPORT TO COURT**

The Acting Chair apprised the Court of her activities at a University and sectoral level since the previous meeting. Ms Bey advised members that the appointing committee for the election of the next Chair of Court had met and had discussed the skills, qualities and criteria required for the role following extensive consultation with stakeholders.

The Court was advised that the Committee had discussed the timing of the election at some length and had agreed to expedite the process whilst trying to ensure the maximum engagement of all possible stakeholders. The Committee was mindful of the need for a robust and transparent process to identify high calibre candidates and that amendments to the electoral regulations would be required to increase the voting period, if necessary. It would also be necessary to identify a Deputy Chair of Court designate, in order to ensure continuity on the governing body. The Acting University Secretary advised members that proposals to amend the electoral regulations would be brought to the meeting of Court on 3 June 2025. Proposals regarding the Deputy Chair designate would be developed in tandem with a broader review of committees and membership.

Court was also advised that the Acting Chair had attended a student townhall event with the Interim Principal & Vice-Chancellor and the Vice-Principal (Education).

Resolved: to note the report

153. INTERIM PRINCIPAL & VICE-CHANCELLOR'S REPORT TO COURT

The Interim Principal & Vice-Chancellor apprised the Court of their activities at a University and sectoral level since the previous meeting. The Court welcomed Professor Seaton to his first meeting as Interim Provost. Members noted that Professor Seaton brought with him a wealth of experience at a senior level including at the Universities of Edinburgh and Surrey, as well as having most recently served as Principal & Vice-Chancellor at Abertay University for over ten years.

Professor O'Neale advised the Court that James Saville, Director of Human Resources at the University of Edinburgh had been seconded two days per week to work with the Director of People and that Aileen Easton, Director of External Affairs at Robert Gordon University would be supporting the University in public affairs one day per week.

Court was apprised of developments in the political sphere, noting that the Westminster Governments had published a white paper on immigration control the previous day which had potentially serious ramifications for the HE Sector. International student routes would face tighter scrutiny, with the introduction of an Agent Quality Framework and post-study work rights reduced to 18 months. In addition, a new levy on international student fee income was being considered for Universities in England to fund UK Skills Development, although it was not anticipated that the devolved nations would adopt such a levy. Members sought to understand the potential effects of the white paper on the University's route to financial recovery and were advised that the Interim Vice-Principal (International) would be working with the Student Numbers Planning Group to mitigate the potential risks to international student recruitment.

Professor O'Neill advised the Court of progress in developing the detail of the 2030 Vision for the University and reiterated the critical nature of the academic structure in achieving the future of the institution. Members noted that the proposals for the move to a Faculty-based model had been the subject of robust discussions in various academic fora and would be debated by Senate at its meeting on 21 May. Discussions regarding the future direction of the Professional Services were at an early stage and the Reputational Recovery Plan continued to move forward.

The Interim Principal & Vice-Chancellor advised members that he had contacted Professor Pamela Gillies following the Town Hall meeting held at the University and had expressed concerns regarding her advice that staff members should direct queries to Professor Alan Langlands in his capacity as Chair of the recovery taskforce. The Acting Chair also expressed disquiet regarding some of the language and opinions expressed at the Town Hall meeting. Professor O'Neill reported that the advisory capacity of the taskforce remained the subject of some discussion amongst members.

Court welcomed the report from Professor O'Neill and requested that a timeline be developed to inform members of likely release dates for reports from the various stakeholders in the University's current situation. In discussion, Court noted concerns regarding the uncertainty facing the UK Higher Education Sector, particularly in relation to the UK Government white paper and encouraged the University to consider alternative overseas markets, such as the USA. In relation to the Agent Quality Framework, members were advised that the Interim Vice-Principal (International) and the Director of Globalisation were working closely with agents and that any concerns would be brought to Court for consideration.

Professor O'Neill reminded Court that the forthcoming DJCAD Degree Show and the

Graduation Ceremonies in June would provide opportunities to celebrate the successes of the University's students and future alumnae. The Acting Chair encouraged members to attend these events, where possible.

Resolved: to note the report.

154. **INTERIM DIRECTOR OF FINANCE REPORT TO COURT**

The Interim Director of Finance apprised the Court of developments since the previous meeting and report that the University continued to work closely with SFC. Whilst Court would be asked to approve the recommendation to accept the £10m grant income, members were advised that discussions continued regarding the status of the £12m loan.

Court was advised that, in order to complete its Financial Recovery Plan, the University would require to request significant levels of financial subvention. Whilst the figures could not yet be advised with certainty, they had been subject to third-party validation by PWC. Ms Simpson noted that these would be discussed at UEG, by the Finance & Policy Committee (F&PC), by the Audit & Risk Committee (A&RC) and shared with Court. Members were advised that work continued to reach a resolution on the Financial Transactions loan with SFC and requested that this be expedited in order that the University could move forward.

The Interim Director of Finance advised Court that UEG would shortly consider a formal proposal in relation to the dispute with NHS Tayside, which could have the effect of releasing funds. This would be communicated to Court in future updates. In the interim, Finance staff continued to be experiencing a significant increase in workload, supporting multiple stakeholders including BDO and the Gillies investigation. Court commended the work of the Finance Directorate.

Resolved: to note the report.

155. **RESERVED BUSINESS: PWC PROCUREMENT**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

The Acting Chair introduced the above report, intended to provide the Court with an update on engagement with PWC for Phases I and II of Project Jute and to seek approval to proceed with Phase III. Ms Bey advised members that the additional level of financial scrutiny undertaken by PWC was required to give assurance to relevant stakeholders and that further work beyond Phase III might be required.

The Interim Convener of A&RC advised members that a supplementary meeting of the Committee had been convened to consider the proposals for Phase III in order to make a recommendation to the Court. Mr Colgan advised members that the Phase III work would provide additional levels of scrutiny and reassurance and that Phase IV work would be intended to achieve the Financial Recovery Plan required by the University and its stakeholders.

Members sought clarification of the procurement process undertaken for Phase II of Project Jute and noted that some time had elapsed between the work being commissioned and the Court being informed. The Interim Principal & Vice-Chancellor assured members that UEG would bring

information to Court in a more timely manner in future.

Resolved: to approve the proposal to proceed with Phase III of Project Jute.

156. **RESERVED BUSINESS: UPDATE ON FINANCIAL STATEMENTS**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

Court received an update from the Interim Director of Finance on the current status of the Financial Statements. Members were reminded that EY had lowered the materiality threshold in respect of the University's accounts, which required the University to write formally to advise SFC and pension scheme providers. The University had not therefore been able to meet the statutory publication deadline of 30 April 2025.

Ms Simpson advised Court that the Financial Statements would be further delayed by the publication of the Gillies Report and that both the accounts and the narrative remained under constant review. The Interim Convener of the Audit & Risk Committee noted that regular meetings were being held with EY and that an updated fee was expected imminently. A further report would be brought to the next meeting of the Court.

Resolved: to note the report.

157. **RESERVED BUSINESS: PERIOD 8 MANAGEMENT ACCOUNTS**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

The Interim Director of Finance introduced the above management accounts for the period to 31 March 2025. Members were advised that forecasts had generally stabilised with movements reflecting the ongoing impacts of staffing vacancies and stringent cost control measures.

The University's forecast cash position remained extremely low and Court was advised that it was both essential and urgent that actions to improve the cash position and reduce the University's cost base on a recurrent basis continue. The University remained non-compliant in relation to two banking covenants, with the risk of further areas of non-compliance and members were reminded that any failure or risk of failure of a covenant test was required to be reported to SFC in addition to UEG, the Court and its committees.

Ms Simpson advised the Court that the gross tuition fee income forecast at period 8 was £14.3m adverse to budget and down £23.9m from 2023/24, with the largest adverse variance relating to International Taught Postgraduate (TPG) recruitment. This had been exacerbated by the impact of ongoing issues in the implementation of Blueprint and the latest student forecast numbers indicated further decline over the next two years.

Members sought clarification of ongoing issues in relation to research data and were advised that these related primarily to the ability of staff to forecast accurately. Work was underway to review current processes and to identify improvements. In a broader discussion, Court noted the importance of establishing an institutional risk appetite in order to maximise income-generating activities. Members sought further assurance that the University would assign firm savings targets to areas where additional, in-year savings were to be identified and were advised that

the restructure of Schools and Services would generate further efficiencies.

Resolved: to note the report.

158. **RESERVED BUSINESS: UPDATE ON CASH POSITION**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

The Interim Director of Finance introduced the above weekly update on the University's cash position and advised Court that the Finance Directorate continued to monitor progress and to maximise opportunities for savings. Members noted developments in the ongoing dispute with NHS Tayside and were advised that this matter would be brought back for Court's attention in due course.

Resolved: to note the cashflow position.

159. **RESERVED BUSINESS: UPDATE ON VOLUNTARY SEVERANCE PROPOSALS**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

Court received an update from the Director of People on progress made towards the launch of a Voluntary Severance (VS) scheme. Members were advised that the campus trade unions had been consulted extensively but had failed to endorse current proposals as being insufficiently generous for their members. An additional meeting of the People & Organisational Development Committee (PODCo) would be held and a recommendation would be brought to Court for consideration and, if so minded, approval.

Resolved: to note the report.

160. **RESERVED BUSINESS: VICE-PRINCIPAL RECRUITMENT UPDATE**

This item should be considered strictly confidential. The University claims the exemptions in Sections 30 and 33(1)(b) of the Freedom of Information (Scotland) Act 2002.

The Interim Principal & Vice-Chancellor introduced the above report, intended to apprise Court of proposals regarding the portfolio Vice-Principal Roles. Members noted that the University's financial crisis and the significant challenges of recent months had resulted in significant turnover in senior leadership positions. Further changes would also result from the imminent departure of the Vice-Principal (Education) and the Vice-Principal (Research). Improving the resilience of the University Executive leadership was therefore a priority.

Professor O'Neill advised members that it was intended to retain four portfolio Vice-Principal roles for a short period, with a view to consolidating these to three roles during academic session 2025/26 by re-integrating two of the portfolios. Three positions would therefore be advertised internally for a recruitment process to take place during May and June: Vice-Principal (Global Engagement & Future Students); Vice-Principal (Education & Student Experience); and Vice-Principal (Research).

In discussion, Court generally welcomed the proposals in helping to bring stability to the UEG but noted that a more substantive paper would require to be brought to a future meeting, which included more developed plans for the re-integration of two roles which had been disaggregated relatively recently. Members were advised that the Interim Principal & Vice-Chancellor anticipated the roles could be filled successfully from internal candidates.

Court noted that the Remuneration Committee would require to approve the salaries for these positions and that a further update would be brought forward following a competitive selection process. Thereafter, members agreed that they hoped to thank the outgoing Vice-Principals at the meeting of Court on 3 June 2025.

Resolved: to support the proposals.

161. **ANY OTHER BUSINESS**

No other business was declared.

162. **DATE OF NEXT MEETING**

The date of the next scheduled meeting was noted as Tuesday 27 May at 9am.

Tricia Bey
Acting Chair of Court
University of Dundee