

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 20 December

Present:

Prof J S Archer, Principal (Chair)	Prof R R Leitch, AP (Learning Strategies)
Prof D G Owen, Vice-Principal	Prof A C Walker, AP (Resources)
Prof P N O'Farrell, AP (Student Recruitment)	Prof R J Pooley, Head of School Designate, MCS
Mr D Nicolson, Interim Director of Finance	Prof J D C Jones, Head of School Designate, EPS
Prof D R Hall, AP (Research)	Prof F G Priest, Head of School Designate, BE
Prof. B G D Smart, Head, Institute of PE	Prof J A Swaffield, Head of School Designate, BE
Prof J Fernie, Head, School of ML	

In attendance

Mr R McGookin, Director of Planning	Mrs M Thornton, Director of Corporate Comms.
Mrs M Dane, Director, OSAA	Prof J E L Simmons, Dean of Engineering
Ms L Kirkwood-Smith, Admin Officer to PMG	

Apologies: Mr P L Wilson, Secretary of the University

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2651 NOTES OF 6 DECEMBER MEETING

Approved the notes of the meeting on 6 December 2001.

2652 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 30 NOVEMBER 2001

Noted Management Accounts for the period to 30 November 2000 highlighting an overall deficit for the period of £1.54M compared to a budgeted deficit of £2.04M. Whilst the current position is satisfactory, it is still early in the financial year, and assumptions rely on accurate budget profiling.

Noted features highlighted in the Operational Summary for the period including:

- 1) Funding Council Grants: - performance above budget due to a one-off non-recurrent SHEFC grant awarded in November;
- 2) Academic Fees (net):- income above budget. It is expected that this position will be further improved by billing of DL Fees over the next period;
- 3) Staff costs (including Regeneration):- expenditure running at approximately 2% below budget. The budget figure includes four months of the required £1M in staff cost savings in the current year. Noted the potential erosion of savings through filling of currently vacant posts over coming months, and agreed need for close monitoring of staff cost-savings progress;
- 4) Other Operating Expenses:- Expenditure running slightly below budget. Underspend is attributed to lower Estates maintenance costs at a level which might be difficult to sustain through the remainder of the year. Expenditure in 'Other Services Rendered' including RGAs/Discretionary Accounts/Non-Research Grants/commercial activities is running significantly over budget attributable in large part to a much larger than budgeted deficit in RGAs/Discretionary Accounts. Noted that the AP(Resources) in consultation with HoSs is developing a revised and significantly reduced budget for RGA spend in the current year which will be confirmed in January;
- 5) Research:- net surplus is running under budget by ~£189K;
- 6) EBS:- net surplus marginally better than budget but with income and costs both significantly lower than budgeted;
- 7) Heriot-Watt Trading:- a surplus of 109K;
- 8) SCHOLAR:- increase in net costs in November following an understatement of costs in the previous month.

Considered factors relating to relatively poor performance in research overhead recovery rates, and agreed an urgent need to address these, including:

- Need to establish better monitoring and firmer controls at each stage of grant proposals and expenditure;
- Need to establish appropriate incentives to encourage staff to take positive steps to increase overhead recovery rates. Agreed that this aspect of research grant winning should be considered an important measure of performance, and agreed that the University's guidelines for Academic Staff CVs should invite reporting of

DRH et al

achievement in actual overhead recovery as well as research grant turnover;
- Need for PME colleagues, and in particular HoSs and the AP(Research) to raise Awareness of this issue amongst their academic colleagues.

2653 **RESEARCH GRANTS & CONTRACTS INCOME SUMMARY TO NOVEMBER 2001**

Noted a summary of research grants and contracts income to November 2001 including a projected month-by-month profile based on past experience, highlighting for 2001/02:
- Projected accumulated research income for the year of ~£12.7M (£0.7M ahead of target);
- Projected accumulated overhead recovery total for the year of ~£1.9M or 15% of total income (£0.37M below the end-of-year target).

2654 **PROGRAMME IN PSYCHOLOGY**

Approved a proposal to proceed with development of a Psychology joint programme between the Schools of LS and MCS for introduction from October 2003, noting the following key features of the proposal:
- Extensive sharing of modules with existing courses including the BSc degrees in IT and Sport & Exercise Science with Psychology;
- Three new staff expected to be recruited in 2005-7;
- Requirement for an additional laboratory by around 2004;
- The programme would be administered by the School of LS but delivered by both Schools. The relevant HoSD are currently developing a model for apportioning costs/income.
- Expectation under various income and costing scenarios that the degree could return a surplus by year three.

Agreed:

- Need to pay careful attention to the balance in resources between recruitment of additional staff to meet the requirements of BPS accreditation and future student numbers so that any new appointments are made only when strictly necessary;
- Need for careful consideration in the context of emerging new programmes of the future balance of SET "priority area" funded places shared between the Schools of LS, MCS and EPS.

FGP/RJP
from Jan 02

PME

2655 **STRATEGIC ALLIANCE WITH AWE**

Approved in principle a proposal to extend the University's existing links with AWE with the formation of a strategic alliance.

2656 **STRATEGIC SOURCING PROJECT: INTERNAL FINANCIAL SUPPORT**

Noted need for internal senior-level financial support for key aspects of the strategic sourcing project, and agreed to invite the Vice-Principal to consult further with the Interim Director of Finance.

JELS/DN
Jan 02

2657	<p>C&IT RESTRUCTURING: IT ISSUES/WORK PLAN</p> <p>Agreed, in order to make rapid progress with work plans for implementation of C&IT infrastructure to support the Schools structure from August 2002, to invite Professors R J Pooley and B G D Smart to convene a small group to consult with the IT Restructuring Group led by Ms J Hill and Mr D Pattie to develop work plan proposals.</p> <p>Agreed that the administrative centre of each School should be identified as soon as possible, and that plans should be developed on the basis that, as minimum requirement, in each administrative centre a couple of PCs should be linked to the central server with full network access as appropriate. Agreed need, inter alia, to consult further to establish top priorities, to consider detailed aspects of access arrangements and other aspects such as amendments to coding systems where necessary.</p>	RGP/BGDS et al Jan 02	JMH/DMP
2658	<p>TRANSFER OF ACCOMMODATION OFFICE STAFF AND WARDENS</p> <p>Considered proposals for the transfer of Accommodation Office Staff and Wardens from 1 January 2002 and agreed:</p> <ul style="list-style-type: none"> - To support the proposal for transfer of University Wardens from Catering & Residences to Student Welfare Services from 1 January 2002; - That the transfer of responsibility for Accommodation staff from Student Welfare Services to Catering & Residences should be considered further in the context of a forthcoming review of Catering & Residences including exploration of options for its future operational status, with a view to effecting the transfer by Summer 2002. 	PME From Jan 02	SGL/MHD
2659	<p>TUITION FEES AND FINANCE ARRANGEMENTS FOR INCOMING AND OUTGOING EXCHANGE AND YEAR ABROAD STUDENTS</p> <p>Considered tuition fees and financial arrangements for incoming and outgoing exchange and year abroad students from outwith the EU, and agreed that there should be no change to current arrangements that apply to students who choose to go on a year abroad with an institution that does not come under a partnership agreement with HWU, i.e. those students would remain liable to the full overseas fee.</p> <p>Agreed that it would be useful to consolidate the University's policy and procedures for handling exchange and year abroad students in a widely available document for information, and agreed for this purpose to invite the Director of OSAA to update the document presented to PME in the light of the discussion.</p>	MHD Jan 02	KP
2660	<p>REGISTRATION OF DISTANCE LEARNING STUDENTS</p> <p>Approved proposals for registration arrangements for distance learning students including recommendations that students can register at any time of year and will be able to register for any period up to seven years.</p> <p>Agreed also that the Finance Office should give further consideration to creating the facility for payments to be made to the University by credit card.</p> <p>Agreed there would be a need to refine relevant University Regulations in due course in the light of changes.</p>	MHD/KP DN Jan 02 PLW et al Jan 02	
2661	<p>POTENTIAL ACQUISITION OF PORTRAIT OF JAMES WATT</p> <p>Noted an opportunity to acquire an original portrait of James Watt by Sir William Beechey, and agreed to refer for further consideration by Court at its meeting on 4 February. Whilst the potential acquisition presented a good opportunity for the University, significant time and effort would be required in pursuing the 10% funding required ahead of an application to the NFAS and HLF for the remainder. The University would be unable to make the required financial commitment</p>	PLW Jan 02	

which at 10% of the estimated purchase price was likely to be around £4K.

Agreed to invite the University Archivist to confirm with the owners the University's potential interest in the portrait and in pursuing grant support for its purchase, and to seek the time extension necessary to allow Court to consider the matter. AEJ

Noted also the recommendation of the Interim Director of Finance that, should the University progress with plans to purchase the piece, appropriate negotiations on its value should be undertaken.

2662 **RAE 2001: FURTHER ANALYSIS**

Noted further analysis of the outcomes of RAE 2001 as the basis for further discussions, including comparative performance of HWU in relation to other Scottish HEIs, detailed analysis of Scottish performance and summary of UK performance in subjects directly relevant to HWU. Noted also speculative analysis of the funding outcome and on key funding issues.

RMcG

PME

2663 **REPORT ON SHEFC FUNDING RETURNS DECEMBER 2001**

Noted returns made to SHEFC in December 2001 including:
- "Early Statistics": Students Eligible for Funding 2001/02. The count of UK and EU ftes will generate the University's annual Teaching Grant for 2002/03;
- Update on (RAE) External Research Income for 1999/00 and 2000/01 providing details of income from external research grants and contracts other from the Funding Council. Coupled with numbers of research students and research associates, income reported forms one of the "minor volume indicators" that modify the basic RAE grade x staff funding formula;
- CPD Income return 2000/01. The return will inform one component within the SHEFC annual 'Knowledge Transfer' grant which combines the previously separate CPD and "Professionalisation of Commercialisation" grants with some new additional funding.

RMcG

2664 **H-WEB DEVELOPMENTS**

Noted a brief update on H-Web developments would be circulated by the Director of Corporate Communications.

MT

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 6 December

Present: Prof. J S Archer, Principal (Chair) Prof. R R Leitch, AP (Learning Strategies)
Prof. D G Owen, Vice-Principal Prof R J Pooley, Head of School Designate, MCS
Mr P L Wilson, Secretary of the University Prof A C Walker, AP (Resources)
Mr S L L Paterson, Director of Finance Prof J Fernie, Head of School Designate, ML
Mr D Nicolson, Interim Director of Finance Prof J A Swaffield, Head of School Designate, BE
Prof B G D Smart, Head, Institute of PE

In attendance: Mr R McGookin, Director of Planning Mrs M Thornton, Director of CC
Mr S Kay, Restructuring Project Manager Mrs L Berrie, Director of IS (for item 2650)
Mr K Ross, Interim Dir. of Personnel (for item 2642) Mr P Wood (for item 2650)

Apologies: Prof D R Hall, AP (Research) Prof P N O'Farrell, AP(Student Recruitment)
Prof F G Priest, Head of School Designate, Prof J D C Jones, Head of School Designate, EPS

ACTION:
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2640 NOTES OF THE MEETING ON 22 NOVEMBER 2001

Approved the notes of the meeting on 22 November 2001.

2641 MATTERS ARISING

DIRECTOR OF FINANCE

Noted the planned departure from the University of Mr S Paterson, Director of Finance, in December 2001. Mr David Nicholson formerly of KPMG was welcomed to the meeting as incoming Interim Director of Finance until a new appointment is made.

PROFESSORIAL FELLOWS: SENATE MEMBERSHIP

Noted and endorsed a proposal that Professorial Fellows should be included in membership of the Senate, and agreed to recommend for approval at the meeting of Senate on 6 December.

JSA
6 Dec 01

ODL AND RELATED CPD ACTIVITIES

Agreed need to consider how ODL and CPD activities should be managed in relation to Schools, and agreed to consider a paper including proposed models at a meeting of PME in January.

RRL
Jan 02

2642 REPORT OF THE RESTRUCTURING PROJECT MANAGER

Noted the Report of the Restructuring Project Manager, and agreed the following recommendations for presentation to Court at its meeting on 10 December, and update at Senate on 6 December:

JSA/SK/PLW
Dec 01

- Extension of the Voluntary Severance scheme for a second, final period until 18 January 2002. In view of the encouraging potential uptake of the Scheme to date, and recent development of greater clarity in aspects of staff restructuring plans, this additional period would be helpful to individuals who are still undecided about their personal plans;
- A 'Voluntary Severance Management Committee' should proceed urgently with a review of applications received, and consult with relevant Heads of Schools/Departments to agree on applications that should be accepted, and to settle mutually acceptable dates of release with successful applicants. Agreed that Heads of Schools Designate should be the ultimate authority on whether applications can be accepted;
- The principles of School and "central" administration restructuring including

finance support in Schools, including, where appropriate, arrangements for open internal competition for posts;

- That an amount from the Restructuring Budget should be allocated for purchase of external outplacement support services for staff, and that the selected agency be appointed;

- PME will progress with investigation of options for possibly reconstituting Catering & Residences and Media Services as wholly owned subsidiary companies of the University.

Agreed that a letter from the Principal confirming the decision of Court and next steps should be issued to all eligible staff following the meeting on 10 December.

JSA
Dec 01

Noted that Heads of Admin/Services support sections had been invited to develop more detailed staff plans, and agreed need as soon as possible for further consultations between central admin/services support sections and Schools to consolidate staff structures and requirements.

PLW/SK
Dec 02-Jan 02

Agreed that financial support for Schools, including identifying the most appropriate post-holder in each School, should be advised by the Director of Finance in consultation with Heads of School Designate.

DN/HoSD
Dec 01

2643 **MANAGEMENT RESPONSES TO AUDIT RECOMMENDATIONS**

Noted recommendations as detailed in an External Audit Report on the University's system of internal financial controls prepared by Ernst & Young, and agreed management responses for report to the next meeting of the Audit Committee.

Agreed also to recommend to the Audit Committee that the procedure for reviewing Audit Reports be altered so that these are considered initially by PME for onward referral to the Audit Committee.

PLW
Dec 01

2644 **FORMATION OF NEW COMPANIES: DRAFT REGULATION**

Noted and endorsed in principle a draft Regulation on 'Formation of New Companies for recommendation by the Ordinances & Regulations Committee to the meeting of Court on 4 February. Agreed that, for the present, the document should be considered "live", and colleagues were encouraged to input comments to the Secretary of the University. Agreed also need for more detailed clarification on issues of IP ownership issues and, in this regard, the need to seek appropriate legal advice.

PLW/DRH/GMcF PME
Jan 02

2645 **MARKETING STRATEGY**

Noted a first draft report from the Marketing Strategy Group, and endorsed in principle development of a marketing strategy to complement and support Schools' activities, including the creation of a small task force to consider/consult further, explore University vision, values, priorities etc, and make recommendations on key strategic marketing issues.

Agreed to invite the Director of Corporate Communications to proceed with plans to form a task force group including some members of PME. Colleagues were also invited to feedback comments to the Dir of Corporate Communications on key questions on the vision, marketing strategy and processes as detailed in the document.

MT PME
Dec 01-Jan 02

2646 **FINANCIAL REPORT TO SHEFC**

Noted and approved a draft First Quarter Financial Report for submission to SHEFC by 10 December, and agreed to refer the draft to a few members of the Finance Committee prior to submission.

ACW
10 Dec 01

Noted the possibility that restructuring expenditure could be accelerated. This would bring more costs forward into the current year offsetting other net gains ahead of target. Agreed need to consider in further detail ahead of the next meeting of the Finance Committee in January.

ACW/DN
Dec 01-Jan 02

2647 **RESEARCH GRANTS AND CONTRACTS: PROPOSALS AND AWARDS**

Noted Research Grants and Contracts Proposals and Awards to November 2001.

2648 **RESEARCH GRANT INCOME AND EXPENDITURE**

Noted a summary of research grant income and expenditure to 31 October 2001.

2649 **REVIEW BOARD APPEALS COMMITTEES OUTCOMES**

Noted the outcomes of review board Appeals Committees for Technical, Secretarial, Clerical & Library and Academic-Related staff.

2650 **IT/IT PARTNERSHIP PROJECT**

Noted recent progress on the IS/IT Partnership project including confirmation of the final stages of drafting of the Scope Document and Prospectus, and agreed to proceed with a request for expressions of interest in the European Journal (OJEC notice).

LB/RJP
Dec 01

PW

Agreed need to keep Senate fully engaged in the proposed "phased" or "step" process, and agreed that in addition to regular progress reports by the Steering Group, it would be useful to invite additional Senate members to join the membership of the Co-ordination Group.

RJP
Dec 01

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 10 January 2002

Present:

<p>Prof J S Archer, Principal (Chair) Prof A C Walker, AP (Resources) Prof P N O'Farrell, AP (Student) Mr D Nicolson, Interim Director of Finance Prof D R Hall, AP (Research) Mr P L Wilson, Secretary of the University Prof. B G D Smart, Head, Institute of PE</p>	<p>Prof J E L Simmons, Vice-Principal Prof F G Priest, Head of School Designate, Prof J A Swaffield, Head of School Designate, BE Prof J Fernie, Head, School of ML Prof J D C Jones, Head of School Designate, EPS Prof R J Pooley, Head of School Designate, MCS Prof R R Leitch, AP (Learning Strategies)</p>
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In attendance: Mr R McGookin, Director of Planning
 Ms L Kirkwood-Smith, Admin Officer to PMG
 Mrs M Thornton, Director of Corporate Comms.

Apologies: Prof D G Owen, Head of School Designate, TEX

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2665 **MATTERS ARISING**

RESEARCH INCOME AND OVERHEAD RECOVERY RATES

Considered issues arising from research income and overhead recovery rates, and agreed that the Research Costing & Pricing Group should develop clear recommendations for further consideration by PME. Associated issues might be considered in further detail by the Research Committee to be established in early February.

ACW/DRH et al
 Jan-Feb 02

Noted key issues raised in discussion including:

- Need to share more broadly among colleagues, information about the policies and practices of external funders;
- Whilst it is desirable to increase the overall research overhead recovery rate the University needs also to achieve growth in the absolute volume of research grant winnings;
- It will be the responsibility of Heads of Schools to ensure that the overall target figure for research overhead recovery rate is met within a well-managed portfolio of funded research activities. It is sensible, however, for the University to accept that there may be fluctuations in overhead recovery rates across different grant awards within any portfolio - this is what needs to be managed.

TECHNICAL PROJECT MANAGER

Noted that Mr Alan Gray, Technical Project Manager, would be leaving the University on 18 January 02. A replacement had been previously agreed by the Vacancy Management Group, and there is a need to progress quickly with a new

JELS/LB
 Jan-Feb 02

VOLUNTARY SEVERANCE SCHEME

Agreed need to give response as quickly as possible to staff who have applied to leave under the Voluntary Severance Scheme. Where it is practicable to do so at this stage and their application has the support of the University, individuals should be advised that their application has been accepted. Others should be advised that their application has not been accepted or that it is for further consideration. Noted, with regard to the latter category, the need to define the pattern of redeployment needs across the University as quickly as possible. This will rely on final agreement on detailed aspects of staff restructuring across all academic and non-academic areas, and on the outcome of the second round of the Voluntary Severance Scheme which is due to conclude on 18 January.

PLW/SK/ACW/KR
 Jan 02

STAFF COST SAVINGS 2001/02

Agreed to invite the Interim Director of Finance and the AP(Resources) to consider the impact of the timing of departure of those already accepted for Voluntary Severance, and those who might be enabled to leave as a result of redeployment arrangements, on the University's plan to save at least £1M of staff costs in the current financial year.

DN/ACW
 Jan 02

	<p>STRATEGIC SOURCING PROJECT: INTERNAL FINANCIAL SUPPORT Agreed that it would be helpful to receive an update at the next meeting of PME on 24 January.</p>	JELS/DN 24 Jan 02	
	<p>C&IT RESTRUCTURING: IT ISSUES/WORK PLAN Agreed that it would be helpful to receive an update on progress at the next meeting of PME on 24 January.</p>	RJP 24 Jan 02	
	<p>TUITION FEES AND FINANCE ARRANGEMENTS FOR INCOMING AND OUTGOING EXCHANGE AND YEAR ABROAD STUDENTS: Noted some potential loss of (Norwegian) students to the Australian market, and agreed that it might be desirable to build a study year in Australia option into the fees structure for those students. Agreed that the document being developed by the Director of OSAA should be amended accordingly and approved ahead of the scheduled recruitment visits to Australia in February.</p>	PLW Jan 02	MHD
	<p>CREDIT CARD PAYMENTS Agreed that it would be helpful to receive further clarification on current facilities offered by the University for payment of fees etc by Credit Card.</p>	DN 24 Jan 02	
2667	<p>EXTENSION TO SICK PAY ENTITLEMENT Agreed that a small group convened by the Secretary of the University could consider all future cases involving extensions to sick-pay, and provide reports of decisions made to PME.</p>	PLW	ACW et al
2668	<p>POSTGRADUATE STUDENT STATISTICS Noted postgraduate student statistics including comparison of 2001/02 figures with previous years, highlighting the following key features:</p> <ul style="list-style-type: none"> - Increases of 16% for full-time PG entrants and 19% for all PG entrants in 2001/02 compared to the previous year; - Full-time OS PG entrants had increased three-fold since 1995/6; - Intake of full-time research students in 2001/02 had reduced by 17% compared to the previous year. This change was attributed to the impact of the more limited scholarship scheme. Nevertheless, there has been an increase in entrants of 65% since 1995/6; - The total population of full-time research students had increased by 10% in 2001/02 compared to the previous year, and had approximately doubled since 1995/96; - The total population of full-time PGTs had increased by 22% in 2001/02 compared to the previous year, and had increased by approximately 60% since 1995/6; - Nearly half of the full-time PGR student population and a little over one-quarter of PGT student population is made up of overseas students. <p>Noted also comparative analysis including HWU performance against aggregate Scottish and UK performance and selected "benchmark" institutions. Noted that while HWU was now reaching reasonable benchmarked norms for PGRs:Academic Staff, it had previously trailed its target benchmarks by a large margin. Reflecting this gap, the Funding Council's "official" performance indicator of PhD Awards:Academic Staff costs was a lagging indicator which would continue at a very low level for HWU some further years until the effects of larger graduating Cohorts and reduced costs begin to come through.</p> <p>It was expected that the central Scholarship Scheme for PhD students should remain relatively unchanged in AY 2002/03, and would be subject to appropriate financial control through the Planning process. Any other research scholarships should remain at the discretion of Heads of Schools with appropriate monitoring by the Research Committee.</p> <p>Agreed that whilst levels of growth were very encouraging, the issue of cost in particular of PGT courses, should nevertheless be subject to ongoing detailed review. Agreed that there was a need for better understanding of the relative real costs associated with running PGT courses, and detailed consideration of options to reduce these. Options might include, for example, creative approaches to sharing of resources including taught modules, and opportunities for growth in modular/credit bearing courses. Noted also the significant cost involved in</p>		ACW/RRL et al

supporting PhD students highlighting the importance of external funding. There is a necessity for messages to the wider University community about recruitment success to be supported by re-emphasis of the need to secure sufficient levels of external support.

Noted also the need to give further consideration to facilities that might increase our attractiveness to prospective postgraduate students. These might include, for example, English language support for overseas students, and married persons accommodation. Noted, with regard to the latter, that the Secretary of the University would be giving further consideration to an off-campus site that might be developed for this purpose in the future. In the meantime Heads of Schools were encouraged to keep the Secretary of the University informed of any recruitment opportunities that might be lost as a result of this current gap in provision.

2669	<p>LEARNING & TEACHING AND RESEARCH COMMITTEES</p> <p>Agreed support for the establishment of the proposed Learning & Teaching and Research Committees from early February 2002.</p> <p>Agreed that the roles and responsibilities of the School Directors of Learning & Teaching and Research in so far as they relate to the needs of individual Schools should be agreed at School level. Agreed also that the appointment of relevant individuals and the level of honoraria offered should be at the discretion of the relevant Heads of School Designate in consultation with relevant members of PME. It would be appropriate for PME to review arrangements after the first year.</p> <p>Four key areas of management support in Schools were identified: Finance/Administration (possibly headed by a single individual), Research, Learning & Teaching and Admissions. Agreed, that it would be helpful to have by the first week of February confirmation (as far as possible) of the individuals planned to be appointed in these areas.</p>	<p>HoSD Jan-Feb 02</p> <p>HoSD Feb 02</p>	<p>PME</p>
2670	<p>ANNUAL REPORT: DRAFT COPY</p> <p>Noted outline contents of the Annual Report. Colleagues were invited to provide feedback to the Director of Corporate Communications as soon as possible.</p>	<p>PME Jan 02</p>	<p>MT</p>
2671	<p>OTHER COMPETENT BUSINESS</p> <p>RUSSIAN PROVISION: Endorsed a decision by the Planning Group of the School of Management & Languages to suspend, with immediate effect, recruitment to courses including a Russian specialism, with a view to withdrawal.</p> <p>VISIT OF ALEX NEIL MSP Noted the planned visit of Alex Neil MSP, Convenor of the Scottish Parliament's Enterprise and Life Long Learning Committee, on Wednesday 16 January. Colleagues were invited to input any thoughts on issues that might be included in discussion with the Convener.</p>	<p>Pme 16 Jan 02</p>	<p>MT</p>

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 7 February 2002

Present:

Prof J S Archer, Principal (Chair)	Prof J E L Simmons, Vice-Principal
Prof A C Walker, AP (Resources)	Prof F G Priest, Head of School Designate, LS
Prof P N O'Farrell, AP (Student)	Prof J A Swaffield, Head of School Designate, BE
Mr D Nicolson, Interim Director of Finance	Prof J D C Jones, Head of School Designate, EPS
Prof D R Hall, AP (Research)	Prof R R Leitch, AP (Learning Strategies)
Mr P L Wilson, Secretary of the University	Prof D G Owen, Head of School Designate, TEX
Prof. B G D Smart, Head, Institute of PE	Prof R J Pooley, Head of School Designate, MACS

In attendance: Mr R McGookin, Director of Planning
Mr I J Laing, Senior Management Accountant

Apologies: Prof J Fernie, Head, School of ML

Mrs M Thornton, Director of Corporate Comms.
Ms L Kirkwood-Smith, Admin Officer to PMG

ACTION:
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2683 NOTES OF THE MEETING OF 24 JANUARY 2002

Approved the notes of the meeting on 24 January 2002.

2684 ESTIMATED FINANCIAL OUT-TURN TO 31 JULY 2002

Noted an Operational Summary Forecast to the year end 31 July 2002 highlighting the following:

- A favourable variance on income from Funding Council Grants. This was largely due to an additional one-off non-recurrent grant of and a slight increase against initial forecast in grant to support students with disabilities;
 - A substantial positive variance of against budget for income from Academic Fees. This was due in large part to better than budgeted overseas student numbers, including prudent projection for departmentally-based Distance Learning income. Further income might be received throughout the year, but more accurate predictions are difficult;
 - A substantial negative variance of against budget for Other Operating Income. This included a negative variance on expected DL MBA Royalty income. Income from Other Services was also projected to be less than budget by £240K, largely affected by reduced RGA income from consultancy, donations, sponsorships etc. Provision had been made for repayment to Customs & Excise in respect of a change in the partial exemption formula for calculating VAT payments;
 - A favourable variance against budget in Staff Costs. The budget had already assumed a saving of £1M in the current year;
 - A favourable variance in Other Operating Expenses. The estimated out-turn is based on departmental returns which largely confirm that non-pay expenditure can be contained within the 80% budget;
 - A negative variance against budget for the out-turn for Research.
- Noted that the estimated figure is based on the Finance Office's own projections, and that further detailed discussions on the projected figures will be undertaken with Departments;
- A negative variance against the budgeted surplus for C&R and ECC activities.
 - a favourable variance of against the budgeted deficit for SOLD and SCHOLAR activities;
 - Restructuring costs are projected to run over budget. However, this acceleration of costs could be expected to impact positively on the anticipated

financial outcome for 2002/03;

- The out-turn projection assumes a gain on the sale of the SEPA building before the end of the financial year;

2685 **INTERNAL AUDIT: TERMS OF REFERENCE**

Noted and endorsed proposed revisions to the Terms of Reference of the Audit Committee as re-drafted by the Internal Auditors Deloitte & Touche, and agreed to recommend that the statement "To review the effectiveness of the financial and other internal control systems ... " should be expanded to include explicit reference to risk management.

PLW
Feb 2002

2686 **ACCOMMODATION FOR SHORT-STAY STUDENTS**

Noted a request from the Secretary of the University for information on the future level of short-stay students requiring accommodation on campus. HoSD were invited to provide advice within the next two to three weeks. Options for accommodating these students would be considered further in the light of future projection of numbers.

HoSD
Feb 2002

PLW

2687 **RESTRUCTURING UPDATE**

Noted an update of restructuring issues arising including:

Cost Savings:- A Sustainability Group chaired by the AP(Resources) had been established to consider suggestions for cost savings proposed by colleagues following the recent consultation. Regular reports on progress would be made to PME, and where appropriate, PME would be invited to make policy decisions. Noted that the AP (Resources) would be the central point of contact for communications on progress to Court.

ACW et al

Redeployment policy: -Agreed to invite the Secretary of the University and the Director of Corporate Communications to give further consideration to effective mechanisms for advertising and promoting redeployment opportunities where

PLW
Feb 2002

MT

Research Database:- Noted that the Vice-Principal will be consulting with relevant colleagues in Computing Services to establish work priorities over the coming months. A plan for the development of the Research Database should be developed.

JELS et al
Feb 2002

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 7 March 2002

Present:

<p>Prof J S Archer, Principal (Chair) Prof P N O'Farrell, AP (Student Recruitment) Prof J E L Simmons, Vice-Principal Mr D Nicolson, Interim Director of Finance Mr P L Wilson, Secretary of the University Prof. B G D Smart, Head, Institute of PE</p>	<p>Prof F G Priest, Head of School Designate, LS Prof J A Swaffield, Head of School Designate, BE Prof J D C Jones, Head of School Designate, EPS Prof D G Owen, Head of School Designate, TEX Prof R J Pooley, Head of School Designate, MCS Prof A C Walker, AP (Resources)</p>
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In attendance Mrs M Thornton, Director, Corporate Communications
 Mr R McGookin, Director of Planning Ms L Kirkwood-Smith, Admin Officer to PMG

Apologies: Prof D R Hall, AP (Research)
 Prof R R Leitch, AP (Learning Strategies)
 Prof J Fernie, Head, School of ML

ACTION:
who (with
when

2698 **NOTES OF THE LAST MEETING**

Approved the notes of the meeting on 22 February 2002.

2699 **MATTERS ARISING**

ACADEMIC-RELATED AND SECRETARIAL/CLERICAL REVIEW BOARDS
 Noted that it would be helpful for formal clarification to be issued of plans for the supplementary Academic-Related and Secretarial/Clerical Staff Review Boards that would be held in the light of job changes arising from restructuring. Noted plans to schedule the Board meetings to take place in May.

PLW
 Mar 02

STAFF COST SAVINGS AND REDEPLOYMENT OPPORTUNITIES
 Noted that staff costs savings yet to be identified currently stood at around £500K. Noted that the Secretary of the University would seek an update on redeployment opportunities from the Restructuring Project Manager, and agreed that arrangements should be made to advertise redeployment opportunities at the earliest possible opportunity. In the first instance it is essential that details of the structure of devolved admin/services support in Schools is confirmed.

PLW/SK
 Mar 02 et al

2700 **MAIN ACADEMIC COMMITTEES AND BOARDS**

Endorsed recommendations for the framework of main academic committees and boards including the role of Deans, which would be considered by the Senate at its meeting on 7 March. Key features of the proposed structure included:

- Principal & Deans Committee as a committee of Senate;
- Research Board established by PME;
- Teaching and Learning Board established by PME;
- Undergraduate Studies Committee as a committee of Senate;
- Postgraduate Studies Committee as a committee of Senate;
- Quality and Standards Committee as a committee of Senate;
- Two Deans 'of Heriot-Watt University'. The University would essentially comprise a single faculty. Future nominations for Deans would be expected to have regard to representing the disciplines of science & engineering and humanities & social sciences respectively.

Agreed to recommend to Senate that the current Deans of Science and Economic & Social Studies be invited to continue their respective terms of appointment.

JSA/JELS
 Mar 02

	Noted the expectation that School Directors of Teaching & Learning and Research would be in place by early April and agreed that HoSsD should consult with the APs (Research) and (LS) on their selection, and with the AP (Resources) on appropriate levels of honoraria.	HoSD/DRH/RRL Mar 02	DN
	Agreed to make arrangements to release information on approved organisational changes to staff as soon as available including the names of individuals nominated as School Directors of Teaching & Learning and Research, and to publish more detailed information in due course. Agreed that HoSDs should provide the names of their appointees to the Clerk to PME to append to the Minutes.	MT Mar 02	HoSD
2701	RETIREMENT AND VOLUNTARY SEVERANCE DEPARTURE EVENTS: UNIVERSITY POLICY Noted options for handling events associated with retirement and voluntary severance departures. Agreed that Schools and Administrative Sections should continue to take the lead in arranging appropriate events for groups of departing staff at which the University would be represented by one or more members of PME. Twice-yearly University-level events for staff with more than twenty years' service would be considered again following voluntary severance departures. Agreed that the Director of Corporate Communications should continue to encourage effective communications between Departments/Schools and the "centre" so that plans can be properly co-ordinated.	PLW/MT MT ongoing	
2702	ETHICAL REVIEW PROCESS Noted a draft Ethical Review Process and agreed to establish an Ethics Committee with the recommendation that this would be a committee of Court reporting through PME. Agreed that matters for referral to the Ethics Committee by Schools should be properly identified through School Research Committees, and agreed that the standard Research Grant application approval form should be amended to aid process of identification. Agreed to invite the Secretary of the University to consult with relevant colleagues and to develop the proposal for further consideration at a future meeting of PME.	 PLW Mar 02	
2703	TITLES OF RESEARCH STAFF Noted and approved a proposal for titles of research staff, and agreed that the paper should be developed further to reflect: - exceptions presented by named external fellowships; - the expectation that new appointments will normally be made at Research Assistant and Research Associate level; - that promotion to grades II and III would be considered in terms of research grant funding available to support the post; - the expectation that appointments to Research Fellow and Senior Research Fellow would be considered in the normal way through the Principal & Deans Committee. Agreed to invite the Vice-Principal to confer further with the Senior Assistant Secretary and to arrange minor amendments to the draft in the light of the issues raised.	 JELS Mar 02	RVP
2704	RESTRUCTURING: VIEWS OF THE STUDENTS ASSOCIATION Noted correspondence from the Students Association, following consultation with the Association Council, which confirmed broad support for restructuring and	PLW/MT Mar 02	

outlined areas of concern. Agreed to arrange a meeting with the Executive of the Students Association to discuss these in further detail, following which the University should provide a formal response.

HoSD
Mar-Apr 02

2705 **UNIVERSITY HEALTH SERVICE: ANNUAL REPORT**

Noted and approved the Health Centre Annual Report for 2000/01 for presentation to Court at its meeting on 18 March 2002.

PLW

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 21 March 2002

Present: Prof J S Archer, Principal (Chair)
 Prof A C Walker, AP (Resources)
 Prof J E L Simmons, Vice-Principal
 Mr D Nicolson, Interim Director of Finance

Mr P L Wilson, Secretary of the University
 Prof J D C Jones, Head of School Designate, EPS
 Prof D G Owen, Head of School Designate, TEX

In attendance: Mr R McGookin, Director of Planning
 Ms L Kirkwood-Smith, Admin Officer to PMG

Mr S Kay, Restructuring Project Manager
 Mr K Ross, Interim Director of Personnel

Apologies: Prof D R Hall, AP (Research)
 Prof R R Leitch, AP (Learning Strategies)
 Prof J Fernie, Head, School of ML
 Mrs M Thornton, Director, Corporate Communications
 Prof. B G D Smart, Head, Institute of PE
 Prof P N O'Farrell, AP (Student Recruitment)
 Prof F G Priest, Head of School Designate, LS
 Prof R J Pooley, Head of School Designate, MACS
 Prof J A Swaffield, Head of School Designate, BE

ACTION:
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when

2706 NOTES OF THE MEETING OF 7 MARCH

Approved notes of the meeting of 7 March 02 with the following amendment to the note on Retirement and Voluntary Severance Departure Events: "Twice-yearly University-level events for staff with more than twenty years' service would resume following voluntary severance departures".

LK-S
 Mar 02

2707 MATTERS ARISING

HEATING ARRANGEMENTS

Noted recent arrangements to reduce energy use by cutting the daily heating cycle by one hour. This change was expected to produce worthwhile savings. Noted the issue arising of impact on experimental laboratories from the change and that there had been a gap in communication of the new heating regime prior to its implementation.

SK

SCHOOL DIRECTORS OF TEACHING & LEARNING AND RESEARCH

Agreed need to complete arrangements for nomination of School Directors of Teaching and Research as soon as possible.

HoSD/DRH/RRL DN
 Mar 02

NATIONAL PAY DEBATES AND ISSUES ARISING

Noted need to consider and take a view on external developments that could have an impact on future national pay agreements including, for example, performance-related issues. Noted in association with this that the Secretary of the University would invite Miss K Graham, Personnel Officer, to a meeting of PME later in the Spring to discuss development of the Staff Performance Review policy.

PLW KG
 May 02

2708 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 28 FEBRUARY 2002

Noted Management Accounts for the 7 months to 28 February 2002 highlighting the following:

- The favourable variance against budget for Funding Council grants;
- A continued favourable variance in Academic Fees. Further Distance Learning income was expected;

- An adverse variance for the period in 'Other Operating Income'. The main reasons were lower net income than expected from Research Generation Accounts although the adverse variance was significantly reduced from the previous month, and a lower than projected level of EBS royalties;
- An increase in the favourable variance in 'Commercial Activity';
- A favourable variance of £472K in staff costs. This is in addition to the £1M saving already built into the budget. Agreed that it would be useful to consider the profile of staff savings across departments in more detail;
- A favourable variance in Other Operating Expenses for the period;
- A negative variance against an unprofiled budget for the period for Research income. The overhead recovery rate stood at 17.8% compared to 17.2% in the previous month;
- An improvement in the position of EBS;
- A continuing rise in the adverse variance for Catering & Residences and ECC for the period.

2709 **SHEFC MAIN GRANTS FOR TEACHING AND RESEARCH: 2002/03**

Noted the recent SHEFC announcement of funding for teaching and research in 2002/03 highlighting the following:

- An overall increase on the University's current year's funding of 7%. This compared against a Scottish average of 5.7% (excluding 3 new institutions);
- An increase of £1.5M (27.8%) in total main formula research grants compared against an average increase in Scotland of 14.4%;
- HWU's allocation of teaching funding had increased by 1.7%, well below the Scottish average increase of 3.9%. HWU's relatively small number of fees-only students meant that the University was comparatively disadvantaged in arrangements for partial conversion of fees-only students to funded places which had been agreed as an outcome of the SHEFC review of teaching funding.

Overall the results for the University were favourable, with a particularly good result in funding for research. However, this only exactly matches the earlier projection of additional funds following RAE 2001 which was already included in the University's Financial Plan, and does not diminish the crucially important need for the University to achieve cost-savings targets.

Noted that the Director of Planning and the AP(Resources) would continue more detailed evaluation of the funding changes and report back to PME.

RMcG/ACW
Mar-Apr 02

Agreed also the need to review with future development of the University's research strategy, and noted that the AP(Research) would take forward initial discussions through the Research Committee.

DRH et al
Mar-Apr 02

2710 **INTEGRATED ADMIN/SERVICES SUPPORT**

Noted reports detailing the current status of plans for integrated approaches to provision of admin/services support in Schools including OSAA, Personnel, Corporate Communications, TRS, Purchasing & Supplies, Estates and Corporate Information Services.

Agreed to make a decision on each case at the meeting of PME on 4 April 02. In the interim there should be a final round of consultation with HoSDs.

PLW et al
4 Apr 02 HoSD

Noted a request that there should be greater clarity as regards financial implications of arrangements for devolved support. The transfer of responsibility implied the transfer of appropriate budgetary resources.

Approved a proposal for establishment of a Services Board whose short term activities would include, inter alia, development of a plan for integration of central/school services and implementation, monitoring and evaluation.

PLW
Mar 02

2711 **IS/IT PARTNERSHIP PROJECT**

Considered issues arising from a report outlining the current status of the IS/IT

JELS

based. Noted that following release of the OJEC notice, some 40 enquiries were received leading to 20 initial submissions to the University. These had since been reviewed internally and a long-list of 10 potential partners had been identified. According to the plan, the University's next step would be to enter into discussions with companies on the long-list with a view to reducing their number to three. The University was now at a crucial stage of the Project. Progress to date had been made against a background of change in the University's financial position and future financial planning, and in the building of consensus about the shape and phasing of partnership(s) that might best deliver the University's future IS/IT requirements.

Agreed that at the present time there was sufficient doubt about the University's readiness to proceed to the next phase of the Partnership Project in the timescale planned to justify deferral of the Project. Deferral would allow the University to review plans in the light of the University's current and projected future financial shape, and further evaluate details of IS/IT requirements in the context of potential partnership(s). Crucial factors in the decision were:

- The current absence of a suitably experienced Director of IS/IT;
- The University's financial position in relation to IS/IT support had altered considerably since the start of the Project. The "steady state" costs had shifted downwards from the £6.2M on which the Business Case had been based. There was a need to determine the new base-line and re-evaluate future budgetary provision in the context of the University's wider financial plan. This could have the result of reducing the value of a potential partnership(s) agreement;
- A delay would enable the University to revisit the risk analysis. Colleagues directly involved in this part of planning were no longer employed by the University, and there was a need to renew the University's understanding and evaluation of the risks.

Agreed to invite the Vice-Principal to consult further with the Secretary of the University in drafting a letter advising companies who had tendered notes of interest of the planned deferral and the reasons for it.

Agreed that the Vice-Principal should take forward discussion on next steps with the Director of Computing Services, the Manager of Corporate Information Services and the IS/IT Project Manager, and should provide a report to PME in two to three months' time.

2712 **EQUAL OPPORTUNITIES REVIEW AND ACTION PLANS**

Noted a review of the Equal Opportunities Action Plan 2001, and noted and approved a draft of the Equal Opportunities Action plan for 2002 for dissemination to Heads of Departments and consultation with Trade Unions. Noted that in compliance with the Race Relations Amendment Act a separate Action Plan would need to be developed in due course.

PLW
Mar 02

2713 **DEVELOPMENT OF EXTERNAL PROGRAMMES: UPDATE ON PROGRESS**

Agreed to consider an update on Development of External Programmes at a meeting of PME in the near future.

RRL
Apr 02

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 4 Apr 2002

Present: Prof J S Archer, Principal (Chair)
Prof A C Walker, AP (Resources)
Prof D R Hall, AP (Research)
Prof. B G D Smart, Head, Institute of PE
Prof J Fernie, Head, School of ML
Prof R J Pooley, Head of School Designate, MACS

Mr P L Wilson, Secretary of the University
Prof J D C Jones, Head of School Designate, EPS
Prof D G Owen, Head of School Designate, TEX
Prof P N O'Farrell, AP (Student Recruitment)
Prof F G Priest, Head of School Designate, LS
Prof J A Swaffield, Head of School Designate, BE

In attendance: Mr R McGookin, Director of Planning
Mr F C Reay, Safety Risk Adviser (for 2714)

Mrs M Thornton, Director, Corporate Comms

Apologies: Prof J E L Simmons, Vice-Principal
Mr S Kay, Restructuring Project Manager
Ms L Kirkwood-Smith, Admin Officer to PMG

Mr D Nicolson, Interim Director of Finance
Prof R R Leitch, AP (Learning Strategies)

ACTION:
who (with
when

2714 UNIVERSITY HEALTH & SAFETY MANAGEMENT: CODE OF BEST PRACTICE

Received a presentation from Mr Francis Reay, University Safety & Risk Adviser, introducing the recently published Code of Best Practice for University Health & Safety Management (Universities & Colleges Employers Association, December 2001).

PLW/FCR
Apr/May 02

Discussed the concept of a "Court champion" for Health & Safety issues in the context of recent developments affecting "directors' responsibilities", and noted that the responsibility for direct connections between senior management/governing body and operational health & safety management is currently discharged through the Secretary's office.

Noted that Mr Reay would be working with new School Heads to continue to promote best practice in the context of the new guidelines. Agreed an initial meeting should be held involving all School Heads to reduce risks of gaps in responsibilities arising at School boundaries. Noted the implication that School (and other) Heads need to have clear responsibility for defined buildings/areas. Agreed the preference for a single School Health & Safety Committee in place of departmental committees in newly merged Schools. Agreed it would be helpful for the Minutes of the University Occupation Health & Safety Committee to be made available on the University intranet. Noted the appraisal that the University health & safety performance is good but that the quality of departmental paper trails has been uneven.

2715 MINUTES OF MEETING ON 21 MARCH 2002

Re 2398 Integrated Administration/Services Support: Agreed that the Secretary and AP (Resources) would now write to HoSs clarifying the responses/actions required from Schools in order to confirm new dispositions of responsibilities and resources for provision of key services as between "centre" and Schools.

ACW/PLW
19 Apr 02

Noted the particular issue of "school offices and student support centres" to be addressed by each School on an individual basis and reported to PME. It was suggested that HoSD could use of the process of Student-Staff consultative committees to help identify needs and solutions.

HoSD

General: Agreed to seek to prepare and circulate draft Minutes of PME for the information of members as soon as possible rather than with the papers of the next meeting. Noted that formally the Minutes remained to be agreed and could be amended at the next meeting, and only then would be published on the University intranet.

LK-S/RMcG
Apr 02

2716	WITHDRAWAL OF UNDERGRADUATE SCIENCE- AND TECHNOLOGY-BASED COURSES IN TEXTILES	Agreed to support the withdrawal, through the due processes of Senate, of the courses identified by the Head of School of Textiles, including those to which recruitment had already been suspended by earlier PME decision and those now identified. Noted the withdrawal process would start immediately at the next meeting of the Board of the Faculty of Engineering. Noted the courses comprise in total 17 current students out of over 400 undergraduates in the School and had very small 2001/2 entrant and 2002/3 applicant numbers.	DGO Apr 02
2717	FEEES FOR INTERMEDIATE AWARDS, CREDIT ACCUMULATION AND GRADUATION	Approved the fees recommended by the Academic Registrar, with the preference that the revised Graduation Fee be introduced with immediate effect and incorporated in the information for students about the July 2002 graduations.	ACW/KP Apr 02
2718	RE-STRUCTURING – UPDATE ON CURRENT COMMUNICATIONS ISSUES	Noted the plan described by the Director of Corporate Communications to publish information sheets with a summary profile of each new School in a standard template. Noted also actions to update relevant web pages and links.	MT/HoSs Apr-May 02
		Agreed the plan for a short-life action group comprising School representatives, Corporate Communications, Buildings & Estates Services, and Graphics Services to deal with new signage needs, to be convened by Corporate Communications in the first instance.	MT Apr 02
		Agreed with amendments as discussed a draft letter from the Principal to students providing reassurance on various concerns.	JSA/MT Apr 02
2719	ILT ACCREDITATION OF HWU PG CERT IN ACADEMIC PRACTICE	Noted the accreditation of the programme by ILT and ILT's recommendations on matters for consideration by the University in future development and review of the programme. Noted also ongoing concerns of some PME members for the relevance of the syllabus to the physical sciences and mathematics and of the programme workload. These matters would be expected to be considered by the Board of Studies in the usual way.	PLW/VB Apr-Jun 02
2720	ANTI-HARRASSMENT POLICY AND PROCEDURES FOR STUDENTS	Approved the final version of the policy and procedures which would now be promulgated.	PLW/MD Apr 02
2721	RECORDS MANAGEMENT POLICY	Approved the draft policy as the basis for the Archivist to proceed to the detailed consultations required with School and relevant Section heads. Noted that this is a long-term policy and that the need to prioritise shorter-term records management	PLW/AJ Apr-May 02

activities to support transitional re-structuring needs is recognised.

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| 2722 | EXTERNALLY-FUNDED SCHOLARSHIPS
Noted proposals from the Director of Development & Alumni Relations for steps to enhance management of private sector corporate scholarship donations, and agreed to encourage Sandy Richardson to consult and discuss the proposals with Schools. | MT/ALR/ACW
Apr-Jun 02 |
| 2723 | RAE MONITORING REPORT 2002
Noted for information. | |
| 2724 | RAE2001 PANEL FEEDBACK REPORTS
Noted for information. | |
| 2725 | SCHOOL MANAGEMENT TEAMS
Noted for information, with the expectation that current gaps would soon be filled and the organogram published. | ACW/HoSs
Apr 02 |

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 16 Apr 2002

Present:

Prof J S Archer, Principal (Chair)	Prof R R Leitch, AP (Learning Strategies)
Prof A C Walker, AP (Resources)	Mr D Nicolson, Interim Director of Finance
Prof D R Hall, AP (Research)	Prof D G Owen, Head of School Designate, TEX
Prof. B G D Smart, Head, Institute of PE	Prof P N O'Farrell, AP (Student Recruitment/RAE)
Prof J Fernie, Head, School of ML	Prof F G Priest, Head of School Designate, LS
Prof R J Pooley, Head of School Designate, MCS	Prof J A Swaffield, Head of School Designate, BE
Prof J E L Simmons, Vice-Principal	

In attendance:

Mr R McGookin, Director of Planning	Mrs M Thornton, Director, Corporate Comms
Mr I J Laing, Senior Management Accountant	Ms L Kirkwood-Smith, Admin Officer to PMG

Apologies:

- Mr P L Wilson, Secretary of the University
- Mr S Kay, Restructuring Project Manager
- Prof J D C Jones, Head of School Designate, EPS

ACTION:
who (with whom)
when

2726 NOTES OF THE MEETING OF 4 APRIL 2002

Approved the notes of the meeting of 4 April 02.

2727 MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 31 MARCH 2002 (PERIOD 8)

Noted draft Management Accounts for the 8 months to 31 March 2002 highlighting the following:

- A cumulative deficit to 31 March 2002 of £3,392K compared to a budgeted deficit for the period of £4,533K. The deficit had increased over the previous month, and a large part of this was due to increased spend on restructuring costs;
- A continued favourable variance on Academic Fees;
- An adverse variance in Other Operating Income;
- A favourable variance as at end February of £510K in addition to the £1M of savings already built into the budget.
- A favourable variance in Other Operating Expenses;
- Research income running marginally below budget on the basis of a straight line projection, however, a more sophisticated phased projection suggested income running marginally ahead of budget. The overhead recovery rate is being maintained at 17.6%, marginally below the February figure of 17.8%;
- An overall favourable variance for EBS for the period;
- A rise in the adverse variance for C&R and ECC. The position was expected to worsen in the remainder of the year, although some of the expenditure provisions reflected in the figures may prove to be unnecessary.

The Interim Director of Finance confirmed that the analysis presented was on draft accounts and that the final version together with its commentary would be circulated as soon as possible. (The above notes are a summary of the commentary provided to PME colleagues on 19 April 02.)

2728 RESTRUCTURING OF THE UNIVERSITY'S ADMINISTRATION FUNCTIONS

Noted responses by HoSD to an invitation to provide feedback on the proposed framework for ACW et al devolved administrative support to Schools, and an indication of minimum requirements for any Apr -May 02

additional resources required. Noted that further progress would be made through the current planning round and budget setting process.

2729	DEVELOPMENT OF EXTERNAL PROGRAMMES: UPDATE ON PROGRESS		
	Noted an update on progress in the development of External Programmes by the AP(LS)		
2730	ENTERPRISE & LIFELONG LEARNING COMMITTEE: INQUIRY INTO LIFELONG LEARNING		
	Noted a draft response to the Interim Report of the Scottish Parliament Enterprise & Lifelong Learning Committee Inquiry into Lifelong Learning. Colleagues were invited to provide comments to the AP(LS) not later than Friday 19 April 02.	PME 19 Apr 02	RRL
	Agreed that it would be useful to present the paper for information and discussion at the next meetings of P&DC and Senate.	RRL Apr-May 02	
2731	EXCHANGE STUDENTS FINANCE ARRANGEMENTS		
	Considered and agreed to make further amendments to the proposed tuition fee and finance arrangements for Home/EU, Overseas students and non-graduation students on compulsory or optional year abroad exchange programmes. Agreed that the HoSD of ML should discuss further with the Academic Registrar in the first instance.	JF/KP Apr 02	ACW/RMcG
2732	PROPOSED CHARGING POLICY FOR ACADEMIC REGISTRY		
	Approved recommendations for a charging policy for Academic Registry, and agreed to recommend that: - where noted, "additional" copies, ie. of transcripts, should be highlighted in the text; - regarding late registration, where appropriate, explicit reference should be made of the start of the academic year in October.	ACW/LK-S Apr 02	KP
	Agreed not to extend late registration charges to course transfers.		
	Agreed to invite the Academic Registrar to make the necessary changes to the policy.		
2733	MEXICAN FUNDING AGENCY, CONACYT		
	Approved a recommendation to progress with negotiations for renewal of a contract with the Mexican Funding Agency, CONACYT on the basis of 10 new scholarships for science and engineering students per year. Noted that CONACYT were seeking a move to standard contracts with universities world-wide on the basis of a 50% discount on fees. Noted that the University offered a 40% reduction of fees to PhD students through the current concordat with 15 places available, and a 15% reduction of fees to Masters-level courses with 10 places available.		
	Agreed that the University should negotiate on the basis of 10 PhD scholarships, though some flexibility should be retained as regards MSc scholarships. Noted that support from Schools would be essential to the future success of the University's agreement with CONACYT, and that places should be negotiable on a School-by-School basis. Noted also that participation in the scheme offered the opportunity to enhance student numbers and it was important that students recruited through this route are additions to the numbers the University	ACW Apr 02	HoSD

2734

HIGHER EDUCATION DIPLOMA IN IT

Noted a proposal for a new Higher Diploma course in IT and agreed support for the HoSD
MACS to take forward further development of the proposal.

RJP

et al

Noted that the course would be
equivalent to an HND and was expected to articulate with the HNC in Computing course
offered by Scottish Borders College. Whilst the course would be complete in its own right, it
could provide the option for progression to year three of the BSc in IT. Agreed that a generic
approach should be taken to the development of the course proposal. Whilst the outline case
focused on particular provision at SBC, there could be wider opportunities across the
University.

Apr-Jun 02

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 3 May 2002

Present: Prof J S Archer, Principal (Chair)
Prof A C Walker, AP (Resources)
Prof D R Hall, AP (Research)
Prof J Fernie, Head, School of ML
Prof R J Pooley, Head of School Designate, MCS
Prof. B G D Smart, Head, Institute of PE
Prof J E L Simmons, Vice-Principal
Mr D Nicolson, Interim Director of Finance

Mr P L Wilson, Secretary of the University
Prof J D C Jones, Head of School Designate, EPS
Prof D G Owen, Head of School Designate, TEX
Prof P N O'Farrell, AP (Student Recruitment/RAE)
Prof F G Priest, Head of School Designate, LS
Prof J A Swaffield, Head of School Designate, BE
Prof R R Leitch, AP (Learning Strategies)

In attendance: Mr R McGookin, Director of Planning
Mrs M Dane, Director, OSAA for item 2743
Prof P Jowitt, Director, SISTech for item 2743
Mr S Kay, Restructuring Project Manager

Mr B Drury, President, SA for item 2738
Miss G Robinson, Vice-President, SA for item 2738
Mrs M Thornton, Director, Corporate Communications
Ms L Kirkwood-Smith, Admin Officer to PMG

ACTION:
who (with whom)
when

2736 NOTES OF THE MEETING OF 16 APRIL 02

Approved the notes of the meeting of 16 April.

2737 MATTERS ARISING

ROLES & RESPONSIBILITIES OF SCHOOL FINANCIAL CONTROLLERS

Heads of Schools were reminded of the need to ensure that Financial Controllers are enabled to deliver fully on their responsibility for financial control in their respective Schools. It was expected that Financial Controllers would have a role in relevant School strategy discussions and an appropriate level of engagement with issues impacting on finance.

BUDGET SETTING 2002/03

Noted the deadline for revised budget submissions from Schools and Admin/Service Support Sections of close of play on Monday 6 May 02.

SCHOOL DIRECTORS

Agreed that details of School Directors and Deputy Conveners could be publicised from Monday 6 May.

2738 RESTRUCTURING & THE STUDENTS ASSOCIATION

Considered concerns of the Students Association as to communications and consultation processes associated with restructuring, including: PLW et al

- School Offices - siting, staff issues and support services to be provided. Noted that different approaches to the establishment of School Offices were expected to apply in respective Schools. The broad shape of devolved student support had been agreed and there would be a phased process of implementation. Local discussions were being encouraged through current staff/student representative committees;
- Academic Representation:- Agreed that the AP(LS) would arrange a meeting with the Students Association to discuss student representation on one of the committees reporting to the Learning & Teaching Board;
- Support Services representation:- Noted that the Support Services Board will be engaged in drawing up plans for the integration of central/Schools administration services including student support. The Students Association would be invited to input to this forum;
- Support for student-related issues including, inter alia, areas currently the responsibility of the Director of the OSAA and the Senior Assistant Secretary:- Noted that the Secretary of the

University would take forward further consideration of how this support will be delivered in the future, in consultation with the Students Association. Noted also that the Director of the Office of Student & Academic Affairs in consultation with Heads of Schools would progress with distribution of the planned Student Survey.

2739 **PROMOTION PROCEDURES FOR STAFF WHO COMBINE LECTURING WITH ADMINISTRATION FUNCTIONS**

Noted issues associated with promotions procedures for members of staff who combine lecturing with administration functions. PLW/KR
May-Jul 02

Agreed to invite the Secretary of the University and the Interim Director of Personnel to consider implications for contracts of employment and promotion structures and to develop a proposal for further consideration by PME.

2740 **ETHICAL REVIEW PROCESS**

Approved a proposed Ethical Review Process including establishment of an Ethics Committee. Noted a level of subjectivity attached to assessment of issues that might be considered appropriate for referral by Schools to the main Ethics Committee. It would be helpful therefore for further guidance including, in due course, a set of general principles to be developed to aid School Ethics Committees in making the relevant evaluations and judgements. PLW et al
May 02

2741 **PROPOSAL FOR NAMING OF BUILDINGS IN ORKNEY**

Noted a proposal for the naming of two halls of residence in Orkney connected to ICIT and agreed to request further information in relation to the cases. PLW
May 02

2742 **HR STRATEGY**

Noted and supported in principle an indicative structure for development of the University's HR Strategy, and noted questions associated with key issues to be considered. KR VB/PLW
early Jul 02

Agreed that Staff Development should be fully integrated into the HR strategy. Agreed to invite the Interim Director of Personnel to take forward further development of the strategy in consultation with relevant colleagues, and to give further consideration to appropriate performance indicators.

2743 **OFFICE OF STUDENT AND ACADEMIC AFFAIRS: INTERNAL AUDIT REPORT**

Noted issues highlighted in the Report of the Internal Audit of the Office of Student and Academic Affairs undertaken in 2001, and considered how these should best be taken forward:

- Improvement in strategic links as well as operational ones between OSAA and Schools:
Agreed that Heads of Schools should give further consideration as to how this might best be achieved (Action - HoSs)

- Need for improved integration of processes to be underpinned by appropriation IS/IT systems: This would require enhanced linkage between the "centre" and Schools throughout planning phases (JELS/HoSD et al to consider in the context of future developments);
- Need for a PME "voice" for student/service areas that currently fall within the remit of colleagues who are due to leave the University shortly. Noted that this was being taken forward by the Secretary of the University (Action - PLW)
- Need for better clarification of roles and sharing of responsibilities between PME, Schools, Recruitment & Admissions and Corporate Communications (Action - PME)
- Development of institutional policy on Careers Education Information and Guidance: (Action MHD and PME)

2744	<p>ANTI-HARASSMENT POLICY AND PROCEDURES FOR STUDENTS</p> <p>Approved 'Anti-Harassment Policy and Procedures for Students' for onward presentation to Court. Agreed with reference to paragraph 11.1 to recommend that the period of review of the policy be specified.</p>	PLW May 02	PNO/F
2745	<p>UPDATE ON STAFF RESTRUCTURING</p> <p>Noted an update on staff restructuring by the Restructuring Project Manager highlighting the following:</p> <ul style="list-style-type: none"> - Following the 30 April closing date for applications, 128 applications for Voluntary Severance had been approved. A further 9 were being 'Held' or were 'Possibles', and discussions were ongoing with a small number of staff. - The University is likely to be within £150K of meeting its savings targets for 2001/02 to 2002/03. <p>Agreed support for a recommendation to Court at its meeting on 13 May, that the current exercise should be considered completed, and that the University was sufficiently close to meeting target cost reductions in this phase to avoid compulsory redundancies. Agreed that a briefing to all staff should be released following the meeting of Court.</p>	SK/PLW 13 May 02	MT
2746	<p>SCHOOL STAFFING LEVELS FOR RESTRUCTURED ADMINISTRATION SUPPORT</p> <p>Noted responses from Schools detailing their proposed administrative support structures and requested additional posts. Agreed that these, including the timing of proposed appointments, should be considered on an individual basis by the AP (Resources) in consultation with the Heads of Schools/Departments, and subsequently through the Vacancy Management Group with the expectation that posts would be advertised internally in the first instance and redeployment opportunities sought wherever possible.</p> <p>Agreed that the Vacancy Management Group should continue to operate at least until the end of the 2003/04.</p>	ACW/HoS	
2747	<p>NON-PAY COST SAVINGS</p> <p>Noted and endorsed in principle proposals from the Cost Savings Working Group targeting short- and longer-term cost-savings in non-pay areas for presentation to Court at its meeting on 13 May. Agreed that the proposals should be further developed in broad consultation with University colleagues.</p>	ACW/PME May-Jul 02	et al

- 2748 **NEW CLASSROOM BUILD: INSTITUTE OF PETROLEUM ENGINEERING**
 Approved additional capital expenditure on the new classroom build in the Institute of Petroleum Engineering. Noted that the increased cost which will take total project costs to £420K were the result of the addition of a lift that is now needed to meet the requirements of new disability legislation. ACW May 02
- 2749 **SHEFC/SE JOINT TASK GROUP: RESEARCH & KNOWLEDGE TRANSFER IN SCOTLAND**
 Noted the Report of the SHEFC/SE Joint Task Group on 'Research & Knowledge Transfer in Scotland' to which institutions had been invited to respond by 10 May. Colleagues were requested to provide their comments to the AP(Research) as soon as possible. DRH 10 May 02 PME et al
- 2750 **QAA REVIEW OF ENGINEERING & COMPUTING**
 Noted a draft report from the QAA following the recent review of teaching in Engineering and Computing. JELS
- 2751 **STAFF COST SAVINGS**
 Noted a summary of staff cost savings as of 1 May 02. This confirmed accumulative savings of £4.38M in 2002/03 against the target of £4.5M. An update of all cost savings would be presented at the meeting of Court on 13 May 02. ACW 13 May 02 et al

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 16 May 2002

Present: Prof J S Archer, Principal (Chair)
 Prof A C Walker, AP (Resources)
 Mr P L Wilson, Secretary of the University
 Prof J Fernie, Head, School of ML
 Prof R J Pooley, Head of School Designate, MCS
 Prof. B G D Smart, Head, Institute of PE
 Prof J E L Simmons, Vice-Principal

Prof J D C Jones, Head of School Designate, EPS
 Prof D G Owen, Head of School Designate, TEX
 Prof P N O'Farrell, AP (Student Recruitment/RAE)
 Prof F G Priest, Head of School Designate, LS
 Prof J A Swaffield, Head of School Designate, BE
 Prof R R Leitch, AP (Learning Strategies)
 Mr D Nicolson, Interim Director of Finance

In attendance: Mr R McGookin, Director of Planning
 Mr S Kay, Restructuring Project Manager

Mrs M Thornton, Director, Corporate Communications
 Ms L Kirkwood-Smith, Admin Officer to PMG

Apologies: Prof D R Hall, AP (Research)

ACTION:
who (with whom)
when

2752 **NOTES OF THE MEETING OF 3 MAY 02**
 Approved the notes of the meeting of 3 May 2002.

2753 **MATTERS ARISING**
HONORARIA PAYMENTS
 Noted and approved criteria for honorarium payments for members of School management Teams.

HoSD were invited to submit their list of proposed payments to the AP(Resources) as soon as possible and confirm the process by which specific nominations were determined. HoS May 02

2754 **COST SAVINGS AND COST RECOVERY PROPOSALS**

Noted proposals for non-pay cost savings and cost recoveries by the Cost Savings Working Group and agreed to invite the Group to take forward further development of the plans and where appropriate, engage in wider consultation with students and staff. Noted the following key areas identified for potential savings and issues arising:

- HEATING:- Noted that a 10% reduction in the period during which buildings were heated had already been implemented. It had been previously recommended that further consideration

ACW et al
 From May 02

PMG

be given to assessing the impact of temperature modifications on experimental laboratory work and to identifying any appropriate remedial measures;

- ELECTRICITY/GAS/WATER:- Noted that a campaign to encourage good practice was being prepared with a view to achieving a 5% reduction in the energy bill;
- ENERGY EFFICIENCY:- Noted that arrangements to recruit an Energy Officer were ongoing. A further net saving of £50K against total energy costs was targeted;
- PHOTOCOPYING AND DIGITAL PRINTING:- Noted plans to redirect 50% of local copying to considerably cheaper central facilities offered by Graphic & Printing Services. A pilot trial would operate in coming months. Further consideration would be given to increasing use of digital printing options on photocopiers to reduce reliance on the more expensive option of laser printing;
- PAPER/E-MAIL/TELEPHONES/POSTAGE/INTERNAL MAIL DELIVERY:- A range of measures to reduce material and running costs would be developed;
- ESTATES MAINTENANCE:- Options to reduce maintenance costs would be the subject of more detailed review;
- CLEANING:- Noted that PME had agreed previously that cleaning could be devolved to individual Schools but there had been no detailed consultation with Schools to determine how best this might be implemented. Agreed to invite the Secretary of the University to include on the Agenda of the meeting of the Services Board at its meeting on 5 June (Action: PLW);
- PURCHASING/TRAVEL:- A range of options for reducing costs would be explored in the context of a wider review of the Purchasing & Supplies operation and development of appropriate purchasing guidelines and mechanisms;
- FRANCHISES & ADVERTISING:- Noted potential for on-campus brand-name franchises and general advertising currently under consideration.

Agreed that the following cost recovery proposals should be the subject of broad consultation with students and staff:

- CHARGES FOR CAR PARKING ON CAMPUS:- Noted that charges would allow the University to recover part of the cost of maintaining car parks and associated security. There was some pressure from the City of Edinburgh Council to address travel and car-use issues as part of the wider estate development and in terms of the City's green policy. The potential impact on student recruitment was acknowledged, and it was agreed that regardless of the outcome of the consultations, undergraduate students should be advised that car parking charges will not be applied to them in the coming academic year;
- PHOTOCOPYING/PRINTING OF LECTURE HANDOUTS:- Recovery of photocopying and printing charges for lecture hand-outs etc. Noted potential for reducing costs and charges whilst retaining or even improving on the quality of hand-out materials. (Learning & Teaching Board to consider).

Noted that charges for additional copies of Academic Transcripts and Certificates had recently been implemented, and a system of accommodation deposits aimed at reducing the number of "no shows" would be implemented from 2002/03.

2755 **ACADEMIC REVIEW: SBC**

Agreed to proceed as soon as possible with an academic review of provision at Scottish Borders Campus. Agreed that the review should cover all courses offered at SBC and should take a broad view encompassing wider public policies and strategies and links with other providers, in particular, Borders College. JELS et al
Nov 02
PME

Agreed to invite the Vice-Principal to chair the review team and to consult with relevant colleagues and make proposals as to the membership including the possibility of relevant external representation. Agreed that the review team should be invited to provide a full report to PME by the end of November 2002.

2756 **STAFF SAVINGS UPDATE**

Noted an update of staff savings as at 8 May 2002 highlighting projected accumulative savings of: £931,863 in the current year; £4,408,415 in 2002/03; and £4,884,311 in 2003/04. The shortfall against target for 2001/02 now stood at ~£92K.

Noted that total restructuring costs in the current year were estimated at around £3.35M, representing an overspend against previous projections of £1.1M. This however represented

accelerated spend which was expected to be compensated by other savings in the year and accelerated cost reductions from next year. Restructuring costs for 2002/03 were projected at around £2.2M against a projected expenditure of £4.25M in the financial plan.

2757	<p>SCHOOL ADMINISTRATIVE STRUCTURES POST-RESTRUCTURING</p> <p>Noted a summary of School administrative structures including current and requested additional administrative, secretarial/clerical and computing staff. It was expected that individual requests for additional members of staff would be presented in due course the Vacancy Management Group. It was noted it would be appropriate to record also Schools' technical support infrastructure.</p> <p>Noted that the Secretary of the University would provide advice to Schools and services support sections on preparations for and timing of the relevant Review Boards in respect of staff whose jobs were changing as a result of restructuring.</p>	<p>HoS/ACW</p> <p>PLW May-Jun 02</p>	
2758	<p>STRATEGY REVIEW/DEVELOPMENT</p> <p>Considered issues arising from the briefing paper detailing strategic issues and developments which Court had been invited to consider at its meeting on 13 May. The following issues were highlighted in particular:</p> <ul style="list-style-type: none"> - The proposals did not represent any fundamental shift in the University's strategy, though there are some important new components and emphases; - There is an ongoing need to incorporate more specific targets, and to engage in wider discussion amongst University colleagues to develop clear understanding as to what these should include and the means by which they will be met; - An emphasis on quality throughout; - A shift in research strategy towards a significant increase in the number of 5 and 5* graded units/staff. In future (speculative) RAE terms, this would mean a move towards greater concentration on very high quality research with a smaller number of staff returned; - Need to encourage further input to the Learning and Teaching strategy via the Learning & Teaching Board; - New emphasis on development of the Human Resources strategy. 	<p>PMERMCG/DRH/R May-Jun 02</p>	<p>RL/KR et al</p>
2759	<p>SHEFC FEES-ONLY PARTIAL CONSOLIDATION INTO FULLY FUNDED PLACES</p> <p>Noted a sector-wide analysis detailing gains and losses by individual institutions by subject group following the SHEFC Undergraduate "Fees-Only Partial Consolidation into Fully Funded Places". Colleagues were invited to consult directly with the Director of Planning with any comments or questions, and agreed it would be useful to publicise these resource shifts within the University.</p>	<p>PME Jun 02</p>	<p>RMcG</p>

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 23 May 2002

Present: Prof J S Archer, Principal (Chair) Prof D G Owen, Head of School Designate, TEX
Prof A C Walker, AP (Resources) Prof P N O'Farrell, AP (Student Recruitment/RAE)
Prof J Fernie, Head, School of ML Prof J A Swaffield, Head of School Designate, BE
Prof R J Pooley, Head of School Designate, MCS Prof R R Leitch, AP (Learning Strategies)
Prof. B G D Smart, Head, Institute of PE Mr D Nicolson, Interim Director of Finance
Prof D R Hall, AP (Research) Prof B S Wherrett (representing Prof J D C Jones)

In attendance: Mr R McGookin, Director of Planning Ms L Kirkwood-Smith, Admin Officer to PMG

Apologies: Prof J E L Simmons, Vice-Principal Prof F G Priest, Head of School Designate, LS
Mrs M Thornton, Director, Corporate Comms Prof J D C Jones, Head of School Designate, EPS
Mr S Kay, Restructuring Project Manager Mr P L Wilson, Secretary of the University

ACTION:
who (with whom)
when

2760 MANAGEMENT ACCOUNTS TO 30 APRIL 02

Noted Management Accounts for the period to 30 April 02 highlighting the following:

- A cumulative deficit of £3.978M for the period against a budgeted deficit for the period of £5.218M;
- The expected outturn for Funding Council Grants was expected to be better than budget by £390K;
- A favourable trend for Academic Fees income. The positive variance at the end of the year was projected to be in the region of £724K as further distance learning income is accrued;
- A reduction in the adverse variance in 'Other Operating Income'. It was estimated that there might be a favourable overall outturn for the year of £200K. The estimate would be reviewed in further detail;
- A favourable variance of £942K in staff costs in addition to the £1M savings already built into the budget;
- A favourable variance in 'Other Operating Expenses' reflecting a significant reduction in non-pay costs;
- An increase in research income resulting in a current close match to the budget which had been prepared on a linear basis. The end of year outturn was estimated to be at least £12M. The overhead recovery rate stood at 18.4% against 17.6% in the previous month;
- Lowering of the favourable variance against budget for income from EBS. The overall outcome was expected to closely match budget;
- An increase in the adverse variance for Catering & Residences and Edinburgh Conference Centre Ltd. Expectation of a higher proportion of business at a higher margin due to reduced staff costs was expected to improve the position by the end of the year;
- A significant positive variance against budget for SOLD and SCHOLAR combined;
- The full expected cost of restructuring in the year was expected to be in the region of £3.350M;
- The end of year outturn of -£4.315M as against the budgeted deficit of -£5.702M. The projection assumed sale of the SEPA building. The sale was in the process of being concluded.

Considered issues arising from Research Grants and Contracts income, and agreed: DN/DRH/ResBoard PME

- Need to consider options for reporting grant and contract winnings in financial statements at the point of receipt of cash, which in some cases is pre-paid. Currently winnings are only recognised at the point at which income is spent and, in the case of payments in arrears, claims submitted;
- Industry funders should be strongly encouraged to provide a proportion of contract funding "up-front";
- Need to take appropriate measures to ensure that the University is protected as far as possible against adverse currency fluctuations.

2761

DRAFT BUDGET FOR 2002/03

Noted a first draft budget for 2002/03 with forward projections to 2003/04 and 2004/05, noting the following issues arising and planning assumptions:

- Very raw projections for 2003/04 and 2004/05 had been based in each case on a 2.5% inflationary increase on the previous year;
- Growth in student numbers is assumed over the planning period. This was reflected in step increases in 'Academic Fees and Support Grants' income. Some moderation of Schools' own projections had already been undertaken and further consideration would be given to ensuring that projections are not overly optimistic;
- A rise to £14.585M in Research Grants and Contracts income. This included income expected for Planning & Housing, and reflected the projections as advised by Schools. There was a degree of optimism that the University would exceed the very prudent estimated out-turn of £12M in income for 2001/02, also lending support to this level of projection;
- 'Other Services Rendered' in the 'Other Operating Income' accounts were incomplete. This area of the budget would be subject to detailed scrutiny by the Assistant Director of Finance;
- A projected increase in the contribution to the University of Catering & Residences and ECC to ~£1.5M in 2002/03;
- It would be desirable to include separate income and expenditure projections for EBS;
- Depreciation and Sports Village surplus projections would be considered in further detail by the Assistant Director of Finance.

Agreed need to give further consideration to the following:

- Implications for space, in terms of configuration and quality, arising from projections of growth in student numbers. There was a need to consider how to support future needs in the context of a wider investment plan;
- Need to consider how School surpluses will be handled. There was a view that there should be sufficient flexibility to enable Schools to take relatively rapid action to invest in areas in which there are emerging new opportunities;
- Need to review further the commercial management of C&R/ECC business. There might be a case for appointment of a commercial manager.

PME
May Ongoing

Agreed next steps:

- Outstanding submissions from sections should be pursued with a deadline date for receipt of 27 May;
- Further consideration of budget plans was required for Heriot-Watt Trading Ltd.
- Research and Teaching income and expenditure projections should be reviewed in further detail by the Research and Teaching & Learning Boards as soon as possible (Action - DRH, RRL);
- A revised full University budget would be presented for further consideration by PME at its meeting on 30 May. (Action - DN and IJL);
- 10 June:- Budget to be presented to the Finance Committee;
- 25 June:- Budget to be presented to Court;
- 30 June:- Strategic Plan including financial and student forecasts, Estate Management Action Plan and new Conditions of Grant reporting to be submitted to SHEFC;
- By 12 June full budget analyses by School including full overhead charges would be provided to Schools
- 27 June:- PME discussion on School budget profiles. Agreed that in the interim period following release of budget analyses, budget planning discussions should be arranged on an individual basis. (Action - ACW, IJL, HoS)

PME

2762

OTHER COMPETENT BUSINESS

SENIOR MANAGEMENT DEVELOPMENT PROGRAMME

Members of PME were strongly encouraged to make the necessary allowance in their diary to attend the 'Managing the Restructured University' session organised by Staff Learning & Development as part of the Senior Management Development Programme. The session will run from 9.00 am till 4.00 pm on 20 June 02 in the Court Room, LBB.

PME

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 30 May 2002

Present: Prof J S Archer, Principal (Chair) Prof D G Owen, Head of School Designate, TEX
Prof A C Walker, AP (Resources) Prof F G Priest, Head of School Designate, LS
Prof J Fernie, Head, School of ML Prof J A Swaffield, Head of School Designate, BE
Prof R J Pooley, Head of School Designate, MCS Prof R R Leitch, AP (Learning Strategies)
Prof. B G D Smart, Head, Institute of PE Mr D Nicolson, Interim Director of Finance
Prof J D C Jones, Head of School Designate, EPS Prof J D C Jones, Head of School Designate, PE
Prof J E L Simmons, Vice-Principal

In attendance: Mr R McGookin, Director of Planning Mr S Kay, Restructuring Project Manager
Ms L Kirkwood-Smith, Admin Officer to PMG Mrs M Thornton, Director, Corporate Comms

Apologies: Prof D R Hall, AP (Research)
Mr P L Wilson, Secretary of the University
Prof P N O'Farrell, AP (Student Recruitment/RAE)

ACTION:
who (with whom)
when

2763 NOTES OF THE MEETING OF 16 MAY 2002

Approved the notes of the meeting of 16 May with the addition of a note under 'School Administrative Structures Post-Restructuring', confirming the intention of the Secretary of the University to issue advice to Schools and Admin/Services Support Sections regarding arrangements for and timing of Academic-Related and Secretarial/Clerical Review Boards.

LK-S
May 02

Agreed to invite the Secretary of the University to consider this matter.

PLW
June 02

2764 BUDGET 2002/03 AND STRATEGIC PLAN FORECASTS 2002/03-2004/05

Noted 'Version 2' of the draft Strategic Plan Financial Forecasts and Budget for 2002/03 including the following key features:

- Outstanding departmental budget submissions had been incorporated into the current draft with the exception of Heriot-Watt Trading Ltd, details of which had not been received;
- No change from the initial draft in Funding Council Grants income. The increase of £1.3M from 2001/02 to 2002/03 is the result of the £1.5M increase in RAE grant combined with a reductions in miscellaneous specific SHEFC grants;
- A reduction in the previous estimates for Academic Fees income as a result of final moderation to student numbers projections;
- No change from Version 1 on Research income projections. Overheads as a percentage of income were estimated at 19.8% in 2002/03 as against 18.3% in the current year;
- Relevant outstanding budget submissions had been received allowing a more accurate estimation of 'Other Operating Income' in particular relating to 'Other Services Rendered';
- Further consideration of projections for C&R/ECC business was required;
- Staff costs included the effect of the increase in employers' national insurance contributions in the coming year, coupled with salary and wage inflations (at this stage still excluding incremental drift), at 2.5% in 2002/03 and 3% in each of the subsequent two years. Further checks would be carried out to ensure that potential staff savings in the pipeline were included in final projections;
- The previous flat profile of 'Other Operating Expenses' had been partially addressed. Missing submissions had been incorporated and scholarships and abatements were now included at a prudent level;
- Further iteration of SOLD/SCHOLAR figures was required in consultation with the AP(LS);

- Sports Village projections had been updated in accordance with a submission from the Director of the Centre for Sport & Exercise. The Assistant Director of Finance would double-check the robustness of projections in consultation with the Secretary of the University.

DN/IJL
May-Jun 02 PME

Agreed need to consider "opportunity costs" of any new initiatives. In this regard there could well be additional costs associated with compliance with new SHEFC condition of grant requirements.

Noted need for additional measures to support financial monitoring and control including:
- Need for the Board of Heriot-Watt Trading to ensure that budget submissions are forthcoming as quickly as possible (with reference to first bullet-point);
- Further consideration of indirect costs on Schools of H-W Trading activities. Full actual operating costs were generally not recognised in accounts;
- Mechanisms to ensure that where target income projections are not met, the necessary revisions to planned expenditure are put in place;

PME
May-Jun 02

Agreed also that it would be helpful to invite relevant individuals from C&R/ECC to future PME meetings periodically to monitor plans/progress. (Action: PLW)

Agreed that it would be helpful to include discussion on mechanisms to support financial monitoring and control at the Senior Management Development Programme session on 20 June. (Action: PLW/DN/VB)

Agreed to consider a further iteration of the budget at the PME meeting on 13 June. Noted the DN Interim Director of Finance would be consulting with SHEFC as regards the timing of the University's quarterly reporting submission.

May-Jun 02

2765 **STUDENT NUMBERS BUDGETING & PLANNING**

Noted and approved proposed revisions to on-campus student numbers projections informing RMcG Fees income projections for 2002/03 - 2004/05 in the light of more detailed analyses of student numbers trends. Noted the following issues highlighted for further consideration:
- Impact of prudential projections on budget allocation. It is important that Schools know the unit of resource pricing at the budget planning stage;
- Distance Learning numbers were as yet unmoderated. It would be appropriate in future to carry out similar analyses on these projections.
- Even with downwardly revised projections, at the end of the planning period, providing targets were met, the University's consolidation limit would have been breached. It would be necessary to explore other "uncapped" channels of recruitment. There were, for example, opportunities in part-time provision that the University had not yet fully explored or exploited.
- HoSD were invited to discuss student numbers projections in further detail with the Director of Planning.

HoSD

May-Jun 02

2766 **THE INTERACTIVE UNIVERSITY: AN ANALYSIS OF THE BENEFITS AND RISKS**

Approved progress of plans towards development of the 'Interactive University' ('IU') in partnership with Scottish Enterprise. Noted that negotiations to establish a 'National Centre of Excellence in e-learning' with Scottish Enterprise were nearing completion. Letters of Intent had been prepared for signature and proposals from Scottish Enterprise to "integrate" Scottish Knowledge into IU once it is formed would be discussed in further detail with their Board. It was expected that there would be a public announcement of the establishment of IU on 10 June 2002.

RRL
May-Jun 02

PME

Noted the following key features of IU:

- The institute would be a "not for profit" company limited by guarantee with the aim of maximising returns to providing universities and colleges. The institute would retain surpluses beyond the agreed royalties to members, for further development;
- Initially wholly owned by HWU, IU would evolve after the first year of operating to include other institutions providing complementary (non-competitive) programmes;
- In due course the institute might be located on the campus or Research Park;
- Grant funding of up to £2.3M would be available from Scottish Enterprise over a period of 3 years

- All IP rights would remain with contributing universities.

	Noted issues arising/potential risks that would require further detailed consideration.	RRL From May 02	PME
2767	<p>PROPOSED STRUCTURE OF SENATE AND PME COMMITTEES AND BOARDS</p> <p>Noted and endorsed proposals for the structure of Senate and PME Committees which were currently subject to wide circulation throughout the University, and made the following observations and recommendations:</p> <ul style="list-style-type: none"> - It would be helpful to include explicit reference to "ex officio" membership of each committee, and in particular, the Vice-Principal should be the "ex officio" management representative on the Library Committee; - References to a specific number of Schools/Institutes should be deleted; - Where appropriate, explicit reference to nominations by Heads of Schools following a consultation process should be included. Where reference is made to elected members of Schools and Postgraduate Institutes this should be accompanied by explicit reference to the consultative basis on which nominations are made; - IS/IT and Library might be included within the remit of the Support Services Board; - Over the next academic year more detailed consideration should be given to Senate and its role. <p>Noted that a final version of the paper would be submitted to Senate for approval at its meeting on 12 June. Progress would be reported at the meeting of PME on 13 June with a view to submitting the proposals to Court at its meeting on 24 June 02.</p>	JELS May-Jun 02	PME
			JELS
2768	<p>ACADEMIC AND STRUCTURE REVIEW AT SCOTTISH BORDERS CAMPUS</p> <p>Approved recommendations regarding the planned Academic and Structure Review at Scottish Borders Campus including:</p> <ul style="list-style-type: none"> - Examination of the present and future provision with regard to: trends in student numbers; resources; areas of growth and decline; research activity and the next RAE; financial performance; interaction between Schools including Riccarton and those on site; and overall provision of Higher Education in the Eastern Borders region; - To make recommendations via an Action Plan for the successful development of the campus for the future. <p>Agreed the following membership for the Review Committee:</p> <ul style="list-style-type: none"> - Prof J Simmons (Vice-Principal); - Prof D G Owen (Assistant Principal, SBC); - Mr S Kay, Restructuring Project Manager; - One representative of Court; - One representative nominated by Senate. <p>Agreed that the Committee should have the power to co-opt members as and when necessary, and representations from members of staff, trades unions and the Students Association should be sought as appropriate.</p> <p>Agreed that Court and Senate representatives should be nominated through the respective Nominating Committees of Court and Senate. (Action: JELS/FGP).</p> <p>Agreed that the Review Team would report to PME by the end of November 2002, following which a report would be made to Court at its meeting on 16 December 2002</p>		
		JELS	
		JELS et al Nov-Dec 02	
2769	<p>TECHNICAL STAFF REVIEW BOARD 2002</p> <p>Noted and approved recommendations by the Technical Staff Review Board 2002.</p>	PLW/LKS May 2002	

2770 **ALUMNI FUND DINNER**

Approved a request for continuation of the normal biennial cycle of Alumni Fund Dinners and plans to convene a small working group to take forward detailed planning with a view to organising an event in November/December 2002. Noted that whilst previous events had returned a profit, underwriting was required against the possibilities of cancellation or failure. The costs of a cancellation were confirmed in the region of £9,500. Noted the proposal to commission the services of Insider Events for services to support the event, and also the requirement to have established that their bid was competitive and value for money.

MT
May-Nov 02

ALR

2771 **RESTRUCTURING COMMUNICATIONS CHECKLIST**

Noted an updated Restructuring Communications Checklist for the period to September 2002. Heads of Schools Designate were reminded of the request for information with which to complete School/Institute Factsheets due for publication shortly.

MT et al
May-Sep 02

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 13 June 2002

Present: Prof J S Archer, Principal (Chair) Prof D G Owen, Head of School Designate, TEX
Mr P L Wilson, Secretary of the University Prof J A Swaffield, Head of School Designate, BE
Prof J Fernie, Head, School of ML Prof R R Leitch, AP (Learning Strategies)
Prof R J Pooley, Head of School Designate, MCS Mr D Nicolson, Interim Director of Finance
Prof J D C Jones, Head of School Designate, EPS Prof J D C Jones, Head of School Designate, EPS
Prof J E L Simmons, Vice-Principal

In attendance: Mr R McGookin, Director of Planning Mr S Kay, Restructuring Project Manager
Mr I J Laing, Assistant Director of Finance Mrs M Thornton, Director, Corporate Comms
(for items 2772 to 2778) Ms L Kirkwood-Smith, Admin Officer to PMG

Apologies: Prof D R Hall, AP (Research) Prof F G Priest, Head of School Designate, LS
Prof A C Walker, AP (Resources) Prof. B G D Smart, Head, Institute of PE
Prof P N O'Farrell, AP (Student Recruitment/RAE)

ACTION:
who (with whom)
when

2772 **NOTES OF THE MEETING OF 30 MAY 2002**
Approved the notes of the meeting of 30 May 2002.

2773 **MATTERS ARISING**
INTERIM DIRECTOR OF PERSONNEL PLW/SK/KW
Noted that Mr Keith Ross, Interim Director of Personnel, was expected to leave the University at the end of June 2002. In the period following, pending the appointment of a new Director of Human Resources, the Personnel Office would be managed by the Secretary of the University in conjunction with the Restructuring Project Manager and the Senior Personnel Officer.

2774 **RESTRUCTURING UPDATE: REPORT FROM THE RESTRUCTURING PROJECT MANAGER**
Noted a brief verbal update from the Restructuring Project Manager confirming that a total of SK
137 members of staff had now accepted voluntary severance. A final brief report from the 24 Jun 02
Restructuring Project Manager would be presented to Court at its meeting on 24 June.

2775 **QUARTERLY MONITORING REPORT TO SHEFC**
Approved the draft Quarterly Monitoring Report to SHEFC covering the 9 months' period to DN
30 April 2002, and agreed to include a minor revision to clarify that the confirmed Jun 02
"acceleration" of restructuring spend relates to the time phasing of expenditure rather than the
absolute amount.

2776	<p>DRAFT BUDGET 2002/03 AND FINANCIAL FORECASTS FOR 2003/04 AND 2004/05</p> <p>Approved (subject to 2777 below), the draft budget for 2002/03 and financial forecasts for 2003/04 and 2004/05 as presented to the Finance Committee at its meeting on 10 June, and noted that the budget would be subject to further minor adjustments in the period prior to presentation of a final draft to Court at its meeting on 25 June, and subsequently to SHEFC as part of the Strategic Plan submission required by 28 June 02.</p>	DN/IJL/PME Jun 02	
2777	<p>BUDGET 2002/03: NON-PAY COST SAVINGS</p> <p>Approved a recommendation for further savings of £800K to be identified in non-pay areas in Non-pay areas in 2002/03, with the proposal that cost savings allocation be split:</p> <ul style="list-style-type: none"> - £700K in the areas of "Academic Services", "Administration and Central Services" and "Premises"; - £100K in Research Generation Account expenditure in Schools. <p>In each case this represented a ~5% reduction in total planned expenditure in non-pay the coming year.</p> <p>Agreed that appropriate budget revisions should be finalised in time for the changes to be incorporated into the budget which will be presented to Court for approval on 25 June.</p>	Jun 02	
2778	<p>PROJECTED PROFIT AND LOSS ACCOUNTS 2002/03</p> <p>Noted projected Profit and Loss accounts projections for 2002/03 by School/Section based on budgeted income and expenditure per School, compared with notional base-line 2000/01 Profit and Loss accounts. The projections represented a first "rough cut" and further detailed analyses would be required. Agreed that it was important that colleagues are able to develop a shared understanding of the nature of the accounts and the detail behind each set of figures. Noted also that School bottom-lines would be likely to improve as a result of 2777 above.</p> <p>Agreed that it would be helpful to review the figures in the planned budget planning meetings to be held with individual schools in the latter half of June, and to consider further at the meeting of PME on 27 June.</p>	DN/IJLHoS/F.Controllers ACW/IJL/RMcG Jun 02	HoSD et al
2779	<p>FINANCIAL MANAGEMENT INFORMATION SYSTEM</p> <p>Noted a recommendation that the University should, as soon as possible, agree an option for putting in place a replacement to the current CFACS Financial Management System which would cease to be supported by the supplier beyond December 2003. Agreed need to consider in the context of the wider IS/IT strategy which is currently subject to a review led by the Vice-Principal. Noted that the Vice-Principal would present a report for consideration at the meeting of PME on 27 June, and agreed that it would be helpful for members to receive copies of the document as early as possible.</p>	PME/JELS 30 Jun 02	
2780	<p>STRATEGIC PLAN UPDATE</p> <p>Noted a Strategic Plan update including a draft of Part 1, "Environmental Analysis" together with a summary of SHEFC "New Condition of Grant" criteria. Noted that Part 2 of the Strategic Plan was being developed in the form of an "Analytic Framework" which would be</p>	RMcG Jun 02	PME

supported by more detailed statements, for example on the Learning & Teaching Strategy.

Colleagues were invited to provide further comments to the Director of Planning who would co-ordinate completion of the Strategic Plan for presentation to Court at its meeting on 25 June, and thereafter to SHEFC by 28 June. RMcG Jun 02

2781 **STAFF EVENTS/STRATEGIC PLAN DISCUSSIONS**

Noted and endorsed proposals to hold a series of restructuring/strategic plan-focused events for University staff over the summer period. It was intended that these events would focus on restructuring including: achievements to date and work still to be done; acknowledging thanks due to staff for their effort over the past year; the Strategic Plan; and providing a forum for staff to express concerns and views on how best to go forward. The proposed schedule of meetings included: MT/ACW/RMcG Jun-Sep 02 PME

- Thursday 27 June:- A short all staff event to mark the end of the academic year and to launch the Strategic Plan;
- Throughout July, August and early September:- Individual School/Institute/Admin Section

lunchtime events.

Noted that the Director of Corporate Communications and the Director of Planning would consult further with relevant Heads on the detail of individual School/Institute/Admin Section meetings.

MT/RMcG

Jun 02

2782

SHARED SERVICES VEHICLES: SHEFC STRATEGIC CHANGE GRANT SUBMISSION

Noted a draft submission to SHEFC for Strategic Change Grant support for a two stage feasibility study into the establishment of shared services vehicles for HEIs in Edinburgh and Glasgow, to be taken forward by the Secretary of the University.

PLW

Jun-Jul 02

Noted that the proposal involved Heriot-Watt, Edinburgh, Napier (the Edinburgh consortium), Glasgow, Glasgow Caledonian and Strathclyde (the Glasgow consortium), and would include, in Stage One, examination of generic models of shared services and their applicability to the higher education sector and, in Stage Two, application of the optimum model(s) identified in Stage One to the particular circumstances of the two consortia involved. Of the total cost of the feasibility study of £194K, a contribution of £120,000 would be sought from SHEFC with the balance of £74,000 to be provided in staff time by the six institutions involved.

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 27 June 2002

Present: Prof J S Archer, Principal (Chair)
Mr P L Wilson, Secretary of the University
Prof A C Walker, AP (Resources)
Prof J D C Jones, Head of School Designate, EPS
Prof J E L Simmons, Vice-Principal
Prof D R Hall, AP (Research)

Prof. B G D Smart, Head, Institute of PE
Prof J A Swaffield, Head of School Designate, BE
Prof R R Leitch, AP (Learning Strategies)
Mr D Nicolson, Interim Director of Finance
Prof B S Wherrett (representing Prof J D C
Prof F G Priest, Head of School Designate, LS

In attendance: Mr R McGookin, Director of Planning
Mr I J Laing, Assistant Director of Finance
(for items 2783 - 2786)
Ms L Kirkwood-Smith, Admin Officer to PMG

Mr S Kay, Restructuring Project Manager
Mrs M Thornton, Director, Corporate Comms
Miss K Graham, Personnel/Training Officer
(for item 2791)

Apologies: Prof J Fernie, Head, School of ML
Prof D G Owen, Head of School Designate, TEX

Prof R J Pooley, Head of School Designate, MCS
Prof P N O'Farrell, AP (Student Recruitment/RAE)

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2783 NOTES OF THE MEETING OF 13 JUNE 2002

Approved the notes of the meeting of 13 June 2002.

2784 MATTERS ARISING

POSTS OF DIRECTOR OF HUMAN RESOURCES AND DIRECTOR OF FINANCE
Noted that the selection processes for both positions were ongoing. It was anticipated that a decision would be made in respect of each appointment soon.

PLW et al
Jun-Jul 02

ACADEMIC AND STRUCTURE REVIEW: SCOTTISH BORDERS CAMPUS
Noted with regard to membership of the SBC Review Team that Mr Paul Gregory (Court nominee) and Ms Ursula Böser (Senate nominee) had been invited to join the Team.

2785 UPDATE ON PROFIT AND LOSS FORECASTS, CENTRAL COSTS AND RELATIVE SAVINGS

Noted an update on profit and loss forecasts, central costs and savings, highlighting the following:
- It had been concluded following recent discussions including the DP(Resources), the Secretary of the University and the Interim Director of Finance, that the scale of the further savings of £700K in non-pay areas of Academic Services, Administration/Central Services and Premises agreed at the meeting of PME on 13 June were not likely to be achievable. A revised target of ~£550K savings was agreed. In addition Schools had been requested to reduce RGA spend commitments by ~8%, representing a further saving of £100K, as previously approved by PME.

The resulting 'Operational Summary Budget' for 2002/03 showed, excluding restructuring costs, that the deficit for the year had been reduced to a projected -£189K. Profit and Loss forecasts had been updated to take this improvement in
Noted a detailed breakdown of the P&L account for 2002/03, noting in particular "central" costs. It was evident that central admin/support service staff savings had been largely negated by significant increases in University operational costs incurred across the University and reported as part of the central return. These included: utilities costs; insurance premiums; and interest payments, each of which would increase substantially in 2002/03. The rise in insurance premiums have been particularly large as a result of insurers passing on risk following the events of September 11th 2001. Excluding these items, a comparison of 2000/01 spend plus inflation with the 2002/03 budget indicated an actual net reduction of

£2.25M on the remaining central non-pay costs. Analysis of staff cost savings showed that the centre had achieved its proportional share of total staff cost savings.

Agreed need to give particularly detailed consideration to large items of expenditure, for example, utilities costs, insurance and interest charges noted above, at an early stage of the Planning Round process. Noted that the DP(Resources) would discuss the planning timetable with the incoming new Director of Finance. Agreed also that it would be helpful in terms of assessing the University's insurance needs and inter alia to develop a risk register.

Noted the 'Operational Summary Budget' approved by Court at its meeting on 25 June which will stand as the management budget against which the University's Performance will be monitored in the coming year.

2786 **MANAGEMENT ACCOUNTS TO 31 MAY 2002 (PERIOD 10)**

Noted Management Accounts for the period to 31 May 2002 (Period 10) highlighting the following:

- A positive variance against budget for the period for Funding Council Grants income;
- A positive variance against budget for the period for net Academic Fees income;
- A positive variance against budget for the period for Staff Costs;
- A positive variance against budget for the period for 'Other Operating Expenses';
- A negative variance against budget for the period for Catering and Residences;

2787 **EXTERNAL EXAMINER (RESEARCH) FEES INCREASE**

Approved a recommendation from the Principal & Deans Committee for increases in the fees payable to External Examiners (Research). The revised fees will be:
- for PhD:- £120
- for MPhil:- £90

JELS
Jun 02

S.Smith

Approved also a recommendation for an increase in the Administration Fee for resubmission to £10.

2788 **ACADEMIC PROMOTIONS BOARD (LECTURER ADVANCEMENT)**

Noted and approved the report and recommendations of the Academic Promotions Board (Lecturer Advancement).

JELS

Noted a proposal by the Board to arrange a meeting with Heads of Schools/Postgraduate Institutes early in the new academic year to discuss the criteria for awards.

JELS et al

HoS

2789 **PME: SCHEDULE OF MEETINGS**

Agreed the following schedule of PME meetings over the summer and early autumn period:

- Thursday 11 July
- Thursday 8 August
- Thursday 5 September
- Thursday 26 September

Noted that a proposal for future PME meetings, including, in accordance with relevant business cycles, the scheduling process for handling of agenda items

MT/LK-S

2790 **IS/IT PROJECT AND FUTURE STRATEGY**

Noted outcomes and recommendations of a review on the IS/IT Project and options for future strategy led by the Vice-Principal, and agreed to adopt the following plan:

JELS et al

- To constrain the University's computing costs at the current (2001/02) level of expenditure for a period of up to 2 to 3 years, the exact time-span of the period being subject to ongoing review, and to revisit the Partnership and alternative

Noted an IS/IT Plan outlining steps towards development of a longer term IS/IT Strategy and proposing mechanisms to guide medium- and long-term IS/IT decisions towards the achievement of objectives for IS/IT delivery as previously identified as part of the Partnership project, and agreed:

JELS et al

- To establish as quickly as possible an IS/IT Steering Group which will be the forum through which discussions and decisions on strategic IS/IT issues and prioritisation and resourcing of projects will be made against agreed budgets. The Steering group would be responsible for managing the development and implementation of the IS/IT Strategy and the short-term plan being developed to cover the next two years or so.

- To support further recommendations for the establishment of IS/IT Service Providers and Client Support Groups

- That membership of the Steering Group should include: Vice-Principal (chair); Deputy Principal (Resources); representatives from each of Support Services, Teaching and Learning and Research Co-ordination Boards; the chairs of IS/IT Service Providers and Client Support Groups; and a Senate representative.

Noted also a recommendation that the University should as soon as possible agree a route to replace the current CFACS Financial Management System which would cease to be supported by the supplier beyond December 2003 (item deferred from the PME meeting of 13 Jun 02). Agreed that the University should commence with the EU Public Procurement process as quickly as possible with a view to inviting tenders for a new system ('Option 3', as detailed in the paper presented by the Interim Director of Finance on 13 June). Commencement of the process now would enable implementation of a new compatible system by spring 2004.

Dir Fin./JELS
Jun-Jul 02

Agreed that management of the procurement process for the new system should be led by the Finance Office with close involvement by the Director of Finance, and within the overall IS/IT Framework. The likely delay in establishing the IS/IT Steering Group and scheduling its first meeting should not preclude the University from making immediate progress with the procurement process.

2791 **STAFF APPRAISAL PROCESS**

Noted and endorsed proposals for the development and implementation of a Staff Appraisal process for all staff, and agreed to invite the Secretary of the University to take forward initial consultations with the relevant trade unions, with a view to establishing general agreement on relevant issues of, for example, timetabling issues, relationship with promotions processes, operational structure of the Appraisal system in terms of appraisers/appraisees. Agreed a target date of July 2003 for implementation of the new system, and agreed, following the final decision on the detailed aspects, that it would be useful for PME to be involved in an initial pilot.

PLW
Jun onwards

KG et al

PLANNING AND MANAGEMENT EXECUTIVE SUMMARY NOTES

Notes of the meeting of 11 July 2002

Present:

Mr P L Wilson, Secretary of the University
Prof A C Walker, AP (Resources)
Prof R J Pooley, Head of School Designate, MCS
Prof J E L Simmons, Vice-Principal
Prof D R Hall, AP (Research)
Mr D Nicolson, Interim Director of Finance

Prof J A Swaffield, Head of School Designate, BE
Prof R R Leitch, AP (Learning Strategies)
Mr R Fraser, Director of Finance
Prof K G Lumsden, Director, EBS)
Prof D G Owen, Head of School Designate, TEX

In attendance: Mr R McGookin, Director of Planning
Mrs M Thornton, Director, Corporate Comms

Mrs M R Stenhouse, Administrative Assistant

Apologies: Prof J S Archer, Principal (Chair)
Prof J Fernie, Head, School of ML
Prof F G Priest, Head of School Designate, LS

Prof. B G D Smart, Head, Institute of PE
Prof J D C Jones, Head of School Designate,

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2792 WELCOME

The Chairman welcomed Mr Robert Fraser, the new Director of Finance, and Professor Keith Lumsden to the meetings of PME.

2793 NOTES OF THE MEETING OF 27 JUNE 2002

Approved the notes of the meeting of 27 June 2002.

2794 MATTERS ARISING

POSTS OF DIRECTOR OF HUMAN RESOURCES AND DIRECTOR OF FINANCE
Noted from the earlier minute that the Director of Finance was now in position and the Director of Human Resources, Mr Martin McCrindle, had accepted this position and signed his contract. He would likely be in post by mid to end August.

IS/IT PROJECT AND FUTURE STRATEGY

a) With regard to establishing the IS/IT steering groups, the Chairman confirmed that he had requested the Learning and Teaching Board, the Research Coordination Board and the Support Services Board each to nominate a representative as soon as possible.

b) With regard to the procurement of a new finance system, the Chairman indicated the wording of this minute was not quite accurate, however the spirit was clear that this is a Finance Department project within the overall IS/IT framework. There would be close co-operation between the Directors of Finance and the IS/IT Steering Group. Agreed that the overall objective of fully integrated systems within the University should be borne in mind in any new acquisitions.

SEPA BUILDING

Noted Robert Fraser's explanation of the fact that the cash sale of the SEPA building should not be confused with the asset value of the property which is what appears in the Profit and Loss account, however, the management accounts seen at the previous PME would not change.

Board Chairman

BUDGETS

Finance Office

Noted that a formal letter with information on budgets would be issued by the end of July 2002 to all confirming their financial figures.

2795 **SECRETARIAL, CLERICAL & LIBRARY STAFF REVIEW BOARD 2002/ACADEMIC-RELATED STAFF REVIEW BOARD 2002**

Noted reports from the Secretarial, Clerical & Library Staff Review Board and the Academic-Related Staff Review Board 2002 on the outcome of the decisions made on the various cases.

2796 **DEFINING THE BOUNDARIES OF AUTHORITY IN ONE UNIVERSITY**

Noted paper prepared by the Head of School Designate, MACS, on clarifying the role of Heads of Schools with respect to responsibilities and authority.

Noted that this is the last PME meeting before Heads of Schools take over their new roles officially on 1 August 2002. However, the MoUs between the Principal and the Heads of Schools and Deputy Principals had still to be finalised and signed off.

Noted request that Heads have freedom to maximise efficiencies and returns to the University and would like devolution of responsibility and authority and to have an agreed level of autonomy to manage their budgets. Obviously they would act within the University's strategic aims and subject to legal constraints.

Noted discussion during which the following points were raised :

- Heads appreciated having Financial Controllers within Schools as a checking validation procedure against decisions made
- Heads would appreciate having authority to make re-appointments within their staffing budget
- The Interim Director of Finance expressed caution in moving from one process to another. There would be a need to flush out problems of operating in the longer-term and this should be monitored centrally
- The HR policy should be consistent across the whole organisation
- The VMG was still required by Court and the Finance Committee and the staff restructuring process would not be complete until September 2003
- The VMG is an agreed representative group and therefore a fairer process than the system previously used, which relied on individual authority
- Furthermore, VMG is required to review all appointments in administration and support areas as well as in Schools and Institutes.
- Appointments are expected to be quickly authorised if Schools are in budget and there are no other issues to consider.

Agreed that MoUs should be finalised and signed as quickly as possible.

JSA

2797

Agreed that the way forward is an integrated approach that make use of all the skills and knowledge within the University appropriately.

Suggested that it may be useful to reiterate to staff why the VMG was set up in the first place.

MT

Agreed that when restructuring had bedded down, it would be a good idea to revisit the proposal by which the restructuring occurred, ie the 'One University' within an integrated School structure.

Agreed the need for clarity on these issues as soon as possible.

Noted suggestion that the long-term equilibrium is essential and that all staff should have input in the choosing of Heads of Schools.

2798

Noted the Vice-Principal's summary :

- it would be helpful for MoUs to be formally signed off as soon as possible
- that there is some sympathy round the table with a number of the points made within the paper

- that there is a current requirement to maintain the VMG in its present form to :

- a) comply with Court's expectations, and
- b) allow time for new Schools to settle in
- there are issues of authority, but also of related policy, to be resolved
- it was easy to make mistakes with unintended consequences and it is important to manage risk in these circumstances. The University requires an integrated system that allows decisions to be made that best use local knowledge and expertise wherever it lies
- to revisit this item at the next PME meeting on 8 August. Colleagues may wish to provide further paperwork in support of this discussion.

2799 **UK/EU UG FORECAST ENTRANTS 2002 – UPDATE**

Noted paper presented by the Director of Planning showing the evolution of student recruitment figures. The aim of this information is for PME/Heads of Schools to act in the best informed way to maximise student recruitment. The focus is on undergraduates and the clearing process would still be required in August. The Vice-Principal would chair a group on this issue.

JELS

While not being able to conclude final numbers it would seem that the University would be over 100 short of FT target number which was set early in the academic year designed to motivate best recruitment behaviour. However, the target was modified in the planning rounds and the aggregate recruitment trend is on track to deliver what is budgeted, however there are significant variations in Schools. The gap reflects a very ambitious target.

2800

Agreed that retention is extremely important and of great concern with the suggestion of running summer schools. Agreed that Prof Leitch would take this issue forward as part of his brief in the L&T Board and to return to PME with a proposal.

RRL

Noted that although applications have increased, the conversions have been disappointingly low.

Noted correlation of potential students visiting the campus who decide to study here as opposed to those who do not make a visit and choose elsewhere. Therefore, agreed that good customer service is very important.

2801 **SPECIAL ROUNDS OF REVIEW BOARDS**

Noted that there would be special rounds of review boards, both for the Secretarial, Clerical & Library Staff Review Board and the Academic-Related Staff Review Board, in connection with the restructuring. The closing date for applications is Friday, 12 July 2002.

Noted concern that technicians had not been included in this round, and agreed that the Personnel Office should initiate this process as quickly as possible with a closing date of 2nd September.

JAS

2802 **SUMMER GRADUATIONS 2002**

Noted that the PME would like to record its appreciation and thanks to all for the hard work carried out by staff during the graduations period, notably within the central administration - the Registry, Secretary's Office, Corporate Communications, Estate Office, Catering and Residences and staff within Schools.

Noted that the Principal had sent out his own personal thanks to all staff involved in the graduations.

2803 **DATE OF NEXT MEETING**

Noted that the next meeting of the PME would be held on 8 August 2002 at 8.45am within the Leonard Horner Hall Conference Lounge.