THE UNIVERSITY of EDINBURGH

WEB VERSION

Policy and Resources Committee

10 November 2025

Raeburn Room, Old College

Minutes

Members Present:	Janet Legrand, Senior Lay Member Morag Angus, Co-opted Member Leigh Chalmers, Vice-Principal & University Secretary Ruth Girardet, Co-opted Member (by video link, for items 1, 2 and 8 only) Kim Graham, Provost Peter Mathieson, Principal & Vice-Chancellor (for items 1-4) Jock Millican, General Council Assessor Hugh Mitchell, Co-opted Member Kathryn Nash, Trade Union Academic Staff Member David Ovens, General Council Assessor Ash Scholz, Students' Association President
Member Apologies:	Ruth Girardet (partial attendance, as above) Peter Mathieson, Principal & Vice-Chancellor (partial attendance, as above)
In Attendance:	James Gray, Chief Financial Officer Colm Harmon, Vice-Principal Students Catherine Martin, Vice-Principal Corporate Services James Saville, Director of Human Resources Rona Smith, Deputy Secretary, Governance and Strategic Planning Damien Toner, Director of Estates Daniel Wedgwood, Head of Court Services (clerk)

Welcome
Janet Legrand, Senior Lay member, welcomed members and attendees and opened the meeting.

OPENING ITEMS

1 Minutes **Paper A1**
The minutes of the meeting on 15 September 2025 were approved.

2 Matters Arising & Review of Action Log **Paper A2**

There were no matters arising. The committee reviewed the Action Log, noting minor updates.

3 Principal's Communications [taken after item 8]

Peter Mathieson, Principal & Vice-Chancellor, updated the committee on the following points:

- The Principal commended the Interim Director of Communications and Marketing, Niall Bradley, for the organisation of recent staff engagement meetings. The meetings had demonstrated an understandable desire among staff for clarity on the extent and timing of actions to ensure financial sustainability. The University continued to keep staff informed as far as possible, but relevant work was on-going.
- The situation at the University of Dundee, involving government intervention following financial difficulties, continued to have impacts on the sector as a whole. Universities, Universities Scotland, SFC, staff and student organisations, and government were continuing to engage to promote constructive and equitable outcomes.
- Work was being pursued at sector level, with the Scottish Government, to assess the sector's funding needs and investigate ways to address these.
- It was so far unknown whether and, if so, when Scottish institutions might be affected by policy changes by the UK government relating (in the first instance) to English universities, including inflationary increases to chargeable rest of UK undergraduate fees and the potential introduction of a levy on international student fees.
- An increase in UKRI stipends for PhD students had been confirmed. This was welcome from the perspective of student support but had cost implications, as the University had previously committed to maintaining other PhD students at the level of UKRI stipends.

In further discussion, financial pressures experienced by a number of other Scottish universities, and related industrial relations challenges, were noted.

SUBSTANTIVE ITEMS

8 Responsible Investment Advisory Group Report [taken early] **Paper F**

Ruth Girardet, Convener of the Responsible Investment Advisory Group (RIAG), introduced the report, noting that the group had held its first meeting and had published information about the group and its work. The group was engaging on key questions with both Investment Committee and the investment managers who worked with the University. Work was ongoing to develop best practice models and a representations process.

Ash Scholz, President of the Students' Association, speaking as a member of the group, noted that the first meeting had been positive and observed that the representations process would be seen as a priority from the student perspective.

It was noted that Governance & Nominations Committee (GNC) had recently discussed the importance of clarifying reporting lines in this area, particularly with regard to communications. This would be considered further at the next meeting of GNC.

The Senior Lay Member thanked Ruth Girardet for her work in establishing and leading the group.

4 Finance and Planning Report **Paper B**

James Gray, Chief Financial Officer, summarised key points from the paper.

The draft Annual Report & Accounts for the year to 31 July 2025 had been provided for PRC's information. It was emphasised that the headline results showing an operating surplus were influenced by the performance of subsidiaries and investments, and that core activity had yielded an underlying breakeven position in the draft results, with a potential underlying deficit to be recorded in the audited accounts.

There was significant ongoing work with budget holders to derive required savings, with detail to be provided shortly to the University Executive and to the workshop on financial sustainability risk that Audit & Risk Committee (ARC) was due to hold.

Rona Smith, Deputy Secretary Governance & Strategic Planning, gave an overview of student recruitment and related fee income, noting that there had not been significant change since the last update to PRC. Accordingly, there was expected to be some shortfall in international student recruitment. Overall student fee levels had a degree of intrinsic stability due to the significant component of continuing students' fees but a shortfall relative to target for intakes was forecast. Indications were that comparable institutions were experiencing similar or greater challenges of this kind and the potential longer-term implications of this would need to be considered.

PRC's attention was also drawn to the provided overview of the University's strategic KPIs, which generally showed positive movement, although some remained behind target.

In discussion, it was observed that it would be within PRC's remit to review, ahead of the next Court meeting, the emerging Q1 position and any new proposals to address financial challenges. Therefore, it was agreed that PRC should hold an additional online meeting shortly after the planned ARC workshop, taking into account any relevant feedback from ARC and providing input to Court's discussions.

The concern was raised that any compulsory redundancies could be damaging to the institution, through impacts on staff morale, the student experience and the University's reputation. PRC was reminded of the University's position that compulsory redundancies would always be considered a last resort, although they could not be ruled out, in case needed to address financial imperatives.

The importance of long-term sustainability was emphasised, recognising that factors including reputation, staff and student morale and staff and student experiences were all part of this, in addition to measurable financial factors. It was observed that such factors entered into the risk assessment carried out on all proposed actions.

It was observed that further communications with the student body on financial plans had been sought. It was noted that that work was in progress to provide additional information for students centrally, recognising that communications through Colleges and Schools, while often helpful for students, did not guarantee consistent messaging.

PRC approved the updated Treasury Management Policy.

5 People Report **Paper C**

James Saville, Director of HR, introduced the report, noting that the Annual People Report had been provided to PRC, ahead of transmission to Court. He also gave an overview of current industrial relations at local and national levels.

6 Amendment to the Delegated Authority Schedule **Paper D**

Leigh Chalmers, Vice-Principal & University Secretary, introduced proposed amendments to the Delegated Authority Schedule, noting that the substantive amendment resulted from the disbandment of Knowledge Strategy Committee (KSC) and the related creation of the Strategic IT Committee.

PRC recommended that Court grant Strategic IT Committee a £2m approval limit, in place of that previously held by KSC, and approve minor additional proposed amendments to the Delegated Authority Schedule.

ITEMS FOR NOTING OR FORMAL APPROVAL

7 Investment Committee Report **Paper E**

Catherine Martin, Vice-Principal Corporate Services, summarised key points from the report. The Endowment Report for 2023/24 had been provided. It was noted that enhancements to this report were planned for future years, including the addition of case studies. The role Description for a potential Investment Director role was being formulated. It was noted in discussion that this role could bring significant value.

9 Any Other Business

Members of Estates Committee briefly reported developments relating to that committee, including the ongoing recruitment of a new external member. PRC members noted the usefulness of two recent sessions on the development of an Estates Strategy and agreed that it would be helpful for Court to be provided with a similar overview of Estates matters, which might be provided at a Court seminar in the near future.

10 Date of Next Meeting

Monday, 2 February 2026