

# Court

# Minutes

In the Chair: Professor E Brown

Date of Meeting: 19 March 2001

Held at Galashiels

Present also: Principal J S Archer

Mr D A Brew

Mr D A M Brown

Mr B Drury

Dr C G Greig

Sir Peter Heatly

Ms J Lowe

Mr M Lyden

Professor D G Owen

Mr J D Polson

Mr C P Robinson

Mr N R Rudd

Mr J A Scott

Professor B G D Smart

Dr R Summers

Mr A B Taylor

Professor A C Todd

Professor C Viney

Dr S Zachary

In attendance: Professor C E R Maddox, Assistant Principal

Professor I Mason, Dean, Economic and Social Studies

Mr P L Wilson, Secretary of the University

Mr S L L Paterson, Director of Finance

Mr R V Parkinson, Senior Assistant Secretary

Miss M MacMillan, Assistant Director of Estate and Building Services

Mr W R McGookin, Director of Planning Office

Mr A G Hood, Assistant Registrar

Mr P Gregory, Director of Planning and Development, Scottish Borders Council

Mrs M H Dane, Director of Office of Student and Academic Affairs

Dr V R F de Lima, University Health Service

Mrs S Mach, Employer Liaison Manager

Rev H G Taylor, Chaplain to the University

## 66. WELCOME

The Chairman welcomed to the meeting Mrs Dane, Dr de Lima, Mrs Mach and Mr Taylor, present for the consideration of the reports presented on welfare issues, and offered, on behalf of the Court, congratulations to Mr B Drury, recently elected to the Presidency of the Students Association for the period 1 July 2001 to 30 June 2002.

## 67. MEMBERSHIP OF COURT

It was reported that, at the thirty-fourth meeting of the General Convocation of the University, held on 16 March 2001, the following individuals had been elected to membership of the Court from among the membership of the Convocation in terms of Para 1(v) of Statute XII, for a period of three years until the 37<sup>th</sup> Annual meeting of the Convocation in 2004:

The Hon Lord Johnston

Mr R Jobson

## 68. APOLOGIES

Apologies for absence were intimated from The Rt Hon The Lord Mackay of Clashfern, Mr Bissett, Mrs Charlesworth, Mr Guest, Mr Kay, Mr Morrison, Ms McDonald, The Hon Lord Penrose, Councillor Scobbie, Mr Stuart and Professor Swaffield.

## 69. OBITUARIES

**Professor C W Nutt**

The University had noted with sadness the death at the age of 79 of Professor Emeritus Cecil Nutt, first head of the Department of Chemical Engineering in the University after the separation of the Department from the University of Edinburgh. He was appointed in September 1970 and retired in 1987.

**Dr David Collett**

The University had noted with regret the death of Dr David Collett OBE, an honorary graduate of the University (DUniv 1993). Dr Collett was Director of the independent charitable organisation Water Aid since its inception in 1981 until 1994 and for several years the Director of Voluntary Services Overseas. He was 66.

## 70. MINUTES

The Minutes of the meeting of the Court held on 5 February 2001 were approved.

## 71. EDINBURGH COLLEGE OF ART

With reference to Ct 50/00-01, the Chairman reported that both Edinburgh College of Art and Glasgow School of Art had been designated by the Funding Council as Small and Specialised Institutions (SSIs). Publication of the terms and conditions attaching to this recognition was awaited. The University would require further reassurance that there would be adequate safeguards in terms of the quality of academic programmes offered by the College of Art.

## 72. STATUTE XI: THE CONVOCATION

With reference to Ct 51/00-01, it was noted that this matter was still with the Privy Council.

## 73. MERGER OF INSTITUTIONS – FUNDING ISSUES

With reference to Ct 53.2/00-01, the Chairman reported that he was still in correspondence with the Funding Council on this topic and would seek reassurance from the Council on a number of related issues in the interest of confirming that the University had been fairly treated in comparison with the Edinburgh University/Moray House merger.

## 74. CONDUCT OF COURT BUSINESS

With reference to Ct 61(a)/00-01, the Chairman reported that the dates of Committee meetings were under review and that some adjustment to Court dates might also be considered in the interest of obtaining the optimum timescale for reporting.

It was reported that the question of greater involvement by members of Court in the work of the Court Committees was also being addressed in the light of the interests indicated by members.

75. Communications from the Chairman of Court

## 75.1 PURCHASE OF RAEBURN PORTRAITS

The Chairman reported that the Heritage Lottery Fund was shortly to confirm its support in providing £50k towards the £56k cost of purchasing three portraits by Raeburn of members of the Gibson-Craig family, former owners of the Riccarton Estate. The balance of the funding, which the Lottery authorities required to be provided by the University, would be covered by external sponsorship secured by the Principal.

## 75.2 GENERAL CONVOCATION

The Chairman reported that at its 34<sup>th</sup> Annual Meeting on 16 March 2001, the Convocation had received a very positive and interesting presentation by the Principal on the work of the University over the academic year 1999-2000 and on plans for the current and future years. He expressed to the

Principal and all those involved in the presentation, and in the activities described, the appreciation of the Convocation.

76. Communications from the Principal and Principal's Management Group

76.1 DEPARTMENTAL FINANCIAL REVIEW

The Principal had met with Heads of Departments to review the half-year figures. A number of areas of savings had been agreed which should help the University move towards the budget for 2000/2001 agreed by the Court. Most of these savings were however non-recurrent and a more long-term strategy was also required. Discussions with Heads would continue on the options for such longer term restructuring.

76.2 STRATEGY REVIEW

The Strategy Review retreat had taken place at Dryburgh on February 9/10. The conclusions had been distributed to Heads of Departments to help them with communication with colleagues. On March 13 the Heads had met again with the Principal to review progress on action plans.

The Principal also reported that a working group had been set-up to look at possible options for achieving a sustainable pattern of financing, and the balance between income streams and a reduced and restructured cost base. The outcome of the option appraisal would be worked into the process of strategy review, and staffing implications would be dealt with in a transparent and consultative fashion. The underlying principles would remain those of promoting a research-led ethos with innovative teaching and learning and a robust approach to the commercialisation of intellectual property. The Court confirmed its interest in participating in these discussions at the earliest appropriate stage.

76.3 SCHOLAR

The University had received an indication from the Scottish Executive that its proposal for SCHOLAR development had been successful and that there would be an award of grant of around £700k.

This was recognition of the financial advantage to the Executive represented by the University's development and promotion of SCHOLAR materials. The grant would materially offset the figure of £750k which the University had written off in its 1999-2000 accounts in relation to SCHOLAR.

76.4 SCIENCE RESEARCH INVESTMENT FUND

The University had been informed by the SHEFC that its formulaic allocation of money from the Science Research Investment Fund would be £4.1m over a three-year period. The University would need to find a further £1m from its own resources to provide a total package of £5m. The spend should be aligned with Research Council priorities in order to prompt future research grants in the chosen areas. The Assistant Principal (Research) would set up an advisory group to determine priorities.

76.5 SHEFC FUNDING REVIEW

With reference to Ct 54.3/00-01, the Universities Scotland (US) (formerly COSHEP) response to SHEFC about the consultation on Teaching had been developed and had been circulated as Appendix A to agenda paper B. The response was unanimous and was intended to shape responses from individual institutions.

The US response to SHEFC about the consultation on Research had been circulated as Appendix B to agenda paper B. This letter, signed by the Convener of US, Sir Stewart Sutherland, had generated concern within the sector as it did not reflect the recommended draft produced by the US Research and Commercialisation Committee, chaired by Principal J S Archer. This latter draft had been unanimously accepted by US but had been substantially watered down by the Convener of US.

The Principal reported that there had been a meeting with the Chief Executive of SHEFC at which the views of US on the issues of research funding had been conveyed direct, with particular emphasis on the need to make the Scottish Executive aware of the importance of grade-3-rated research as an area of great developmental potential, and on the need to support the knowledge economy.

## 76.6 DEPARTMENT OF PLANNING AND HOUSING

Discussions were taking place with Edinburgh College of Art on their wish to move their Planning and Housing School to Heriot-Watt University. The terms required by the University for such a move were also being discussed with SHEFC. The University would wish to ensure that any such development had academic merit and financial viability.

It was noted that there appeared to be potential synergies with the University's activity in the area of the built environment, and that preliminary discussions on the possibility had begun when the institutional merger discussions had been superseded. Both staff and students of the School had expressed the wish for closer links with the University.

77. Finance Committee – Report

## 77.1 SHEFC REVIEWS OF TEACHING/RESEARCH FUNDING

## a) Research

- noted that US had agreed a collective response which would help to shape the responses of individual institutions

## b) Teaching

- noted an interim summary response from US

## c) General

- agreed that members of the Court be encouraged to lend their voices in response to the reviews by the deadline of 31 March, in support of the University's institutional submission
- agreed that the aid of any organisations external to the University which might be supportive in the debate should be enlisted by individual contact by Court members

Disposal: Noted.

## 77.2 FINANCIAL PERFORMANCE

The Committee had received management accounts for the six months to 31 January 2001 with estimated year-end outturns for the University and its subsidiaries (Appendix A to agenda paper C).

## a) Subsidiaries

## i) Edinburgh Business School

- income levels ahead of budget at ½ year predicted to match budget at year-end, due to reducing royalties on book sales prior to the launch of the electronic version of the DL MBA course

## ii) Heriot-Watt Trading

- full year surplus forecast to be £150k less than budgeted due to investment in Scottish Directors Centre, losses from the Textiles Testing Centre in Galashiels and a delayed start to the Petroleum Engineering CPD NEXT programme

## iii) Edinburgh Conference Centre

- estimated reduced surplus influenced by interest payments and cautious forecasting of the level of turnover
- recognised difficulty of minimising the costs in face of peaks in demand for services, but also potential for positive income upsides by short-term lets and conferences

## iv) Research Park

- noted significant increase in income following rent increases
- noted work in progress in extending SEPA building

## b) University (Appendix B)

- noted deficit at half-year point of £2.1m against revised budget deficit of £914k
- noted contributory factors as:
  - i) forward spend on non-pay items (eg IT) by departments
  - ii) cost recoveries still to be processed
  - iii) high level of student fee abatements and scholarships
  - iv) research activity not yet at budgeted level
- noted that several research contracts (eg Petroleum Engineering) would start in the second half of the year

Disposal: Noted. In addition, the following points were made by the Convener, Dr Greig, and the Director of Finance:

- the February figures on Edinburgh Business School royalty earnings were encouraging and these would be monitored, in common with other key indicators of performance, on a monthly basis
- the emphasis would continue to be on carrying savings through to future cycles, and on cutting costs
- the increased number and value of research proposals was very encouraging

## 77.3 FINANCIAL FORECAST 2000-01 (Appendix C)

- noted a forecast, on present evidence, of year-end deficit of £3m compared with budgeted target of £1.8m and the actions required to achieve this target.
- noted that this forecast was based on more cautious and conservative assumptions than hitherto
- noted that the main categories in the discrepancy were failures to meet income targets in relation to:
  - fees (net of Abatements and Scholarships)
  - IP / Donations income
  - consultancy contracts
  - CPD courses
- noted that PMG was continuing to pursue immediate and longer term measures to restrain costs and maximise income in the current year; and to restructure the University's operations to reduce the cost base by £2m recurring per annum
- agreed that in reporting to the Court the Committee emphasise the achievements to date and the actions required to progress towards the approved budget outturn of £1.8m deficit
- noted that around £700k of the 2000/01 shortfall gap would be closed by the prospect of funding support from the Scottish Executive to defray development costs of the SCHOLAR programme

Disposal: Noted.

## 77.4 RESEARCH GRANTS

- noted a statement of research grants and contracts received as at 28 February 2001, together with a research activity analysis for the half-year to 31 January (Appendix D)

Disposal: Noted.

## 77.5 BENCHMARKING COMPARISON – BATH

- noted comparative figures between Heriot-Watt and Bath to 31 July 2000 (Appendix E)

Disposal: Noted.

## 77.6 PURCHASING COMMITTEE – REPORT

- noted a report from the meeting of the Purchasing Committee held on 21 February 2001 (Appendix F)
- noted that the Committee was functioning well and was proving a valuable management tool

Disposal: Noted.

## 78. WELFARE ISSUES

The Court had received reports from the Welfare Committee, the Director of Student and Academic Affairs and the Chaplaincy, together with the Annual Report of the University Health Service (1999-2000) and of the Careers Advisory Service for the same period. These papers were consolidated as agenda paper C for the meeting.

In introducing these reports, the Assistant Principal (Welfare) Professor C E R Maddox indicated that the Welfare Committee continued to operate principally through its sub-committee structure, together with special working groups established to address particular issues as they arose. The Committee provided a robust forum for the Students Association representatives to interact with the Student Services providers within the University, and this interaction was extremely beneficial to all parties. In the Annual Report of the Office of Student and Academic Affairs, summarising the achievements during 1999-2000 of the four Student Service areas, was to be found evidence of the continued successful development of these support areas within the University and their continuing ability to respond quickly and effectively to an ever-increasing and complex work load despite current resource restraints. The association of the reports of the University Health Service and of the Chaplaincy with that of the Welfare Committee reflected the significant involvement of these independent entities in the everyday operation of the University to the benefit of staff and students, and in the efforts of the Committee.

Mrs Dane laid emphasis, in a commentary on the report of the Office of Student and Academic Affairs, on the progressive integration of services for students, from admission to careers advice. Greater expectations by students gave rise to greater pressures on service providers, who also had to satisfy an increasing range of monitoring and assessment. The key issues in the year under review were:

- continued good success in the job market
- the increased range of services in the specific areas of mental health and counselling
- the demands posed by international students who expected, and deserved, a high level of support

The reports of the Health Service and of the Chaplaincy were received and noted with appreciation. It was reported that the question of the rent to be paid to the University by the Riccarton Practice, and to be wholly recovered by the Practice from the Health Board, was close to resolution, and that the University would receive the outstanding sum together with an element of interest. The Finance Committee would receive a report on the relationship between the rental income forthcoming and the University's commitment to financing loan repayments on the Health Service building.

The Court particularly noted the high regard in which both the Health Service and the Chaplaincy were held by the student body, an opinion reinforced at the meeting by Mr Lyden.

The following were among the points raised in the discussion of the reports:

- in relation to admissions, the reasons, if any, which successful applicants gave for turning down offers of admission were monitored in order to discern any pattern or consistent theme. Observations made at open days were also followed up, and the locations and characteristics of the University's campuses appeared to have an influence both in attracting and in discouraging certain groups of potential students
- it was confirmed that the Careers Advisory Service was active in promoting the potential for graduating students to become involved in Small and Medium sized enterprises or to engage in their own entrepreneurial activities as alternatives to involvement in more corporate areas of employment. This was reinforced by the Scottish Institute for Enterprise, a consortium of five Scottish Universities including Heriot-Watt, whose remit was to increase and improve the teaching of entrepreneurship and to increase the number of student technology business start-ups. The Institute also promoted within Heriot-Watt a business plan competition, organised and run by students
- a survey of graduates had indicated that the high proportion of employment obtained was matched by a high level of relevance to the area of study, with only 2% underemployed
- future reports should provide benchmark comparators relating to the level of financing devoted to student welfare services. The Committee had addressed this issue, and had identified priorities for obtaining relevant information
- the particular merits of the services provided should be preserved in the balance to be struck between generally reduced funding and the level of provision to be maintained. The issue of sponsorship by employers had been addressed, and would be pursued in the context of wider University fundraising

The report of the Committee also set out information on discrete issues with which the Committee had engaged in the course of the year, and the progress made in developing policies and practices to discharge the University's obligations, as follows:

#### Disability Issues

- the Committee had re-established its Disability Advisory Group
- working in conjunction with consultants who were made available by SHEFC, the Committee had been able to identify the degree to which the University was meeting the requirements of QAA when dealing with disabled students. A paper setting out the current position and containing recommendations for future action formed Appendix E to the report of the Committee. The Court noted that the next step in this process was for the recommendations to be costed
- it was noted that whilst the consultants' report dealt with the circumstances of students, the University was moving towards a single regime of provision for students, staff and visitors
- the Committee had been the focus for providing the basis for the Teachability project, a joint enterprise among several Scottish Universities under the leadership of Strathclyde, which was being spun out into Heriot-Watt. This project identified good practice in teaching and learning methods for students with disabilities, and helped to spread this good practice across all academic areas

#### Mental Health

The Committee had established a Mental Health Advisory Group which had drawn together a draft Mental Health Policy for Students. The emphasis of the document, attached as Appendix F to the report of the Committee, was on approaching issues of mental health within a clear and unexceptional framework, which permitted the identification of problems, the protection of individuals and of the community, and a measured and appropriate response

The Court noted that the policy now presented was regarded as a working document, and agreed, with the concurrence of the Principal's Management Group, that it be accepted for implementation, subject to a review and report back in 12 months.

In association with the issue of mental health, the Court gave consideration to the questions of alcohol and substance abuse, which were recognised areas of potential difficulty and which impinged strongly on the welfare of individuals and the University community. Whereas it was not believed that the University was more subject than other institutions to problems from this source, there was a need to take account of these issues and to take pre-emptive action where possible, in the shape of educational programmes on alcohol use, and of responsible policy and practice relating to availability and supply within the University.

#### Other University Policies

The Committee continued to contribute to the monitoring of a number of the University's approved policies including a new Student Complaints procedure, and updating the Equal Opportunities Action Plan. This involved working with the Personnel Division as well as with the various Student Services. The Court noted and approved the updated Plan, circulated as Appendix G to the report of the Committee.

The Committee had also contributed to the monitoring of the Stress Policy, the review of the Riccarton Residences Association, and the ongoing review of the rôle of Wardens. Drawing attention to the key rôle of the Committee in developing and monitoring the caring activities of the University for its students and staff, Professor Maddox expressed his thanks, as Convener, to all members of the Welfare Services for their help and contribution to the good progress made. He also expressed appreciation to the Principal for his unstinting support in this area, and to the Secretary, Mr Wilson, for his positive and practical co-operation in advancing welfare issues. The Chairman, on behalf of the Court, also welcomed the systematic approach to the issues of Welfare revealed in the reports, and thanked all concerned.

#### 79. STUDENTS ASSOCIATION REPORT

With reference to Ct 9.7/00-01, the President of the Association, Mr Lyden, presented an updated report on the activities and preoccupations of the Association in the course of the current year and envisaged for the next six months. The report was tabled and is set out in Appendix A hereto. Mr Lyden spoke on each of the four areas of activity set out in the report, drawing attention to the successes and future projects enumerated therein, including the establishment of 24 hour access to computing facilities, the appointment of a Disabilities Officer, the enhancement of contributions by student representatives to University Committees, and the extension of Advice and Support Centre provision to the Scottish Borders Campus.

The Court was aware of the close working relationship between the welfare activities of the Association and the provision made by the University, and noted the strongly held view of Professor Maddox that this pattern of co-operation should be encouraged and protected from any simplistic move towards rationalisation.

#### 80. CHAIRMANSHIP OF EDINBURGH BUSINESS SCHOOL LTD

The Court had approved by correspondence a proposal for the appointment, in succession to Sir Donald Mackay as Chairman of the Board of Edinburgh Business School Ltd, of

Sir Bob Reid

The appointment was for a period of three years from 1 February 2001.

#### 81. ACQUISITION AND DISPOSAL POLICY – UNIVERSITY ARCHIVE

With reference to Ct 57/00-01, the Court had received, as agenda paper E for the meeting, a statement of actions required of the University by the Scottish Museum Council prior to reassessment in terms of Phase II of the Registration Scheme administered by Resource (formerly Museums and Galleries Commission).

The Court determined, in respect of each requirement, as follows:

- Collections Management and Development Plan as submitted to the Court on 5 February 2001 and approved at that time – endorsed
- Amended Acquisition and Disposal Policy taking account of increased collections management responsibilities consequent on merger of the University in 1998 with the former Scottish College of Textiles, and the appointment of a Curator in place of the external Curatorial Adviser – approved as set out in the attachment to agenda paper E for the meeting
- Appointment of Angela Edward, Curator, as ex officio member of University Collections Committee with immediate effect – approved

It was noted that the Nominating Committee (Court) would give further consideration to the membership of the Collections Committee in the light of recent staff changes.

82. APPRECIATION – PROFESSOR C E R MADDUX

The Chairman reported that Professor Maddox would retire from the service of the University at the end of April 2001. The Principal, on behalf of his colleagues throughout the University paid tribute to the fundamental contribution made by Professor Maddox to the process of negotiation and accommodation which had culminated in the merger of the University and the College of Textiles, which had proceeded with exemplary smoothness and dispatch; and testified to the enjoyment which he had derived from his professional and personal association with Professor Maddox since January 1997. He also congratulated Professor Maddox on the team approach to welfare which he had fostered in his rôle as Assistant Principal and by which he had ensured an adequate level of strategic awareness by the University of the all-pervasive importance of welfare issues.

To these sentiments the Chairman added the thanks of the Court.