

Minutes for University Court - Tuesday 25th October 2022

16:00 - 18:00

Stirling Court Hotel

Present

Mr H Adam (Chair), Dr M Allison, Cllr D Dodds, Ms P Crawford, Prof J Donaldson, Mr K Fraser, Mr G Fleming, Ms S Gordon, Mr H Grossart, Prof P Hancock, Mr G Hastie, Mr D Kearney, Prof M MacLeod, Prof Sir G McCormac, Ms C Morrison, Ms T Miller, Ms J Reid, Mr J Roberts, Rev. M Roderick and Mr W Stancer.

In Attendance

Ms R Edwards, Ms C Gallagher, Ms J Harrison, Ms K Lawson, Mr L McCabe, Mr C McNally, Ms J Morrow, Prof J Phillips, Dr J Rogers, Ms E Schofield, Prof L Sparks, Mr L Spillane, Dr D Telford, Mr M Nichol (Clerk), Prof N Wylie and Dr L Zhuang.

Welcome and Apologies

The Chair welcomed Mr Gary Fleming following his appointment to University Court.

**Apologies:**

Apologies for absence were received from Dr Paul Cowell, Dr P Gupta, Prof H Nehring and Prof J Tinson

1. Declarations of Interest

There were no declarations of interest

2. Minutes

Court approved the minutes of the meetings held 13th June 2022.

3. Matters Arising Not Otherwise on the Agenda

There were no matters arising not otherwise on the agenda.

4. Remit, Composition and Membership

Court noted the remit, composition and membership of Court for 2022-23.

5. Developments in the External Environment

Court received an overview of recent developments in the External Environment.  Members discussed in particular the cost of living, Universities Scotland budget submission, the report from the Research Excellence Framework (REF) institutional level pilot report, Horizon Europe funding, the Scottish Funding Council (SFC) Outcome Agreement 2022-23 and consultation on the National Student Survey.

Court noted the recent developments in the external environment.

INSTITUTIONAL PLANNING AND BUDGETING

6. Integrated Planning and Budgeting

Court received an overview of the Quarter 4 Management Accounts 2021-22 at 31 July 2022, as a preliminary view of the full year financial position.  It was confirmed that the preliminary outturn surplus was £14.2m, an overall improvement of £13m on the approved University Budget of £1.2m.  It was confirmed that work continued to finalise the audited financial statements for financial year 2021-22 and that this was subject to change due to further adjustments relating to pensions, capital and any subsequent matters that may be raised during the audit of the financial statements.

Court received a presentation on the risks and sensitivities in the 2022-23 budget and discussed the approach to future forecasts for 2022-23, in particular, the rapidly changing external environment with uncertainty regarding inflationary increase, heightened competition in the staff recruitment market and further uncertainty caused by the cost-of-living crisis.  It was confirmed that each of these factors made forecasting in the new financial year extremely challenging.

Court subsequently received an update on the University’s cash position. It was confirmed the University would be covenant compliant when tested formally against the 2021-22 financial statements, and that the financial year 2021-22 ended with cash balances of £84m and generated a net operating cash inflow of £29m.

Court considered the proposal for procuring a new revolving credit facility (RCF) in the context of the University’s strong cash position and the continuing challenges in the current economic environment.  Members discussed the risk appetite associated with the University’s cash strategy and the extent to which the available cash reserves were sufficient to manage liquidity during the peaks and troughs of the business cycle and ensure financial resilience to unexpected shocks.

Court considered risks and sensitivities in the 2022-23 budget, the integrated planning and budgeting update and did not approve the progression of the Revolving Credit Facility.

Additionally:

* Court invited Audit Committee to make a recommendation on appropriate parameters for its cash reserves.  In particular, Court requested Audit Committee provide an assessment of the appropriate minimum level of cash reserves that would allow the University to align its facilities with its appetite for risk;
* It was agreed Court would consider the recommendation from Audit Committee on the minimum level of cash reserves the University should hold at its meeting in December 2022 (or by circulation prior to the next meeting of Court if necessary); and
* It was agreed that the University would consult with Barclays to establish if there were any implications on the terms of the proposal, and would seek to hold the current pricing until December 2022.

7. Annual Review of Performance

Court received an overview of the Annual Performance Report.  Members discussed the University's achievements over the previous year and institutional performance in the context of the sector and Stirling's benchmarking group.

Members discussed institutional targets set out in the Strategic Plan Addendum 2021-23, in particular the institution's ambition on levels of student satisfaction.

Court considered the University’s performance in 2021-22.

8. Capital and Major Infrastructure Update

Court received an updated Capital and Major Infrastructure Plan that included the 2021-22 capital expenditure out-turn, the 2022-23 Quarter 1 forecast and subsequent years indicative infrastructure expenditure for the four-year period to 2026.

Members discussed the rephased capital expenditure plans following a review that equated to an effective in-year reduction of planned expenditure of £4.7m and considered proposed new projects in an application to the SFC Financial Transactions Fund.

Court considered the updated Capital and Major Infrastructure plan. Additionally, University Court:

* Approved the inclusion of the four new projects into the Capital & Major Infrastructure Plan for: Muirhead Student Residence, Phase 1 Solar Panel installation, LED Lighting and Air source heat pumps; and
* Approved the submission of an SFC Financial Transactions Fund application for the above listed projects.

9. Student Number Update

Court received an overview of the forecasted student population for 2022-23 across both intake windows i.e., autumn and spring, and for all levels of study and fee status.

Members discussed risk associated with a diminished student experience due to an evolving profile of the student population and growth in student numbers.  It was confirmed that additional investment and realignment of resources had been made in academic and professional services to respond to increased demand.  In addition, an executive group had been established to steer enhancement to welcome and transition arrangements, across faculties, services and the Students' Union, for students joining the University in January 2023.

Court considered the update on student numbers.

COLLABORATION

10. City Deal

Court received an update from the University’s City Region and Growth Deal Programme Board.  Members noted actions taken to progress the University-led projects and progress to date with the Stirling and Clackmannanshire City Region Deal that included delivery of Scotland's International Environment Centre and the National Aquaculture Technology and Innovation Hub.

Court noted the report from the University’s City Region and Growth Deal Programme Board.

GOVERNANCE

11. Annual Report on Institution-led Review

Court received an overview of the Annual Report on Institutional-Led Review.  Members discussed the annual submission to the Scottish Funding Council (SFC) on our Institution-Led Review activities for the academic year 2021/22. Court noted that the report had been composed according to the guidelines, requirements and standards as set down by the SFC on reporting Institution-Led Review activity.

Court approved the Annual Report on the Institutional-Led Review in 2021/22 for SFC and signed off the ‘Annual Statement of Assurance’ included as Appendix 1 of the report, in the name of the Chair of Court.

12. Enhancement Led Institutional Review (ELIR) 4 Follow-up Report

Court received an introduction to the Enhancement-led Institutional Review (ELIR) 4 Follow-up report.  It was confirmed that ELIR 4 guidance set out that approximately one year after the publication of ELIR Outcome and Technical reports by the Quality Assurance Agency for Higher Education (QAA), the institution is required to submit a Follow-up Report.

Members discussed the University’s reflections on the outcomes of ELIR and progress made in responding to the outcomes.

Court considered and approved the ELIR 4 Follow-up Report.

ACTIVITY UPDATES

13. Students' Union Update

Court received a comprehensive update on recent Students’ Union activities that included coverage of welcome events, the Students’ Union financial position, staffing, activities and volunteering, sports and democracy and representation.   It was confirmed that Mr Al Lawley-Powell had been appointed as Chief Executive of the Students' Union.  The Union President thanked the University Secretary and Chief Operating Officer for her assistance and support during the recruitment process.

Court noted the activity update from the Students’ Union.

14. Staffing and Employment Update

Court received an update on staff and employment matters that included coverage of staff engagement, the cost of living, health and wellbeing, and two separate notices of ballot for industrial action across all UK institutions, including Stirling, issued by the Universities and College Union (UCU) in relation to the 2022-23 Pay Outcome and changes made to the sector’s USS pension scheme.

Court noted the staff and employment update.

COMMITTEE REPORTS

15. Academic Council

Court considered the report from the meeting of Academic Council held on 14 September 2022.

16. Remunerations Committee

Court received an overview of the report from the Remunerations Committee meeting held on 13 June 2022.  Members discussed the Senior Remunerations Process and a summary of the matters that the Committee considered including the use of data modelling to understand and monitor the impact of recommendations on the gender pay gap.

Court considered the report from the Remuneration Committee meeting of 13 June 2022.

17. Governance and Nominations Committee

Court considered the report from the Governance and Nominations Committee held on 20 October 2022 and approved the committee appointments.

RISKS

18. Risks Arising

Court considered risks associated with items discussed in the context of the agreed risk appetite statement.

OTHER ITEMS

19. Any Other Competent Business

The Chair congratulated Mr Liam McCabe in his retirement and thanked him for his leadership and contribution to the University as Executive Director of Finance.

The Chair congratulated Ms Catriona Morrison and the Scottish Triathlon team on their Commonwealth Games success in Birmingham during the summer.

There was no other competent business.

20. Next Meeting

Members noted the next meeting of Court was scheduled for Monday 12 December 2022