

**UNIVERSITY OF DUNDEE****UNIVERSITY COURT**

A meeting of the University Court was held on 21 February 2005.

**Present:** Mr J R Milligan (in the Chair), Principal Sir Alan Langlands, Ms C A Bain, Mr P K Burgess, Vice-Principal Professor J Calderhead, Professor S C Hunt, Mr B W M Johnston, Lord Provost J Letford, Professor A F Newell, Ms A Newton, Dr D S Robb, Ms E A Robertson, Dr L A L Rolland, Mr W Sutherland, Dr M R Ward, Mr W Wilson, Mr I D M Wright and President of the Students' Association.

**In Attendance:** Vice-Principal Professor D H Boxer, Professor M C R Davies, Deputy Principal Professor G C Ward, Secretary, Deputy Secretary & Clerk to Court, Director of Finance, Director of Human Resources and Director of Planning & Information.

The Chairman welcomed Ms Carolyn Bain to her first meeting of the Court.

**30. MINUTES**

**The Court decided:** to approve the Minutes of the meeting on 13 December 2004.

**31. MATTERS ARISING****(1) Enhancement-Led Institutional Review (Minute 18)**

The Court received the full draft report from the Quality Assurance Agency. The Vice-Principal, Professor Calderhead, drew attention to the positive tone of the report and to its recognition of the effectiveness of the University's quality assurance procedures and of the arrangements for supporting learning and teaching. The criticisms made were fairly minor. The draft report was open to comment by the University; an agreed final version would be published by the end of March and would be available on the Web. The University was required to submit a response to the report within a year. It was confirmed that mechanisms existed within the University to monitor progress on the implementation of measures to address issues highlighted in the report.

In discussion of the report, members commented on: the desirability of some form of central control and standardisation of degree regulations and course handbooks; the improvement in learning pathways, arising from modular courses and semesterisation, being most noticeable where they crossed subject and Faculty boundaries; and, in relation to supporting students outside the main campus, the more general problem of integrating nursing & midwifery students with the rest of the University.

(2) Appointment of Co-opted Lay Members of Court (Minute 25(1))

The Chairman reported that the Nominations Committee had met and had reviewed current and forthcoming vacancies for co-opted lay members in 2005 and 2006. Nominations had been received from students and staff of the University and from members of Court. A comparatively long list of names was under active consideration and the process for evaluating these nominations was being refined. It was hoped that it would be possible to make firm recommendations to the next meeting of Court.

(3) Election of Non-Academic Staff Member of Court (Minute 25(2))

**The Court decided:** to appoint Ms Carolyn Bain to membership of the Human Resources Committee, in succession to Mrs Norma Stewart (her predecessor on Court).

32. **CHAIRMAN'S BUSINESS**

The Chairman commented on the recent Discovery Days in January, which were a public showcase for the work of new professors in the University. Each session had been characterised by variety, the enthusiasm of the presenters and good attendance by members of the public as well as staff and students.

He reported that, as part of his programme of familiarisation, he had recently visited the Faculties of Duncan of Jordanstone College and Engineering & Physical Sciences. In relation to the visit to the University by SHEFC on 15 February, he said he had felt proud to be associated with the University and he was considering whether a similar presentation of the institution and its achievements could be staged for members of Court.

The Chairman also reported that he had been in discussion with the Director of External Relations on the formation of a Development Board for fund-raising; he would progress this initiative through further interaction with the Director and in consultation with the Principal.

33. **PRINCIPAL'S REPORT**

The Principal introduced his report (**Appendix 1**). He had one item to add: the latest figures from UCAS showed applications for entry to the University were up by 17% over the same period last year, with the Scottish average at about 5-6%. The increase appeared to be spread across all Faculties, with the exception of Engineering & Physical Sciences where there had been a deliberate attempt to raise the qualifications threshold. He responded to questions as follows:

- (a) The UCAS figures were difficult to interpret, but there was no evidence of a surge of applications from England in advance of the introduction of the new fees regime, as had been reported in the media. This was a phenomenon more likely to be associated with the Universities of Edinburgh and St Andrews, which traditionally had large student populations from England. As far as

Dundee was concerned, the anticipated fall in school rolls over the next decade meant that an increase in applications from south of the border would be welcomed. The University would continue to recruit, however, on the overriding criteria of merit and potential.

- (b) The visit by SHEFC on 15 February was a fact-finding exercise, not an inspection. A full report on the visit would be available in April.
- (c) The 'masterplanning' exercise to be carried out by Sir Terry Farrell would involve a deeper level of detail than was contained in the Page & Park campus plan adopted by the Court in 2001. The latter was still valid as the framework for capital developments and would be the starting point for producing the masterplan. The Convener of the Campus Services Committee emphasised the importance of bringing an external perspective to bear on the development of the campus, which had much potential. The City authorities would also be consulted in the course of this work.
- (d) On the theme of partnerships and collaboration in the annual letter of guidance from the Deputy First Minister to the Chair of SHEFC (which was appended to the Principal's report), the University was already involved in various research initiatives with other institutions; there was a limit, however, to what could be achieved in the area of support services without a third party stimulus. In discussion it was recognised that there was a danger with shared infrastructures of losing focus on the objectives of individual institutions. Attention was drawn to the potential for collaboration with geographical partners outwith the sector, particularly further education and the NHS.

#### 34. FINANCE & POLICY COMMITTEE

##### (1) Financial Strategy

The Court received a paper indicating the adjustments that were being made to the University's financial strategy for the five-year period 2004/05 – 2008/09, in the light of changes in assumptions and capital plans which had emerged since June 2004. The Convener of the Finance & Policy Committee emphasised the volatility of some of the assumptions, i.e. on the SHEFC institutional grant, the costs of implementing a new pay and grading structure, and the status of the catering and conference business; there was also the longer term issue of pension scheme deficits. Such volatility posed risks for the capital programme, as a result of which the Committee had recommended (see below) a modification of the previously agreed limits on borrowing; it was also reviewing the capability of existing systems for efficient monitoring of capital expenditure. Management of cash flow would be crucially important and amongst the measures being considered to track this more carefully was the scheduling of additional meetings of the Finance & Policy Committee.

It was pointed out in discussion that there was no certainty of the additional funding arising from the Spending Review being continued beyond 2007. It was therefore prudent, as well as opportune, to focus on infrastructure development rather than additional recurrent commitments. It was agreed

that greater efforts should be made to convince all staff of the University's spending priorities and of the importance of achieving the Court's surplus targets. In conveying this message use of the misleading term 'surplus' should be avoided.

**The Court decided:** to note the further development of the financial strategy.

(2) Other Matters

The Court received the report of a meeting of the Committee on 7 February 2005 (**Appendix 2**). In discussion it was agreed that there was a need for regular reporting back to the Court on the progress of major developments such as the residences building programme.

- The Court decided:**
- (i) to approve the recommendation that the temporary breach of the Court's £15m ceiling on borrowing (which had been foreseen when this limit was approved) should be subject to a maximum duration of two years and should remain within the £20m agreed loan facility (item 5);
  - (ii) to note that the amended policy on tuition fee waivers and discounts for postgraduate students (item 10) addressed historical anomalies, and to invite officers to forward a copy of the relevant paper submitted to the Committee to the member of Court who had expressed concern on this issue;
  - (iii) otherwise, to approve the report.

### 35. CAPITAL AUTHORISATION PROPOSALS

#### (1) Institute for Medical Science & Technology

The Court received a project authorisation proposal, including a business plan and risk analysis, for realisation of the proposed Institute. The Vice-Principal, Professor Boxer, and the Dean of Engineering & Physical Sciences restated the case, which did not differ from the outline proposal presented to the previous meeting. In answer to a question about the likelihood of attracting a suitably qualified Director for the Institute, it was acknowledged that the mix of skills required meant that the pool of candidates was small. The Court was updated on the recruitment process. It was confirmed that the purchase of Wilson House on the Medipark would be on favourable terms and would be less expensive than rental over the period of the business plan; also, it was advantageous to be in a property ownership position for the purpose of making applications to trusts and charities for development funding. Members were reassured that intellectual property generated by the Institute would be retained by the University - except in joint projects involving other bodies, which would be subject to negotiated agreements.

**The Court decided:** to give full authority for the project to proceed on the basis proposed, as recommended by the Finance & Policy Committee, with underwriting of the capital costs from the University's SRIF 3 allocation - but subject to evaluation of any possible leaseback arrangements for the use of Wilson House.

#### (2) Institute of Sport & Exercise

The Court reviewed the proposals for capital developments for the improvement of sporting facilities in the University. The sub-group established at the previous meeting had scrutinised the business plan in detail and had agreed various amendments, including reduction of the total remaining cost of the new developments (i.e. after the £800k already approved for 2004/05) from £8.1m to £7m.

**The Court decided:** as recommended by the Finance & Policy Committee, to give full authority for the planned developments to proceed on the basis proposed.

#### (3) IT Network Infrastructure

The Court received a report from the Director of Planning & Information on the outcome of the tendering process for improvements to the University's data network, cabling and telecommunications infrastructure, which had been provisionally approved by the Court in December 2003. The capital cost had increased over the original estimate from £3.9m to £4.5m, although there had been a reduction in recurrent costs: overall the total cost of ownership to August 2008 had increased by £85k. It was believed that the proposed solution represented the best value that the University could achieve, following a very detailed and rigorous evaluation of tenders. In discussion it was confirmed that all the University's campuses would be served by the

planned improvements. Reassurance was also given regarding the working life of the upgraded network. In answer to a question, the Director indicated that wireless network services would be provided initially in libraries, meeting/teaching rooms, and other general facilities.

**The Court decided:** to approve the procurement on the terms proposed, as recommended by the Finance & Policy Committee, subject to legal scrutiny of the contracts.

(4) Heathfield Residences – Car Parking

The Court received proposals for the further development of the University's car parking strategy. Options had been considered by a sub-group of Court members (Mr Johnston, Ms Newton, Dr Ward and the Principal) and it had been agreed to recommend the funding of additional car parking spaces from the University's overall borrowing limit, not via an outsourcing arrangement. Final costs for construction of the Heathfield residences complex encompassed the provision of underground facilities, comprising 200 car parking spaces and 1200 square metres of high quality, mixed-use space which could be used for retail, storage, teaching or other purposes. Although the final costs exceeded the original estimate, they were still within the limit allowed for in the financial forecasts.

In discussion the Lord Provost (who declared an interest on planning issues) sought reassurances regarding opportunities for the local construction industry. It was confirmed that the nature of this project was such that there would certainly be sub-contracted work for local firms. It was agreed that the mixed-use space in the basement would be an attractive additional benefit. Members queried various aspects of the financing of the development, particularly the level of user charges for car parking. It was emphasised that financial control of the project would be exercised through the University's capital programme.

**The Court decided:**

- (i) to give full authority for the Heathfield development to proceed, including the underground car park and associated mixed-use space;
- (ii) to review at an early date the totality of the University's building programme and the interactions between its various components.

### 36. NEW LEARNING AND TEACHING FACILITIES

The Deputy Principal, Professor Geoffrey Ward, gave a presentation to the Court, reporting on progress with the development of proposals for the new Faculty building/teaching block, to be built on the site of Heathfield Mill, and for the extension to the Main Library. It was emphasised that plans for the latter reflected evolutionary changes in the learning environment and both projects were based on a commitment to the use of new technology and flexible working spaces. It was also pointed out that the new teaching building would have a significant impact on the

movements of both people and vehicles on the main campus. The Court noted the intention that capital authorisation proposals would be submitted to its next meeting.

37. **SUBSIDIARY AND OTHER RELATED COMPANIES**

The Court received an annual report on subsidiary and other companies in which the University had a significant interest or responsibility.

**The Court decided:** to request a more detailed analysis of the health of subsidiary and other related companies for its next meeting, and in future annual reports.

38. **CONSTITUTION OF STUDENTS' ASSOCIATION**

The Court received proposed amendments to the constitution of the Students' Association, together with an explanatory note from the President of DUSA. The most significant amendment concerned the creation of an additional sabbatical post of Vice-President for Representation, a move which was supported by comments in the QAA report on the Enhancement-Led Institutional Review. It was confirmed that the amendments had been approved by the DUSA Council.

**The Court decided:** for its part, to endorse the amendments to the constitution.

39. **GOVERNOR DEVELOPMENT PROGRAMME**

The Court received details of two seminars in April and June organised by the Leadership Foundation for Higher Education as part of its Governor Development Programme for 2005, as well as a reminder of further events in this series for which firm dates had not yet been fixed. Members were invited to intimate any interest they might have in these events and one member asked to be nominated for the seminar in June, on measuring performance and managing risk. It was noted that, where papers for such events were made generally available, these could be obtained and circulated to members.

40. **COMMUNICATIONS FROM THE SENATUS ACADEMICUS**

The Court received a report from the meeting of the Senate on 9 February 2005 (**Appendix 3**).

- The Court decided:**
- (i) to approve the recommendations concerning award of the title of Professor Emeritus;
  - (ii) otherwise, to note the report.

41. **COMMITTEE REPORTS**(1) Human Resources Committee

The Court received the report of a meeting of the Committee on 1 February 2005 (**Appendix 4**). Court members had received a number of letters from individual members of staff, in relation to the anticipated job losses at West Park (item 7(2)), arguing that the University should offer more favourable terms than statutory redundancy. The Director of Human Resources commented on the situation and corrected inaccuracies that had appeared in the local press. The position at West Park was no different from other circumstances, which occurred from time to time in the University, where a particular type of work was no longer required. On the other hand, as had been the case with the closure of the Division of Physical & Inorganic Chemistry, it was hoped that a high degree of redeployment could be achieved and it was felt that the best strategy was to commit maximum effort to that objective, rather than debating the terms of redundancy.

In relation to annual review procedures (item 3(2)(c)), it was argued that job evaluation was not a methodology for determining promotion; an appraisal of performance was an essential part of the consideration. It was noted, however, that there were some essential differences between academic and academic-related staff in this regard.

The position of staff on FE64 contracts (item 7(3)) was also raised in discussion. It was noted that one member of the Committee wished to be dissociated from its endorsement of the proposal that staff who remained on FE64 contracts should receive no further pay awards after 2005, but would retain the option of transferring to a University contract. The Director of Human Resources explained that affected staff were not being placed at detriment as a result of merger (i.e. with Duncan of Jordanstone College and Northern College); the change was occurring following abolition of the national negotiating machinery and a phasing-out agreement which would expire in 2006. SHEFC had confirmed (twice) that this was not a merger-related issue. An objection was noted to use in the Committee's minute of the term 'cost of living', as applied to annual pay settlements, as it was felt that this was an inappropriate descriptor.

- The Court decided:**
- (i) to note that the consequences of job losses at West Park were a live issue that was being managed by Human Resources, that every effort

would be made to identify redeployment solutions for the staff involved, but that ultimately statutory redundancy might be the outcome in some cases;

- (ii) to invite the Secretary to respond on behalf of the Court to individual staff at West Park who had sent letters, and to send a copy of this reply to Court members;
- (iii) to request that the Race Equality Policy and Action Plan (item 4(2)) should be made available to members of Court;
- (iv) to accept that, if the first module of the Certificate in Teaching in Higher Education were to be made mandatory for probationary Lecturers and Teaching Fellows (item 5(1)), exceptions should be allowed on the basis of prior learning.

(2) Campus Services Committee

The Court received the report of a meeting of the Committee on 3 February 2005 (**Appendix 5**).

**The Court decided:** to approve the report.

(3) Ethical Review Committee

The Court received an annual report for 2004 from the Ethical Review Committee. On the implications of the Freedom of Information (Scotland) Act 2002, it was confirmed in answer to a question that the University would not disclose any personal information that could expose staff to threats from animal rights activists.

**The Court decided:** to invite officers to check the provisions of the University's insurance policies with regard to cover for injury or damage to personal property sustained by staff as a result of terrorist activity.

42. **REPRESENTATION ON OUTSIDE BODIES**

**The Court decided:** to nominate Professor Peter Roberts, a graduate and former member of staff of the University, as its representative on the Court of the University of Liverpool, for a period of three years from 1 January 2005.

43. **STAFF**

Exercise of Delegated Powers

The Court noted appointment by the Principal of the following heads of departments:

Television & Imaging	Mr Steve Flack, for a further period of three years from 1 January 2005
Geography	Professor Alan Werritty, for the period 1 January - 31 July 2005
	Professor Allan Findlay, for three years from 1 August 2005

## APPENDIX 1

PRINCIPAL'S REPORT  
(Minute 33)**Ministerial Letter of Guidance**

1. The Deputy First Minister has issued his annual letter of guidance, dated 21 January 2005, to the Chair of SHEFC. The letter sets out the Scottish Executive's priorities for spending in 2005/06 and comments on the broad deployment of additional funding announced in the SR2004 statement for 2006/07 and 2007/08.
2. The letter focuses on the following issues:
  - capital investment
  - pay modernisation/human resource management
  - research
  - governance
  - employability
  - widening access
  - the cultural contribution of universities
  - international strategy
3. It also draws attention to a number of pieces of legislation which are expected to have a significant impact on the higher education sector, viz:
  - *Further and Higher Education (Scotland) Bill* which enables the merger of the further and higher education funding councils
  - *Freedom of Information (Scotland) Act* which requires the work of the Funding Council and HEIs to be more open and transparent
  - *Protection of Children (Scotland) Act* which aims to strengthen safeguards for children by preventing unsuitable people from working with them
  - *Mental Health – Care and Treatment – (Scotland) Act* which gives people with mental disorder the right to assistance and support to enable them to lead as normal a life as possible including access to education
4. A copy of the full text of the ministerial guidance letter is attached<sup>\*</sup>.

**Finance and Policy Issues**

5. A full report from the Finance & Policy Committee on 7 February 2005 is included elsewhere on the agenda. The proposed financial strategy focuses on a significant programme of capital investment with a borrowing peak up to a maximum £20m for bridging purposes over the next 2-3 years and a rapid return to relatively low borrowing levels in 2007/08 when public expenditure is expected to level off. In the meantime, long term revenue commitments will be carefully managed and there will be a new emphasis on improving systems including the introduction of faculty-based workload models, a budget-linked commitment accounting system, a research system to support FEC and improved systems for admissions planning. Following the February meeting of Court and the SHEFC resource allocation decisions for 2005/06 (expected around mid-March) we will concentrate on the University's own resource allocation and budget-setting process for 2005/06.
6. Sir Terry Farrell – an internationally respected architect – has been appointed to oversee the capital 'masterplan' and this will be subject to discussion and consultation with staff and students in the next few months. The University is being strongly supported by the City Council in progressing its development plans and we remain committed to the concept of the 'campus in the city' with parallel improvements at Ninewells and limited improvements in Kirkcaldy. Given the scale of the capital programme, the requirement for a coherent and well-planned approach is obvious. A full presentation/report will be made to the April meeting of Court.

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<sup>\*</sup> not included here.

### Learning and Teaching

7. The QAA has reported in positive terms on the recent ELIR visit and has concluded that 'broad confidence can be placed in the soundness of the University's current and likely future management of the quality of its provision and the academic standards of its awards'. The report cites many examples of good practice at the University and suggests only a few points for action. Professor James Calderhead, Vice-Principal (Educational Development), will report in more detail at the meeting.
8. The operation of the postgraduate school is to be reviewed with a focus on:
  - the provision of PG-specific induction, accommodation and modularisation issues
  - the possible development/expansion of professional taught doctorates
  - the need for more consistency and coherence in the qualifications required to enter masters programmes.
9. Pam Milne, the Director of Human Resources, is currently reviewing probation arrangements and proposals will be made to the March meeting of the Senior Management Team. The new arrangements will include a clear commitment that new academic staff will be required to compete a (revised) Certificate of HE Teaching as part of their probation as happens in other Universities. Exemptions from this requirement will only be possible with the written consent of the Dean.

### Research and Enterprise

10. The OST will fund 80% of the full economic cost (FEC) of grants applied for after September 2005. There is transitional funding available for current year applications, expected to be just over £1m for 2004/05.
11. The University research reviews continue and action is also being taken to follow up the outcomes from the cross-faculty research seminar held towards the end of 2004. The 'RAE 2008 Guidance to Panels' has now been issued and the implications will be considered by the Research Committee chaired by Professor David Boxer, Vice-Principal (Research & Enterprise).
12. The University is actively involved in the following strategic research and development grants (SRDG) submitted to SHEFC in the final round of competition in January 2005. The outcome of these bids will be known by June 2005 following peer review:
  - Scottish Facility for Compound Screening & Library Ssynthesis (led by University of Dundee)
  - Centre for Creative Disciplines (led by University of Dundee)
  - The Scottish Oxidative Stress Initiative (led by University of Strathclyde)
  - Scottish Collaboration of Triallists (led by University of Aberdeen)
  - Scottish Coastal Waters Research Institute (led by University of St Andrews)
  - Mobilising Advanced Technologies for Care at Home (led by University of Stirling)

### SHEFC Visit: 15 February 2005

13. SHEFC makes a formal institutional visit to the University on 15 February and will meet with the Chair of Court, the Principal, the conveners of key Court committees, senior staff and a cross-section of staff and students. The key issues for discussion are:
  - continuous improvement of learning and teaching
  - equality of opportunity and widening participation
  - HR policies and management
  - research and knowledge transfer

The outcome of this meeting will be reported to Court next week and a formal follow-up letter will be circulated ahead of the April meeting.

**Congratulations**

14. My thanks go to our inaugural professors for inspiring very good audiences at the annual Discovery Days and I ask Court to join me in congratulating Professor Cheryll Tickle FRS FRSE, who was awarded the CBE in the New Years Honours List.

Alan Langlands  
February 2005

## APPENDIX 2

### FINANCE & POLICY COMMITTEE (Minute 34(2))

A meeting of the Committee was held on 7 February 2005.

**Present:** Mr B W M Johnston (Convener), Principal, Professor D H Boxer (Vice-Principal), Mr J R Milligan, Dr M R Ward and Mr I D M Wright.

**In Attendance:** Mr W Sutherland, Secretary, Director of Finance, Director of Planning & Information, Deputy Director of Finance and Mr G A Campbell; Mr A North of Hazel Carr, Mr I Lee of Ernst & Young, Mrs C Niven and representatives of the Audit Committee (Mrs S Brown, Ms J M Thomson and Mr P D Evans) (*for item 1*); Mr R Virr of UKSF and Mr I Alexander of Gleeds (*for item 7*).

#### 1. PENSION ISSUES

Mr A North, Actuary to the University of Dundee, gave a presentation in which he compared the accounting standards of SSAP24 and FRS17. Accountancy profession doubts about SSAP24 were due to its having too many variables and too much flexibility which led to difficulty in interpreting and comparing disclosures. FRS17 required annual updates and a move towards market value for assets. Liabilities were assessed using market bond yields, gains and losses were immediately recognised and the assets and liabilities were shown on the balance sheet from the current financial year. FRS17 was potentially a very volatile standard but the volatility went through the balance sheet rather than the income and expenditure accounts.

It was noted that the implementation of the new pay framework would make it harder for schemes to remain discrete. In the event of a scheme merger, the Actuary had to agree that members would not be any worse off as a result of the merger.

#### 2. MINUTES OF PREVIOUS MEETING

**Resolved:**

- (i) to approve the minutes of the meeting held on 16 November 2005;
- (ii) to note that the final surplus for 2003/04 was £2.274m and not £2.598m as estimated in the paper presented to the last meeting.

#### 3. PENSION ISSUES (Continued)

##### (1) Investment Principles

The Principal reported that the necessary review had been carried out and a paper was available. The main principles were that:

- decision-making was not delegated (other than day-to-day management which was delegated to Baillie Gifford and Standard Life)
- investment decisions were independent of the University (consideration should be given in future to the University's Schemes having chairs independent of the University)
- the aim was to achieve a rate of return comparable with other schemes
- assets and returns were able to meet liabilities
- reviews should be held at least annually

##### (2) University of Dundee Superannuation and Life Assurance Scheme Future Contributions

The Principal reported on work carried out by Mr North for the University of Dundee Scheme and the Former Colleges of Nursing and Midwifery Staff Scheme. It was stressed that no detailed valuation work had been carried out but that a total contribution rate of just under 24% was indicated if a full actuarial valuation had been carried out as at August 2004. The next triennial valuation was due as at August 2005 with any increase in contribution payable from August 2006.

#### 4. MATTERS ARISING

(1) Scope for Reducing Risk of Bad Debt on Research Contracts (Minute 2(3))

The Director of Finance reported that the Finance Office focus was on the post-contract stage, though credit-rating information was provided to Research & Innovation Services on request. It was noted that Research & Innovation Services were instituting a new system so that bad debt risk was evaluated before contracts were agreed.

In response to a question from Mr Sutherland, the Director of Finance confirmed that procedures were in place within the Finance Office to highlight payment defaulters.

(2) Dundee University Students' Association (DUSA) Finances (Minute 3, resolution (iii))

The Director of Finance reported that most of the 'sundry income' (£70,000) was accounted for by the entry fees paid by students and guests after 11.00 pm.

#### 5. FINANCIAL STRATEGY

The Director of Finance reported that the underlying surplus of 0.5% in 2003/04 was weaker than expected but did include some significant provisioning and other one-off items. The forecast surplus for 2004/05 was £2.874 m compared with a budget figure of £3.024 m.

Since Court had approved the financial strategy in June 2004, additional funding for the higher education sector in Scotland had been announced. Assuming that the University would maintain its share of recurrent grants and received the same proportion of the new capital element of grant, it could be assumed that the University would receive additional funding of £20m (£13m revenue and £7m capital) between 2004/05 and 2007/08 (inclusive). To this could be added the beneficial impact of Full Economic Costing and infrastructure funding for charity-funded projects.

Assumptions had changed in respect of potential capital receipts from the residences outsourcing project. This had arisen as a result of higher than expected tenders received for construction projects, reflecting the trends in the local building market. A number of significant changes were being made to the capital programme agreed by Court in June. These changes were not finalised but an indication was given by the Director of Finance of their likely impact on the cash flow and borrowing requirements of the University. The University's net borrowing requirement was likely to exceed the £15m ceiling for a longer than anticipated period, but would not exceed the limit of the negotiated Barclays loan facility of £20m.

The Director of Finance commented that all significant projects would be brought to the Committee for approval under 'K2' procedures. Affordability, within the context of the cash flow and borrowing requirements, would be decided by the Committee as each project came forward.

In view of the scale of the capital programme and the number of significant variables, both capital and revenue, which could impact on the financial projections presented and therefore on the strategy, the Convener recommended that the executive group provide a report for the Committee before the end of the current financial year assessing the adequacy of the current management processes (including project management) and information systems, to enable proactive, as opposed to reactive, planning and financial control of the University's activities and, if necessary, recommending improvements. The Principal confirmed that improvements in management reporting and systems controls had been initiated to enable increased effectiveness in decision-making and scrutiny.

- Resolved:**
- (i) to note the changes in the University's financial environment and the impact these would have on the financial strategy;
  - (ii) to recommend that the £15m net borrowing requirement limit, established by Court in June, should only be exceeded for bridging purposes for a maximum period of two years and should not exceed the £20m agreed loan facility;
  - (iii) to request that the executive group submit the report indicated above before 31 July 2005;
  - (iv) to invite the executive group to consider whether the Finance & Policy Committee should meet more regularly.

## 6. FORECAST YEAR-END RESULT 2004/05

The Deputy Director of Finance reported on financial performance for 2004/05, noting that the figures took no account of Full Economic Costing. The forecast surplus was £2,874,000 (budget £3,024,000).

Current management accounting procedures did not easily allow the surplus to be calculated during the year and the Committee was therefore provided with a forecast position for the full year. Forecasts were carried out using actual figures extracted from the finance system. A detailed project-by-project summary of capital programme expenditure was provided and showed some minor overspends on projects at that point in time.

It was noted that the student debt figure was very high but that this was due largely to the timing of invoice runs.

**Resolved:** to recommend that the report referred to in 5(iii) above include proposals whereby management accounting procedures are upgraded to provide for monthly surplus to date figures.

## 7. RESIDENCES

The current position on the University residences was noted. Works to construct new residences at Belmont Hall started on site on 10 January 2005, with completion scheduled for 7 April 2006. Increased construction costs at Belmont Hall and anticipated higher construction costs at the other new-build sites were noted and the underlying reasons were discussed at length.

It was reported that the Dundee Student Villages Trustees had agreed that a specialist external consultant should now value the West Park conferencing business. If the Bank of Scotland ultimately did not agree with the findings of the review and this impacted on the payment of the capital receipt in accordance with the model, the conferencing business could remain under the management of Dundee Student Villages and revenue surpluses could be paid to the University for the lifetime of the project. The University Secretary reported that an alternative strategy was being negotiated with the Bank linked to the University's obligation to buy back the West Park assets.

**Resolved:** (i) to encourage the continuation of the residences building programme, subject to regular progress reports and the University's overall borrowing limit;

(ii) to invite the University Secretary to write to Committee members setting out the alternative strategy and seeking views.

## 8. FULL ECONOMIC COSTING

The Vice-Principal explained the dual support system with Government funding of research projects as well as the University research environment. An additional £120m was being provided for OST/Research Councils to meet Full Economic Costing (of which the University would receive £1.2m in July 2005) - rising to £200m for 2007/08. The University had Research Council grants totalling £24.43m. Under Full Economic Costing, the value of these projects would increase to £44.13m. The introduction of Full Economic Costing would require a review of the budget modelling and resource allocation methodology currently in operation.

It was noted that the updated management information system for Research & Innovation Services, if approved, would help to ensure that the University could provide the necessary information to implement Full Economic Costing effectively.

## 9. CAPITAL EXPENDITURE PROJECTS

*For Approval*

### (1) Network Improvement Programme

The Director of Planning and Information reported that the capital cost was up but that anticipated maintenance costs were down.

**Resolved:** to recommend that Court approve the project.

(2) Institute of Sport & Exercise

Mr Sutherland reported on the review of the project carried out by a sub-group established by Court. Over £1m had been taken out of the proposed capital spend giving a much earlier payback period if the project was financed independently of the University's overall cash flow.

**Resolved:** to recommend to Court that this project be approved on the altered timing basis provided for in the overall capital programme.

(3) Institute for Medical Science & Technology

The University Secretary presented a report. It was noted that this scheme depended on the University's ability to raise funding externally. The University's financial commitment to the project would amount to £200,000.

**Resolved:** to recommend that Court approve the project.

*For Consideration*(4) Car Parks

The University Secretary reported that capital costs for car parking were included in the capital programme and would be met out of the University's overall borrowing limit and not from outsourcing. Options for future car park developments were, however, still under discussion and approval for the project as originally specified was not sought at this stage.

10. **FEE WAIVERS AND DISCOUNTS**

The Deputy Director of Finance presented proposals for fee waivers and discounts for postgraduate students which removed the discounts currently offered to honorary members of staff. The financial impact of the changes would not be material.

**Resolved:** to approve the amended policy.

**APPENDIX 3****COMMUNICATIONS FROM THE SENATUS ACADEMICUS  
(Minute 40)**1. **PROFESSORES EMERITI**

**The Senatus decided:** subject to the concurrence of Court, to confer the title of Professor Emeritus upon the following:

Professor D M Chisholm  
Professor R Fletcher

2. **ADDITIONAL NOMINATIONS FOR HONORARY DEGREES: JUNE 2005**

**The Senatus decided:** to approve the nomination of James Dyson CBE and Bill Viola as alternative honorary graduands at the Duncan of Jordanstone graduation ceremony in June 2005 (the original nominee was Anish Kapoor who was unable to accept).

## APPENDIX 4

HUMAN RESOURCES COMMITTEE  
(Minute 41(1))

A meeting of the Committee was held on 1 February 2005.

Present: Ms E A Roberton (Convener), Dr R J Abboud, Ms C A Bain, Professor J Calderhead (Vice-Principal) and Mr D G Chademana.

In Attendance: Dr D J Duncan, Mrs P A Milne, Mrs J M Strachan and Dr L Walsh.

## 1. MINUTES OF PREVIOUS MEETING

**Resolved:** to approve the minutes of the meeting on 5 October 2004.

## 2. MATTERS ARISING

(1) Fixed-Term Contracts (Minute 2(1))

The Director of Human Resources confirmed that the review of staff on fixed-term contracts was continuing; reports to Deans relating to Clerical, Technical and Manual staff had been sent out and it was anticipated that the review of these would be completed by the end of February. The last group of staff to be reviewed would be Research and this was scheduled for March/April.

(2) Physical & Inorganic Chemistry (Minute 3(4))

The University Secretary confirmed that work was still in progress to identify posts for members of staff from Physical & Inorganic Chemistry. He confirmed that the current position was that two members of staff had gone to Aberdeen University, three were likely to go to St Andrews University, three were likely to be redeployed within the University and one member of staff was in discussion with an English institution.

(3) Annual Review (Minute 8(1))

Statistics relating to Senior Lecturer promotions over the last three years were considered. Over this period, the ratio of female : male promotions was 18 : 46. It was noted, however, that these statistics took no account of the overall 'pool' being considered for promotion and the higher proportion of females being promoted to other academic and academic-related positions. Promotions to academic posts were divided roughly equally between male and female candidates. Overall appointments to academic posts in 2004 were 180 (female) : 189 (male). The Committee was satisfied that the University monitored Annual Review statistics and success rate by gender across the various staffing groups.

The Committee was pleased to note that promotions on the basis of teaching had increased and the figures provided reassurance that due consideration was being given to cases coming forward on this basis.

The Director of Human Resources confirmed that the criteria for promotion to Senior Lecturer remained the same and that there had been no further development of the faculty-specific criteria to supplement these. It was agreed that the Deans would be consulted further to see if this agenda was to be pursued.

- Resolved:**
- (i) to request that statistics be provided to the Committee on an annual basis to show the number of promotions to Senior Lecturer by gender, and indicating the basis on which the case for promotion was made, i.e. teaching or research (or both);
  - (ii) to invite the Director of Human Resources to establish with Deans whether they planned to develop faculty-specific promotion criteria to supplement the standard promotion criteria.

## 3. HUMAN RESOURCES

(1) Human Resources Strategy

The Director of Human Resources confirmed that the final version of the Human Resources Strategy had been circulated to the Committee for information, along with detailed aims and objectives for 2004/05. The aims and objectives document highlighted the main priorities for the year and it was confirmed that progress with these would be reported to the Committee on an annual basis, along with the proposed action plan for the following year.

It was noted that a SHEFC institutional visit was to take place on 15 February 2005 and that the University Secretary and the Director of Human Resources would be reporting to SHEFC on the Human Resources Strategy and progress with the Framework Agreement.

**Resolved:** to request that a report should be submitted to the Committee on an annual basis at the commencement of the new academic year, detailing progress with the aims and objectives stated in the Human Resources Action Plan.

(2) Framework Agreement

(a) It was confirmed that the University of Dundee had been allocated a non-recurrent grant from the Funding Council of £339,000. This was to be used to assist in the implementation of the Framework Agreement. Discussion took place relating to some of the estimated costs associated with implementation, including the appointment of a Project Officer, the purchase of the Link Pay modelling software, and also the facility to 'buy out' the time of HERA role analysts from Departments.

(b) Job Evaluation

HERA training for role analysts had been arranged for the end of February. The campus unions had each been asked to nominate five representatives to become role analysts; the remaining 15 analysts were being selected by management on the basis of a number of criteria, including previous experience or knowledge of job evaluation and/or experience of different staffing groups.

It was confirmed that the Director and Deputy Director of Human Resources were attending a four-day HERA course in Aberdeen which would cover a number of job evaluation implementation issues.

(c) Annual Review

It was highlighted that a decision would have to be made at some point as to when job evaluation would become the recognised method of promotion within the University. This matter had been raised at each of the Local Joint Committees and would need to be considered further.

(3) Staff Attitude Survey

The Director of Human Resources confirmed that there had been a number of discussions with an external consultant regarding a staff attitude survey. It was proposed that discussions with the unions and certain focus groups would be necessary to develop the survey and that information would be available in due course to launch this initiative. It was highlighted that if the cost of such a survey exceeded a certain level, the University would be required to tender for a provider.

(4) Court Guidelines on Research and Service Contracts, Institutional/Private Consultancies, Patents and Commercial Exploitation through Licensing and Spin-out Company Activity

The revised guidelines, prepared by Research & Innovation Services, were noted. It was requested that the guidelines should clarify the position in relation to the involvement of individuals in small consultancy work, such as acting as an external examiner or RAE consultant.

**Resolved:** to approve the new guidelines, subject to any further amendments required by the Finance Office or Personnel Services.

#### 4. EQUAL OPPORTUNITIES

##### (1) Equality and Diversity Officer

It was reported that Mr Ajit Trivedi had been appointed to the Equality & Diversity Officer post, and that Mr Trivedi would be commencing with the University on 7 February 2005.

It was confirmed that this post would be based in Human Resources but that Mr Trivedi would also be working closely with the School of Nursing & Midwifery (which was funding 50% of the post).

##### (2) Race Equality Policy and Action Plan

It was suggested that information highlighting the work currently being done in the University to promote race relations should be added to the Policy Statement, to provide the context in which the University was operating. It was noted that the Policy and Action Plan were then to be submitted to the Funding Council.

**Resolved:** to approve the Race Equality Policy and Action Plan, subject to the above amendments.

#### 5. STAFF DEVELOPMENT

##### (1) Certificate in Teaching in Higher Education

The Director of Academic Development confirmed that a number of meetings had taken place with the Vice-Principal (Educational Development) and certain Deans, to discuss whether the first module in the Certificate in Teaching in Higher Education should be mandatory for probationary Lecturers and Teaching Fellows. It was noted that most other universities now had an element of the Certificate which was compulsory. The Committee was asked to support a proposed change in policy at Dundee.

It was reported that currently, 50% of probationary Lecturers and Teaching Fellows enrolled for the full Certificate, and although the first module was always completed, there were often difficulties in completing the whole programme because of research priorities and the requirement for staff to develop a research profile. It was highlighted that Deans and Heads of Departments needed to support new members of staff by giving them the time to undertake the Certificate. It was recognised that if the first module was to become mandatory, there might be some probationary Lecturers who were predominantly research-focused, who might not be required to undertake it at that point in their careers.

**Resolved:** (i) to express support for the proposal to make the first module in the Certificate in Teaching in Higher Education mandatory and that the proposed change in policy should go forward to Senate for consideration;

(ii) to request that the number of staff undertaking the Certificate be reported to the Committee on an annual basis and that any exceptions be noted.

##### (2) Staff Development Policy

It was noted that the name of the Staff Development Policy had been changed to 'Personal and Professional Development Policy', and that various other amendments had also been made to take account of comments received from the Learning & Teaching Committee and from the University's Legal Counsellor.

**Resolved:** (i) to approve the Policy;

(ii) to request that the final version of the Policy be circulated to Committee members.

- (3) A report from the Director of Management Development Services was received.
- (4) A report from the Director of Academic Staff Development was received.

## 6. HEALTH & SAFETY

- (1) Minutes from the Safety Sub-Committee meeting were received.
- (2) A report from the Head of Safety Services was received.

It was noted that there was to be a Health & Safety Executive (HSE) visit in March, specifically to look at the University's management of stress in the workplace. It was confirmed that the University already had in place guidance for managers on the management of stress, and training had been provided throughout the University when this had been introduced. It was agreed, however, that a review to focus on this area would be timely; to progress this a 'well-being' questionnaire (developed by HSE) had been circulated to staff via HERMES to help quantify what specific issues were relevant to Dundee. It was noted that other initiatives were also being planned and these were currently undergoing further consultation.

## 7. LOCAL JOINT COMMITTEES

- (1) Minutes of the University/Amicus-MSF Joint Committee were received.
- (2) Minutes of the University/UNISON Joint Committee were received.

### Residences

It was noted that a number of job losses were expected at West Park when student catering ceased at the end of May 2005 and redevelopment work commenced. It was confirmed that redeployment would be considered first for these staff and then, if that was not successful, redundancy would have to be considered. UNISON had highlighted that academic staff had previously been offered early retirement and voluntary severance (ERVS) packages and had proposed that the same, or similar, packages should be offered to Residences staff. It was pointed out, however, that the circumstances were not the same, as the ERVS scheme had been a voluntary scheme and the University had not been in a compulsory redundancy situation. A meeting would take place in the near future with Sanctuary Management Services to establish numbers of staff involved and what opportunities there were for redeployment. In the meantime, the union had been advised that statutory redundancy would be paid to staff who could not be redeployed either by Sanctuary or the University.

- (3) Minutes of the University/DAUT Joint Committee were received.

### Staff on FE64 Contracts

The number of staff on FE64 contracts at the University was confirmed to be approximately 20. These were staff who had transferred from Duncan of Jordanstone and Northern Colleges but who had chosen to remain on their existing terms and conditions. It was highlighted that the terms and conditions of staff on this type of contract were significantly different from staff on University contracts, particularly in respect of holiday entitlement, which was 62 days per year.

It was confirmed that the national bargaining machinery that covered staff on FE64 contracts no longer existed and staff on this type of contract were covered by a phasing-out agreement which expired in 2006. It was explained that, although the Retail Price Index or the University cost of living settlement (whichever was lower) was to be applied this year, it was for local determination what should happen in future years.

The Director of Human Resources and the University Secretary confirmed that they had met with the two Deans who still had staff on FE64 contracts. It had been proposed that, while the cost of living award should be paid to staff on FE64 contracts this year, no further awards should be made thereafter. Staff would have the choice to transfer to a University contract and benefit from subsequent cost of living awards, or remain on an FE64 contract and retain their holiday entitlement. The University felt this was a reasonable proposition and that staff would be given sufficient notice (approximately 15 months). It was noted that DAUT had opposed this

proposition at the Local Joint Committee and had maintained that staff were being placed at detriment because of merger. The University's position, however, was that this change was not as a result of merger but as a consequence of the abolition of the national negotiating machinery. It was confirmed that staff could transfer at any time to a University contract and, indeed, that many staff had already done this. Moreover, transfer would be to the next highest point on the University salary scale so there would be no financial detriment to the individual.

**Resolved:** to endorse the position taken by the University Secretary, the Director of Human Resources and the Deans regarding FE64 contracts, as the proposal was fair and reasonable, promoted equity and provided staff with sufficient notice regarding future pay awards.

8. **ANNUAL REVIEW**

Minutes of the ALC Annual Review Group, relating to an appeal, were received.

## APPENDIX 5

### CAMPUS SERVICES COMMITTEE (Minute 41(2))

A meeting of the Committee was held on 3 February 2005.

**Present:** Dr L A L Rolland (Convener), Professor A Bissett-Johnson, Professor A Burchell, Dr B Gillies, Professor A Newell, Dr D Robb and President of the Students' Association.

**In Attendance:** Dr D J Duncan, Mr P D Evans, Mr R Eaton, Mr D Yule, Mr D White and Mr M Galloway.

#### 1. MINUTES OF PREVIOUS MEETING

**Resolved:** to approve the minutes of the meeting on 1 December 2004.

#### 2. MATTERS ARISING

(1) Masterplanning (Minute 3)

The Committee noted that the masterplanning exercise approved at the last meeting was a development of the work previously undertaken by Page & Park.

(2) Library Strategy Update (Minute 6)

The Secretary updated the Committee indicating that the capital proposal was not being submitted to Court at this stage. A selection of design consultants had been shortlisted and the Convener noted that Falconer Brown, who had completed the previous Library extension, had not tendered. However the Director of Campus Services confirmed that all shortlisted companies had library experience.

#### 3. CAPITAL PROGRAMME

The Secretary addressed a circulated spreadsheet, indicating that it provided an overview of projected capital investment until 2009. It was noted that the document represented a work in progress that would be updated and presented as a standing item to each meeting of the Committee, for endorsement and presentation to Court thereafter. Members were reminded that all capital investment over £1m must be approved by Court.

Members agreed that the document was a useful summary and suggested that some fuller narrative to accompany each project would be helpful. Members also suggested that major capital investment proposals should be presented to this Committee in advance of Court. The Convener emphasized the importance of the Campus Services Committee and its position within the formal process of taking initiatives through Court.

**Resolved:** to re-examine the remit of the Committee to ensure that its responsibilities were clearly defined.

#### 4. UPDATE ON MAJOR PROJECTS

(1) Teaching Block

The Director of Campus Services reported that the first accurate indication of cost was available and this was substantially in excess of the estimated cost. A more robust costing exercise now needed to be carried out with a view either to identifying potential cost reductions that aligned the actual cost with the estimated cost or recommending that the capital expenditure previously allocated required to be increased.

Concerns expressed by Dr Gillies on behalf of the Faculty of Education & Social Work and other Committee members in relation to access for disabled students and staff were noted. The Director of Campus Services responded giving assurances that the building would be empathetic to the needs of disabled students and staff and would go beyond simply meeting all building regulations and legislative requirements.

Discussion ensued regarding which departments would have access to the building. The Secretary confirmed that Faculty of Education & Social Work had a specific requirement but that any non-laboratory-based teaching could be undertaken in the new building. Access to lecture theatre, tutorial and other teaching accommodation could be booked through the central room booking resource. The Secretary assured members that the impact for students and lecturing staff in travelling across campus would be factored into timetabling. In terms of safety for staff and students it was acknowledged that a set of traffic-calming and pedestrianisation measures would be required.

Mr Galloway on behalf of the City Council recognised that a new northern gateway to the City was being developed and indicated that the Council would consider access and egress arrangements as well as public transport provision.

(2) Sport & Exercise

The Secretary reported that the amended business plan remained scheduled to go to Court in February. Mr Galloway confirmed support for phase 1 and phase 2, subject to planning permission and consideration of access to the facilities, but indicated that phase 3 would require further discussion.

5. **CAR PARKING**

The Secretary confirmed that Court had approved the green travel plan and car parking strategy, indicating that a range of different proposals would be shared with the University community in due course. The impact of some of the proposed measures on residents in the West End was acknowledged and Mr Galloway confirmed that a residents' parking scheme might have to be established.

The Secretary reported that a sub-group of Court would be established to review a range of car park funding options such as outsourcing and setting up a subsidiary company. The expected outcome was a recommendation that the University retain management control of car parking.

The Committee noted the high costs associated with the Heathfield and Teaching Block underground car parking provision, but acknowledged that the City Council would insist on having additional car parking spaces created. Mr Galloway stated that the Council was about to commission two additional multi-storey car parks. A good rate on borrowings was available and he was happy to discuss cooperation with the Secretary.

6. **ENVIRONMENT STRATEGY**

The Secretary addressed the circulated paper emphasising that it was a first draft and that the model was based on a tried and tested strategy and action plan. Staff and trade unions would be consulted during the development phase. There followed some discussion regarding the content and structure of the strategy and there was acknowledgement that it would require to be discussed fully with NHS colleagues with a view to inclusion of specific, related targets.

**Resolved:** to support development of the strategy.

7. **NINEWELLS TEACHING ACCOMMODATION**

The Director of Campus Services briefed members in relation to the components that were currently being addressed, namely small group teaching space, expansion of Clinical Skills, and accommodation for the Centre for Medical Education and for Anatomy.

The Committee noted that there was greater alignment between University and NHS estates planners and this was welcomed by Mr Galloway, who emphasised the need for a joint masterplan to be developed as there were growing concerns about further development of the Ninewells site.

**8. CAMPUS WASTE MANAGEMENT PLAN**

The Director of Campus Services reported that the circulated paper which had been prepared jointly with Safety Services formalised and clarified what was being done across the University. Members emphasised that the plan needed to apply to University business at Ninewells and Gardyne Road equally. The Committee noted that a waste management facility would be located on the Comet site.

**Resolved:** to endorse further development of the plan and to ask the Director of Campus Services to bring this back to the Committee in due course.

**9. HIGH MILL PROPOSAL**

The Secretary reported that the circulated paper had been presented for information only. Members noted the potential value of the initiatives proposed in the document and supported the development in principle.

**10. RESIDENCES**

The Secretary reported that work at the Belmont site had begun. The cost of Heathfield was causing concern and was being reviewed. Tenders were currently being invited for the Seabraes and West Park developments.

Members sought clarification on whether further phasing of the development was an option. The Secretary confirmed that this could be considered if cost reductions could not be identified, but reminded members that the Houses in Multiple Occupancy regulations must be met within the required timescale.