

COURT**Minutes**

In the Chair: Ms Morag McNeill

Date of Meeting: 30 September 2021

Present also: Dr Richard Armour (to M21/78)
Professor Scott Arthur
Professor Mark Biggs
Ms Hannah Copeland
Professor Marc Desmulliez
Mr Graeme Dickson
Dr Fadi Ghaith
Mr Steve Heathcote
Mr Brian Henderson
Mr Paul Lewis
Ms Emily King

Dr Bill MacPherson
Mr Cameron Millar
Mr Jürgen Munz
Ms Marta Phillips (to M21/78)
Mr Chris Pirie
Mr Alan Robertson
Mr Mike Tumilty (from M21/73)
Mr Graham Watson
Professor Richard Williams
Ms Dorothy Wright

In attendance: Professor Mushtak Al-Atabi
Mr Richard Claughton
Ms Sue Collier
Ms Lucy Everest
Mr Andrew Jefferson
Professor Ammar Kaka

Ms Ruth Moir
Dr Gill Murray
Professor Garry Pender
Professor John Sawkins
Lord Vallance
Mr John McDermott (Clerk)

Apologies for absence: Mr Gary Kildare

M21/71 WELCOME AND ANNOUNCEMENTS

The Chair welcomed all participants to the meeting, making special mention of those attending their first meetings since joining Court on 1 August: Mr Pirie, elected Staff member, Mr Lewis, independent lay member; and Dr Ghaith and Dr MacPherson, both of whom had been elected as members of Court by the Senate.

The apologies for absence were noted.

M21/72 DECLARATION OF INTERESTS

The Chair invited declarations of interest relating to the matters under discussion. No new declarations were made.

M21/73 MINUTES OF THE PREVIOUS MEETING

The Court approved the minutes of the meeting held on 28 June 2021 as an accurate record, subject to an addition to (and correct numbering of) M20/63.1, to make reference in the reserved section to the investment sum that Court approved for HWU Online.

The Court approved the minutes of the additional meetings held on 26 April 2021 and 20 May 2021 as accurate records.

The Court received the notes from the Strategy Day on 20 May 2021 and the Joint Court and Senate event held on 24 May 2021.

M21/74 MATTERS ARISING / COURT ACTION LOG

74.1 The Court received and noted the Action Log, making particular note of the matters that the Court had considered by correspondence between meetings:

- a) Approval of a Gift Agreement between Baillie Gifford & Co Ltd and the University, which was noted to be a substantial sum and had contributed to a highly successful year for fundraising in which the University had received its greatest ever volume of gifts;
- b) Approval of the Appointment of the Deputy Chair of Court (minute 84.2 below refers);
- c) Approval in principle of the Annual Report on Academic Quality, which the Chair had subsequently approved for submission to the Funding Council.

- 74.2** The Court noted that although not affecting the approval of the matters in question, some members had submitted queries with regard to the Gift Agreement and the Annual Report on Academic Quality. Responses would be provided to the queries as soon as practicable.
- 74.3** The Court noted that the action plan and timeline to be derived from the outcomes of the Staff Survey was intended to be submitted to the December Court meeting after due consideration by the Executive and the Staff Committee.

M21/75 REPORT FROM THE CHAIR (Oral report)

The Chair of Court reported on a recent visit to the Edinburgh Campus, where it had been very pleasurable to have seen so many students on campus and to have interacted with many in-person and to have heard their views at first hand.

The Chair looked forward to the forthcoming inauguration of new Chancellor, an important event for the University and where there would be opportunity to celebrate with colleagues and guests.

M21/76 UPDATE FROM THE PRINCIPAL (Paper Ct7/21/41)

The Court considered the report presented by the Principal and noted the contents, which drew attention to strategic topics and many areas of activity since the previous meeting of the Court. The Principal augmented the written report with further comments, which included the intended theme of sustainability for the Court Strategy event on 4 November, where there would be opportunity to think further about the priorities under Strategy 2025 and for explicit reporting on the Strategic Performance Indicators (SPIs) as well as mapping of SP2.0 planning decisions to Strategy Milestones for 2021/22.

The Principal reported to Court on his recent first-hand experience of the new Dubai Campus, its enthusiastic student population and the impressive quality of digital learning environment. The Court noted that the Student Council in Dubai was very active. The Principal had also had productive conversations with the Ministry of Education in Abu Dhabi and had also reviewed the University's preparations for Expo 2020, where the University was a partner in the UK pavilion.

The Principal gave further background to the Court regarding the position relating to Pensions Scheme for the majority of UK-based staff (USS). It was noted that the outcome of consultation at a national level would be known early in 2022. In the meantime, external-led workshops were being held to inform staff of the current proposals and their implications. The Court noted that there were differing views as to the discussions held at the Joint Negotiating Committee, where Universities UK (UUK) represent the member institutions, had not managed to reach agreement with the main trade union, UCU. Differing public statements had been issued by the UUK and the UCU and the University had received two notes of dispute from the local branch of the UCU, with ballots closing in November for industrial action (the earliest possible date for which would be 23 November). The Principal emphasised that this should not be a confrontation between employees and employers and that the University management wanted to have the best possible pension provision for employees, and wished to have local discussions on this and other matters.

With regard to sustainability, the Principal informed the Court that, through the Panmure House discussion and other activities, key actions were being developed for the University to help to address climate change. These discussions would help to signal the importance of the themes internally and externally.

The Principal further drew attention to the three-year funding settlement for universities in Scotland and highlighted the importance for Heriot-Watt to continue to establish and grow partnerships with business and other parties. The Executive continued to welcome advice, advocacy and other support from Court members, including to help put the University's case to governments. The Principal looked forward to seeing Court members in person at the forthcoming bicentennial events, including the inauguration of the new Chancellor.

Comments and observations arising in the course of the discussion included an explanation of the working of the Global Equality, Diversity and Inclusion Committee (GEDIC) that reports into the University Executive to help Equality, Diversity and Inclusion (EDI) to be at the centre of the strategic vision for the University and to demonstrate expectations to the University community. It was noted that the work of the GEDIC would be reported as appropriate from the Executive to the

Staff Committee and then to the Court. It was suggested that as EDI was a core part of the Court Plan, a suitable presentation usefully could be given to a future Court or Court Strategy meeting.

At the invitation of the Principal, the Court received and discussed a presentation from the Global Chief Operating Officer (GCOO) regarding the position on student recruitment for Session 2021/22. **XXX(...)XXX Reserved section (Ref Sections 30, 33 FOI(S)A).**

The Court welcomed the report and thanked the Principal and the GCOO for the information provided.

M21/77 REPORT FROM THE STUDENT UNION (Paper Ct7/21/42)

The Court received and noted a report from the Student Union (SU) as presented by the Student Union President. The President highlighted in particular that: the Union's social spaces on the Edinburgh Campus were now fully open and being well used by the students; events on the Borders Campus hosted by SU officers had been very well attended; whilst there was no permanent presence on the Orkney Campus, SU officers had met with students there to gain feedback on what they would like (social and academically); the SU representative function was in full swing, with 'townhall' meetings taking place in each School, new School officers being elected, and class-representative guidance being provided; representation of postgraduate students had been enhanced, with representatives now in place for research students and those on taught postgraduate programmes; an emphasis had been put on sustainability and wellbeing, with work continuing in partnership with the Sports Union and the student bodies in Malaysia and Dubai, which would include the annual mental health week; education continued on such matters as consent in personal relationships, as well as the introduction of coloured wristbands to help inform interpersonal interactions; the recent welcome week had been very successful with over eight hundred students signing up to join over fifty student societies; there was a feeling of excitement among students to be back on campus and it was noted that students were behaving responsibly with respect to Covid-19 restrictions and precautions.

The Court noted that the SU financial position had improved, but that a deficit of around £122k was projected for the previous financial year. This was down to the impact of the pandemic and was despite several staff having been furloughed. Now that operations had reopened, some thirty-seven student staff members had been engaged. The agreement by Court in June of the block grant allocation over a three-year period had been greatly welcomed as aiding forward planning as the SU strove to meet the continuing and changing needs of the student body.

The Court welcomed the positive report and congratulated the President and her team on the tremendous work.

In discussion the Court explored further the themes around student wellbeing and how the new Session was progressing. In particular it was noted that additional support was in place to bolster emotional resilience and support. This had been assisted by significant planning and preparatory work over the preceding months. Likewise there had been considerable effort expended to ensure the successful roll-out of the new learning platform. There had been some difficulties, but staff had worked hard, and with expertise, to overcome these.

The Court noted that assisted by the ongoing management of spaces and the good behaviour of students and staff there had been no instances of Covid-19 on the Scottish campuses in the new academic year. The position would continue to be monitored and the intention was noted that the in-person element of the learning experience would progressively be enhanced as permitted by local restrictions and as spaces become opened up. It was noted that the requirements and expectations of different disciplines were recognised and were being taken into account. Flexibility would continue to be an important and useful approach and the intention would remain to support learning as effectively as possible with the best blend. It was noted that terminology was important and that with opportunities to mix remaining limited, the Student Union had an important role as a social catalyst on campus.

M21/78 REPORT FROM THE SENATE (Paper Ct7/21/43)

The Court received and noted a report from the Senate which related to the meeting of the Senate held on 15 September 2021. It was noted that the Senate had endorsed a new Ordinance for the Court to approve (Ordinance Q1), which was to replace a Regulation as a more appropriate means of governing the Formation of Companies within the University. All other matters were reported for

information, including to recognise that the Senate had agreed to conduct its business through MS Teams for the current year and had acknowledged that this better reflected the global nature of the Senate and the University at large.

The Court noted the key matters considered at the meeting had included the continuing discussions on the University's Academic Architecture, which intended to ensure a high degree of flexibility. Workshops and other discussions were ongoing. It was emphasised that this was not about changing everything but was building on the existing framework. It was intended that a firm proposal would be brought to Court in early 2022 after being endorsed by the Senate. It was noted that the proposals would be informed by real business examples and would permit consideration of 'Study Personas' such as opportunities for the University providing for potential students in mid, late, or post-career.

The Court noted that Ordinance Q1 *Formation of Companies* had received detailed consideration at the Senate, the Ordinances and Regulations Committee and the University Committee for Research and Innovation. It was noted that the company formation policy supporting the ordinance had been benchmarked against other leading institutions, and that the Deputy Principal (Business and Enterprise) and/or the Chief Entrepreneurial Executive would be pleased to brief individual Court members on the topic as requested. The Court was content to approve the new Ordinance Q1 and to note the other matters in the report.

M21/79 REPORT FROM THE COURT INTERIM BUSINESS COMMITTEE (Paper Ct7/21/44)

The Court received and noted without comment a report from the Court Interim Business Committee (CIBC) which informed the Court of decisions made on its behalf by the CIBC since the June meeting of the Court. The decisions related to:

- a) Court and Court Committee Appointments
- b) Interim Appointments of Heads of School
- c) Pro-Chancellor Selection Committee Membership

M21/80 REPORT FROM THE FINANCE COMMITTEE (Paper Ct7/21/45)

The Court received and discussed a report from the Finance Committee which related to the meeting of the Committee held on 10 September 2021 and as presented by the Chair of the Committee. No matters were presented for approval on this occasion however a number of substantial matters were reported to the Court for information.

The Chair of the Finance Committee introduced the report by noting that the year-end position had been much healthier than had been projected in the last re-set budget, which highlighted the need for more accurate budgeting. The better than anticipated out-turn also afforded the opportunity for greater investment in strategic projects such as the Digital Transformation Project, on which the Committee had received a presentation. The Committee had also considered an update on the ongoing Portfolio modernisation work and had discussed an encouraging report on research activity. The performance of Global Research Institutes (GRIs) had been discussed and it was noted that the Strategy 2025 target on Research was well within reach. The Committee Chair also reported confidence that the Bond covenant was not in any danger of being breached. The impressive performance of the School of Social Sciences, which incorporates the Edinburgh Business School was highlighted.

80.1 Financial Assurance Dashboard

The Principal and Vice-Chancellor introduced the Financial Assurance Dashboard, that had been updated since the previous meeting and which kept the Court (and the Finance and Audit and Risk Committees) apprised of the progress of various important elements in the action for change programme.

XXX(...)XXX Reserved section (Ref Sections 30, 33 FOI(S)A).

The Court took reassurance from the report and noted that the Principal and the Executive team were continuing to maintain a close oversight of the risks and mitigating actions. The Court thanked the Principal and other contributors for the clear and helpful report and dashboard.

80.2 Management Accounts Dashboard (month 12)

The Court received and noted the Management Accounts Dashboard, which presented the un-audited position to the end of July 2021. The Court noted that there were still some issues being worked through, but it was clear that the year-end position would be better than had been forecasted at the end of Quarter 3. The Global Chief Financial Officer alerted Court that the audited accounts would show in-year movement in the pensions provision. It was noted that the external auditors intended to begin the audit in early November 2021.

80.3 Cubane Contract

The Court noted that the Finance Committee had approved additional investment to secure robust benchmarked data to enable continual refinement and improvements in the effectiveness and efficiency of the Professional Service structures and cost base.

M21/81 REPORT FROM THE AUDIT AND RISK COMMITTEE (Paper Ct7/21/46)

The Court received and noted the report from the Audit and Risk Committee which related to the meeting of the Committee held on 9 September 2021. The report was presented by the Chair of the Committee, who recorded thanks to the University Secretary and the Committee Clerk for the support provided in preparation for his first meeting as Chair.

The Court noted the different areas of business that the Committee had considered, which included: the revised Procurement Policy for the UK Campuses, which the Committee had approved under delegated authority; the Strategic Risk Register, which the Committee had endorsed ahead of future discussions on this topic by the Court; the ongoing work by the University Executive (UE) to enhance the identification, assessment and reporting of risk, which included further embedding risk and control matters in the work of the UE. Particular risks had been discussed in relation to the ERP implementation and Covid-19, where an excellent presentation had been received and the Committee had been impressed with the extent and depth of preparations and mitigating activities.

The Committee had considered the Internal Audit Annual Report 2020-21 and had welcomed the fair and pragmatic approach of the auditors. Similarly, the Committee assessed the external auditors as taking a very fair approach.

It was noted that the Committee would hold a special meeting later in 2021/22 to allow focused consideration of cyber security. Other Court members would be welcome to attend the special meeting. **XXX(...)XXX Reserved section (Ref Section 33 FOI(S)A)**. The Court noted that cybersecurity was also a regular topic for consideration at the Infrastructure Committee.

In further discussion, the Court noted the recommendation made at the Committee meeting to ensure that the context of the University's academic provision and heritage would inform future Court discussions around sustainability and net-zero carbon emissions.

The Court approved the Audit and Risk Committee Terms of Reference on the recommendation of the Committee and noted the Assurance Check which was provided for background information and reflected how the Committee's work in 2020-21 had fulfilled its Terms of Reference.

M21/82 REPORT FROM THE STAFF COMMITTEE (Paper Ct7/21/47)

The Court received and noted a report from the Staff Committee which related to the meeting of the Committee held on 1 September 2021 and was presented by the Chair of the Committee.

The Committee Chair acknowledged the work of the staff concerned and noted that the Committee had considered risks related to the HR directorate and also the people risks for the attainment of AP20. It was noted that some risks were able to be mitigated within the University, but others were outwith the control of the University.

The Committee had also considered the implementation of the ERP system for the HR function and had considered future functionality. It was noted that some 'retro-fitting' had been necessary. The Committee had also discussed the tremendous work undertaken by the Organisational Development team, especially to have moved a significant portion of the provision online.

The Court approved the Staff Committee Terms of Reference on the recommendation of the Committee and noted the Assurance Check which was provided for background information and reflected how the Committee's work in 2020-21 had fulfilled its Terms of Reference.

M21/83 XXX(....)XXX Reserved section (Ref Sections 30, 33 FOI(S)A).

M21/84 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE (Paper Ct7/21/49)

The Court received and noted a report from the Governance and Nominations Committee (GNC) which related to the meeting of the Committee held on 13 September 2021. The Court considered the matters presented as recommendations for approval. The Court noted other items which were presented for information.

84.1 Appointment of Court Committee Members

The Court received and approved the following appointments of Court members to Committees of the Court, as recommended by the GNC: Mr Jürgen Munz to demit membership from the Governance and Nominations Committee and to join the Finance Committee; Mr Chris Pirie to join the Infrastructure Committee; Dr Bill MacPherson to join the Governance and Nominations Committee to fill the vacancy left by Mr Jürgen Munz; and Mr Paul Lewis to join the Staff Committee (to fill the position left vacant by Mr Mike Tumilty following his recent appointment as Chair of the Audit and Risk Committee).

84.2 Appointment of Chair of Court, Deputy Chair and Acting Deputy Chair

The Court received and noted a report presented by the University Secretary which provided an update on the positions of Chair of Court, Deputy Chair of Court, and Acting Deputy Chair of Court.

The Court noted that: the current Deputy Chair of Court, Ms Morag McNeill, had been reappointed to 31 December 2022, and thus would hold office as Chair of the Court until such time as the new Chair takes up the role; one nomination had been received for the position of Acting Deputy Chair of Court and that the appointment process was underway for this important role - the Court would be invited in due course to consider by correspondence a recommendation from the GNC for the Acting Deputy Chair; and planning continued in the background regarding the appointment of the Chair of Court, and preparations, including the composition of the Chair of Court selection Panel would begin in earnest once the Acting Deputy Chair position had been filled. The Court noted that the process for appointment of Chair of Court was set out in legislation and was lengthy. Specific resource would be allocated to help to meet the timeline for the appointment, however it was recognised that despite best efforts, different variables could lead to delays.

84.3 Court Effectiveness Review update report

The Court received and noted a summary progress report on the Court Effectiveness Plan, as presented by the University Secretary. It was noted that the Plan had been approved in February 2021, with the arrangements for the future operation of Court and its Committees approved in June. Work continued to be taken forward and members' continued feedback was welcomed, both informally and through a short survey that would be issued in the coming weeks. Members' contributions would continue to help to tailor responses to specific needs and to develop a Plan for 2021/22, which would be brought to a meeting early in 2022.

M21/85 ANY OTHER BUSINESS

85.1 Court rolling programme of business (as at September 2021) (Paper Ct7/21/50)

The Court noted the rolling programme of forward business. Members were reminded of the open invitation to propose via the University Secretary items for discussion in future agendas.

It was noted that the rolling programme would be augmented with the items identified at this meeting for future discussion, and that the Court would also have some strategic sight of an emerging five-year plan for Panmure House at the December meeting.

M21/86 DATE OF THE NEXT MEETING

It was noted that a Court Strategy event would take place on **Thursday 4 November 2021**. The theme for the event would be sustainability and the Panmure house report on climate change would feature. The event was also anticipated to feature Strategy 2025 performance reporting as well as a section on the management and reporting of risk. A report received at the EBS Strategy Day on the 'new normal' would be circulated in advance of the Court Strategy event.

It was noted that the next business meeting would take place on **Thursday 16 December 2021**.

Chair's Signature

Date