

UNIVERSITY OF DUNDEE

UNIVERSITY COURT

A meeting of the University Court was held at 2pm on 24 February 2026 in the Leverhulme Research Institute for Forensic Science, Ewing Building, and *via* Microsoft Teams.

Present: Esther Roberton (Chair);
Alain Bainbridge (online);
Nicholas Buckworth;
Maggie Chapman(online);
Greg Colgan;
Tánaiste Custance;
Marcus Flucker;
Dr Nicola Gray;
Dr Annie Ingram;
Professor Susan Kinnear (online, items 313-323);
Noel Lawlor;
Dr Ian Mair;
Claire Martin;
Ron Mobed (online);
Dr Carlo Morelli;
Professor Nigel Seaton;
Jay Surti (online);
Amina Shah (online);
Bishop Andrew Swift;
Dr Martine van Ittersum (online)(items 315-323);
Margo Williamson; and
Irene Wilson

In Attendance: Kirsteen Campbell (Interim Chief Operating Officer)
Lee Hamill (Interim Director of Finance);
Philip Henry (Interim University Secretary);
Richard Maconachie (SFC)(*qua* observer);
Dr Alison Ramsay (Senior Policy Officer (Corporate Governance));
Umran Sarwar (Head of Legal);
Jane Stark (Interim Director of People); and
Dr Hulda Sveinsdottir (University Secretary Elect)(online)

Apologies: Dr Andrea Mohan, Emma Preston.

311. WELCOME AND UPDATE FROM THE CHAIR OF COURT

The Chair welcomed members to the meeting and thanked them for attending. Ms Roberton reminded those in attendance that, regardless of their route onto the membership of the Court, they were bound by the principles of collective responsibility and that they had a duty as Trustees to act in the best interests of the University and to support decisions taken by the Court.

312. 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 or previously declared. No new conflicts were declared.

313. MINUTES

- (i) **The Court decided:** to approve the minutes of the meeting on 11 November 2025;
- (ii) **The Court decided:** to approve the minutes of the meeting on 2 December 2025;
- (iii) **The Court decided:** to approve the minutes of the meeting on 10 December 2025;
- (iv) **The Court decided:** to approve the minutes of the meeting on 22 December 2025; and
- (v) **The Court decided:** to approve the minutes of the meeting on 27 January 2026

One member noted concern that the minutes of Court had not been updated on the University's webpages in some time and was advised that the above minutes would be published, having now been approved.

314. MATTERS ARISING

The Interim University Secretary apprised the Court of a fault in the figures presented under Paper C at the previous meeting where figures related to the 2025 VS Scheme had been transposed in error. Members were advised that figures presented in the financial forecast were correct.

The Chair advised the Court it had become apparent since the previous meeting that some members had formed a misunderstanding regarding the timing of the Voluntary Severance (VS) Scheme. Some members understood that the timing of the VS Scheme was determined by the Scottish Government and the SFC. She apologised if this had been unclear as this was not a decision driven by either body. The only reference to this was that the scenarios considered by Deloitte as part of their due diligence for Scottish Government included a VS scheme in Q1.

The Chair then advised Court that the University expected to receive the formal offer of grant from SFC in relation to the S25 funding imminently, noting that the Court had received and considered the indicative conditions of funding at its meeting on 22 December 2025. Ms Robertson sought the delegated authority of the Court to accept the conditions on its behalf, provided that the conditions did not differ substantially from those discussed in December 2025. Members noted that this would be expedient, given the foreshortened timescale within which the Scottish Government, the SFC and the University were working and the need for the first tranche of S25 funding to have been received by the end of the Scottish Government's financial year, 31 March 2026. Thereafter, the Court agreed to delegate to the Chair the authority to approve acceptance of the formal conditions of funding, provided that these did not differ substantially from those considered by the Court at its meeting on 22 December 2025.

Resolved: to delegate to the Chair the authority to approve acceptance on its behalf the formal offer of funding offered by the Scottish Government under S25 subject to the conditions above.

315. ACTION LOG

The Senior Policy Officer (Corporate Governance) & Clerk to Court introduced the above report, intended to apprise the Court of progress against actions arising from previous meetings. Members requested an update on the development of the Professional Services Workstreams and the Interim Chief Operating Officer undertook to present a report to a future meeting of Court in 2026.

The Interim Director of Finance advised the Court that a report on the budgeting process and associated Planning Round would be discussed by the Finance & Policy Committee at its meeting in March. Members noted that the University continued to operate without an approved budget for 2025/26 and were reminded that the reasons for this were twofold. In the first instance, the meeting of Court in June 2025 had not been quorate and therefore unable to approve a budget. Secondly, the precarious financial position of the University at that time would likely have led to insolvency. Mr Hamill advised the Court that the University remained vigilant in controlling its expenditure where possible and that SFC had been kept apprised of the situation as the University was technically in breach of its Financial Memorandum with SFC.

In the course of lengthy and involved discussion Court considered, *inter alia*, the need to balance governance and legislative requirements with the imperative to ensure institutional survival and a path to financial recovery. It was reported that a 2025/26 budget would be presented to the meeting of the Court in April for consideration and assurance given that SFC and OSCR were being apprised of the current status of financial governance matters and that any new developments would be promptly reported.

Thereafter, Court agreed that it would expect to receive the 2025/26 budget at the meeting of Court in April 2026, assuming S25 funding had been received, and that the appropriate regulatory bodies would be advised of any further developments.

Resolved: (i) to receive the 2025/26 budget at the April meeting of the Court;
(ii) to apprise the relevant regulatory bodies accordingly; and, otherwise
(iii) to note the report.

316. CHAIR'S REPORT

The Chair introduced the above report, intended to apprise the Court of activities undertaken since 1 December 2025 at a local and national level. More recently, Ms Robertson had begun the process for the recruitment of the next Principal & Vice-Chancellor and noted that a partner agency had been selected. Further reports would be brought to future meetings of the Court on this matter. Court welcomed the report.

Resolved: To note the report

317. UNIVERSITY EXECUTIVE GROUP REPORT

The Interim Principal & Vice-Chancellor introduced the above report, intended to apprise the Court of progress made around institutional recovery actions, to advise members of next

steps and to provide an update on engagement with external stakeholders. Professor Seaton advised Court of planned activities with the Senior Leadership Forum (SLF) as well as the wider University community as part of the process to implement structural change.

Members noted that the initial stages of engagement and consultation on the integration of Professional Services were underway. A query was raised with regard to collaborative working with the trade unions and their ability to contribute to the process. The Interim Director of People provided Court with a summary of actions taken to embed a consultative process with trade union colleagues, including weekly meetings with LJC proposed by management and ongoing work to establish mutually-agreeable operating principles.

In discussion, the President of the Dundee University Students' Association (DUSA) requested that members be provided with the update on engagement activity noted as having been submitted to SFC and sought assurances that the Court would be given access to any updated or reviewed action or engagement plan. The Chair committed to providing this information.

In discussion about the new the Senior Leadership structure a question was raised about the cost of the new leadership structure. The Interim Principal advised the Court that the number of leadership roles in the new Faculty structure was significantly reduced and offered to circulate a paper on the cost of the leadership structure to Court.

Resolved: To note the report

318. **REPORTS FROM THE SENATUS ACADEMICUS**

Report of the meetings of the Senate held on 26 November 2025 and 28 January 2026

The Court received and considered the above report of the meetings of the Senate held on 26 November 2025 and 28 January 2026, prepared for the Court's information. Members noted that any actions detailed within the report would be taken forward as indicated in the minutes of the meetings.

The Court decided: to note the report.

319. **COMMITTEE REPORTS**

(1) Audit & Risk Committee

- (i) The Convener of the Audit & Risk Committee introduced the minutes from the meeting held on 18 November 2025.

The Court decided: (i) to note the minutes.

- (ii) The Convener of the Audit & Risk Committee introduced the report of the meeting held on 19 January 2026. Court noted that the Committee had received an update on progress relating to the completion of the 2023/24 and

2024/25 Financial Statements. The Convener further advised Court that the Committee had discussed the importance of cyber security as part of the University's approach to risk management.

The Court decided: to note the report.

(2) Finance & Policy Committee

The Convener of the Finance & Policy Committee introduced the report of the meeting held on 20 January 2026. Court was advised that the Committee had received an update on student numbers and that a further report would be presented to the next meeting of the Committee. The Committee had also discussed a detailed report from the Interim Director of Finance on the University's current position and preparations for the next Planning Round.

The Court decided: to note the report

(3) Governance & Nominations Committee

The Chair of Court introduced the report of the meeting held on 22 January 2026. Court noted that the Committee had received and considered the action plan for the implementation of recommendations arising from the Review conducted in 2025 by BDO and Professor Pamela Gillies. The Chair advised members that the Committees of Court would receive regular reports on the progress of actions relevant to their remit. Court was advised that Dr Annie Ingram had agreed to join the Audit & Risk Committee and that further external expertise was sought to augment the membership of that Committee. Members were invited to intimate suggestions to the Chair of Court.

The Court decided: (i) to note the Committee's consideration of the University Action Plan and ; otherwise
(ii) to note the report.

(4) People & Organisational Development Committee

(i) The Convener of the People & Organisational Development Committee introduced the minute from the meeting held on 18 November 2025. The Court noted that the Committee had discussed proposed terms for Voluntary Redundancy and had requested further information before endorsing them to Court for approval.

The Court decided: to note the minutes.

(ii) The Convener introduced the note of the meeting held on 14 January 2026. The Court noted that the Committee had discussed proposed terms for Voluntary Severance and had requested that an alternative proposal be presented.

The Court decided: to note the report.

(5) Welfare & Ethical Use of Animals Committee

The Court received the report of the meeting of the Welfare & Ethical Use of Animals Committee held on 2 October 2025.

The Court decided: to approve the minutes.

320. **UPDATE FROM INTERIM DIRECTOR OF FINANCE**

The Interim Director of Finance introduced the above report, providing Court with an update on key Finance matters, the latest position on future public funding and the Period 4 and Period 5 Management Accounts. Also included in the report were matters related to the outstanding external audits of the University's accounts and plans for the 2026/27 budget setting and Planning Round.

The Court having delegated the authority to the Chair under paragraph 314, above, was advised that the University intended to accept the additional funding once made available as a 'Section 25' grant by SFC. The Interim Director of Finance advised Court that the University had been working with SFC, Scottish Government officials and their advisers (Deloitte) since December 2025 to provide the information required for the Scottish Government's Accountable Officer process. This process required to be completed in order for the 'Section 25' funding to be released and was separate to the process for the SFC Financial Transactions Loan, which would be dealt with as a separate agenda item under paragraph 321.

Members noted the Period 4 and Period 5 Management Accounts and were advised that the forecast Operating Deficit for 2025/26, excluding SFC support, showed minimal movement from the Period 4 position. Including the costs of the recent VS scheme, the total deficit for the year [REDACTED] with EBITDA forecast at 0.2% of income. The University's cash balance at 31 December 2025 stood at [REDACTED], all of which was for restricted purposes. The Interim Director of Finance advised the Court that the level of EBITDA was not a financially sustainable position for the University and that the University planned to achieve an EBITDA of 8%-10% by 2027/28 as part of its journey to recovery. In response to a question about the attainability of achieving 8-10% EBITDA by 2027/28, the Interim Director of Finance advised the Court that to restrict EBITDA would curtail the University's ability to invest in the estate and infrastructure in order to improve the student experience and build resilience for the future.

The Court was advised that the University would be unable to evidence going concern status without the additional public funding being secured and significant additional cost savings being achieved. EY, as the University's External Auditor, had been provided with the 2023/24 draft statutory accounts and it was anticipated that their review of these accounts would not conclude before the end of March 2026 at the earliest. Following finalisation of the 2023/24 accounts, the University intended to work with EY to expedite the 2024/25 statutory accounts. In parallel to this, planning work in relation to the audit of the 2025/26 financial year was underway and Court could expect to receive the 2026/27 budget at its meeting in June 2026.

In discussion, members requested an update on the status of the University's ongoing dispute

with NHS Tayside and were advised that matters were moving slowly towards resolution.

Resolved: to note the report

{Secretary's note: Ms M Chapman and Dr M van Ittersum requested that their concerns regarding the achievability of the stated EBITDA target be recorded}

321. **PROPOSAL IN RELATION TO SFC FINANCIAL TRANSACTIONS LOAN**

The Interim Director of Finance and the Director of Legal introduced the above report, intended to provide the Court with relevant and appropriate legal and financial information in order to enable a decision regarding the £12m Scottish Funding Council (SFC) Financial Transactions Loan (the Loan). Members were advised that the Loan would be available to the University to access until 31 March 2026 and that a Going Concern Assessment had been prepared to provide Court with the assurance that the University would be in a position to service the Loan interest and capital repayments.

Mr Hamill reminded the Court that, during the first half of 2025 and following a request by the University for emergency funding, SFC had offered £10m of grant funding and £12m of funding in the form of an unsecured low-interest repayable term loan. The grant funding of £10m had been accepted by Court and subsequently received by the University. Members noted that Court had considered the Loan at its meetings on 27 May 2025 and 15 July 2025 but had not approved its acceptance at either of these meetings. Since that time, the University had been given to understand that the loan would cease to be available from 31 March 2026 and the Court was therefore invited to consider again whether to enter into the loan agreement.

Members noted that much progress had been made towards financial sustainability since Court last considered the matter in July 2025. A Voluntary Severance (VS) Scheme had realised an annualised cost reduction and the Scottish Government (SG) and SFC had pledged further non-repayable grant funding of up to £40m to support the University's recovery. Management had been working with SFC, SG officials and their advisers, Deloitte, to provide the information required for the SG Accountable Officer process, which required to be completed to satisfaction in order for the funding to be released.

A second VS Scheme had recently been approved which was intended to deliver a further annual cost reduction. Coupled with the additional financial controls implemented since August 2025, the University's expenditure control environment had demonstrably strengthened, as evidenced by the monthly management accounts and the most recent Quarter One full year forecast.

Court's attention was drawn to the Going Concern Assessment, intended to demonstrate that the University would be able to service the SFC loan interest and capital repayments on an ongoing basis, subject to receipt of the £40m funding offer and further significant cost reductions to deliver an EBITDA of 8-10% by 2027/28. Members were also apprised of the increased legal risk profile associated with the acceptance and use of the Loan and considered the legal advice prepared by the Director of Legal of the University, as well as the opinion previously provided by the University's external advisors, CMS.

Court members were reminded of their duty, as charity trustees, to act in the best interests of the University and to exercise reasonable care and diligence in the discharge of their duty. Following a lengthy and involved discussion Court approved that the University accept the loan as part of a pragmatic recovery plan to improve outcomes, both for the University and its creditors. However, approval of the loan was subject to confirmation that the Scottish Government's Accountable Officer process in relation to the section 25 grant funding had been completed. Court noted that the University had provided the same information as was contained in the report to Deloitte and upon which Deloitte and EY (the University's External Auditors) would base their Going Concern Assessment.

Resolved: Based on the financial analysis and the legal opinion provided, to approve unanimously the proposal that the University accept the £12m SFC Financial Transactions Loan, subject to the safeguards recommended.

322. ANY OTHER BUSINESS

No other business was declared.

323. DATE OF NEXT MEETING

The date of the next meeting would be confirmed in due course

Esther Robertson
Chair of Court
University of Dundee