

PLANNING & MANAGEMENT EXECUTIVE
Minutes of the meeting held on 29 September 2011

Present:

Prof S Chapman, Principal and Vice-Chancellor (Chair)	Mrs G McFadzean, Director of Research & Enterprise Services
Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching)	Mr R McGookin, Director of Planning
Ms A-M Dalton, Secretary of the University	Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
Prof D Hand, Acting Head, School of Engineering & Physical Sciences (EPS)	Mr P McNaull, Director of Finance
Prof A Harley, Head of School, Textiles and Design (TEX)	Ms T Merrick, Director of Corporate Communications
Prof G Hogg, Head of School, Management & Languages (SML)	Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof D Hopkins, Head of School, Life Sciences (SLS)	Ms R Moir, Director of International Development
Prof J Jones, Vice-Principal	Mrs K Patterson, Academic Registrar & Deputy Secretary
Mr P G Kerr, Director of Estates Services	Prof G Pender, Head of School, The Built Environment (SBE)
Ms L Kirkwood-Smith, (Clerk to PME)	Prof A Prior, Academic Head of Professional Services Implementation
Mr A Kitchin, Business Director, Edinburgh Business School	Prof A Walker, Senior Deputy Principal

Apologies:

Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)	Prof A Kaka, Vice-Principal (Dubai)
Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)	

M4799 MINUTES OF PREVIOUS MEETINGS

Approved the minutes of the meetings of PME held on 25 August and 20 September subject to minor amendments proposed by the Director of Finance, which should be relayed to the clerk at the close of the meeting.

M4800 ACTION LOG AND MATTERS ARISING

Noted actions and related updates, as reported in the PME Action Log.

There were no matters arising.

M4801 BUSINESS REPORTED BY THE CHAIR

NOVEMBER GRADUATION CEREMONIES

The Principal highlighted the need to ensure a good turn-out from Schools involved in academic processions at the November graduation ceremonies and requested that Heads of School remind/encourage their staff accordingly.

SPENDING REVIEW

The Principal highlighted key features of the draft Scottish Budget (2012/13) and Spending Review allocations for the remainder of the Spending Review period up to 2014/15, as set out in recent correspondence to institutions from Universities Scotland. This highlighted a prioritisation of funding for higher education amounting to a funding increase of 8.2% in 2012/13, with subsequent planned allocations increasing the funding by a total of 14.6% over the 2011/12 baseline by the final year of the Spending Review period. However, associated with the allocations, there were expectations to be met by the SFC and the sector which had been set out in the Ministerial letter of guidance to the Council. PME noted that, conversely, funding for further education would reduce in total by 13.6% over the course of the Spending Review period.

The Principal drew attention to key points included in the Ministerial letter of guidance to the SFC. These included requests that:

- the Council secures improved outcomes in relation to: retention; wider access/articulation; accelerated degrees including entry to second year; international competitiveness of research; step change in university/industry collaboration and exploitation of research; pattern and spread of provision and in efficiency*; and graduate skills/employability. *(Where efficiencies are not achieved this should be reflected in future funding decisions). The Council will be expected to establish the case for a more coherent pattern of provision and to reduce duplication;
- the unit of teaching resource is restored to 2011/12 levels;
- the Council considers the scope, within the funding package announced, to restore some or all of the current 'fees only' places to being fully funded, with a priority focus on institutions which have research strengths in science;
- the Council protects subjects in which 'Rest of UK' fees do not adequately reflect the costs of provision, with a particular focus on protecting the science base and 'small specialist institutions';
- research funding should be focused on institutions where Scottish Government funding will lever the greatest resources from the Research Councils, the European Commission and other major research funders;
- the Council restores the reductions in research pooling made last year; and
- the Council works with institutions with a view to establishing a single 'Knowledge Exchange Office' for the sector.

The Principal highlighted the expectation that the Scottish Funding Council would publish an indicative grant letter in December 2011, ahead of the formal announcement in March 2012. This arrangement would enable advantageous early access to information for modelling/planning purposes.

Reserved section: Ref Section 30, FOI(S)A.

M4802 HERIOT-WATT ECO VILLAGE DEVELOPMENT

Noted and discussed an update, provided by the Project Director, on progress made and planned next steps in relation to the Heriot-Watt REALL Eco Village project, the main aim of which was to provide a standard test facility for the integration of low carbon technology and behaviour, thereby supporting Government policy to deliver affordable housing that meets 2016 zero carbon emission targets.

Noted project: site options appraisal; feasibility study outputs; projected costs and income (occupancy rental); funding models/ funding opportunities; research opportunities; and an overview of identified risks.

M4803 STUDENT NUMBERS UPDATE

Noted and discussed a tabled summary paper on student numbers as at 28 September 2011, which was presented by the Director of Planning.

The paper reported on the likely outcomes of student numbers across all student categories at Scottish and Dubai campuses, highlighting variability across categories and, within these, across Schools.

Reserved section: Ref Section 33, FOI(S)A.

The Principal highlighted the need, in areas of shortfall within Schools, to consider in more detail the reasons

for these, including internal / external factors or combinations of both.

M4804 FORECAST INCOME SHORTFALL

Noted and approved recommendations presented by the Vice-Principal, that budget holders, where required, should proceed to develop mitigation plans to reduce expenditure in areas where income is likely to fall short of plan in 2011/12. PME noted the source and scale of estimated short-falls as reported in the paper presented.

Agreed that robust Q1 Forecasts were required and that any material differences between the Q1 Forecast contribution and the 5-Year Plan should be raised by Heads of School well in advance of November/December planning meetings.

Agreed that, in the meantime, there should be an especially high level of attention given, over the course of the current financial year, to performance as reported through the monthly Management Accounts.

The Vice-Principal confirmed that 5-Year Plan budget envelopes would be presented for discussion at a meeting of PME in the near future.

Discussed the University's performance in relation to research grants and contracts income and the effectiveness of internal policy/practice impacting on research income performance, highlighting the need to develop a more strategic and coherent approach.

Reserved section: Ref Section 30, FOI(S)A.

M4805 Reserved section: Ref Section 30, FOI(S)A.

M4806 ACADEMIC RECRUITMENT UPDATE

Received, noted and discussed an update report, presented by the Vice-Principal, which, as of September 2011, summarised academic recruitment since the start of the calendar year. The report included confirmation of the net change in numbers of academic staff since January 2010.

PME approved a recommendation that meetings between the Principal and Heads of Schools should be planned to invigorate the process, assess opportunities and appraise the feasibility of recovery plans. In the meantime, Heads of Schools were encouraged to continue to identify flexible means to avoid any undue delay in selection and recruitment processes.

M4807 PROFESSIONAL SERVICES REVIEW: FINAL RECOMMENDATIONS AND NEXT STEPS

Received and noted a report, presented by the Secretary of the University and the Academic Head of Professional Services Implementation, which set out final recommendations of the Professional Services Review and indicative timescales for implementation which would be firmed up in the 2011/12 planning round. The Secretary of the University provided further oral updates, confirming that:

- there would an announcement shortly on the new appointment of a Director of Campus Services;
- it was still intended, in due course, to present proposals to PME in relation to the terms of reference / membership of the planned International Strategy Group;
- It was intended to convene a first meeting of the Secretary's Group around the end of October 2011.

PME agreed that:

- the final list of Review recommendations should be notified to all staff; and
- responsibility for leading implementation of the Professional Services Review should be transferred to the Secretary's Group by the end of 2011.

M4808 REPORT FROM THE LEARNING AND TEACHING BOARD

Received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board which related to the meeting of the Board held on 8 September 2011.

The Deputy Principal (Learning & Teaching) drew attention in particular to items from the report which were highlighted in summary. PME noted, in relation to VLE replacement including hardware, software and implementation support, that appropriate provision was included in the 2011/12 budget in accordance with all currently understood requirements.

M4809 REPORT FROM THE RESEARCH & KNOWLEDGE EXCHANGE BOARD

Received and approved, for onward presentation to the next meeting of the Senate, a report from the Research & Knowledge Exchange Board which related to the meeting of the Board held on 14 September 2011.

The Deputy Principal (Research & KT) drew attention in particular to items from the report which were highlighted in summary.

M4810 CONSULTATIONS LOG

Received and noted a report on consultations communicated to the University with deadlines up to October 2011 and noted arrangements for co-ordination of the University's responses.

M4811 STRATEGIC PLANNING PROCESS

Noted, discussed and endorsed a proposal, within the current academic year, to develop a refresh of the University's Strategic Plan with fuller, more integrated and consolidated documentation of the strategic plan than previously. It was intended that the Plan would be for communication within and outside the University.

Endorsed the outline of the proposed scope, process and schedule for the Plan, as set out in the paper presented, and agreed, in terms of the proposed scope, that the revised Strategic Plan should also elucidate the University's broader economic impact in terms of targets and performance.

M4812 RISK HEAT MAP

Received and noted a Risk Heat Map report, presented by the Secretary of the University, which provided an overview of the current status of the University's strategic and operational risk factors. Noted that the report would be forwarded to the Audit and Risk Committee and the Court for consideration at their forthcoming meetings on 3 and 7 October 2011.

In the course of discussion, a number of required updates to the report were intimated for the Secretary of the University to take forward with the Group Risk Manager. PME members highlighted a gap in the schedule of RMSG meetings which had contributed to risk updates not being reported earlier. PME recommended the following changes for consideration:

- Risk Category 1: Last risk included in the list of identified risks: change to 'High' in response to changed external environment;
- Risk Category 4: amend the 'Director for Learning and Teaching' reference;
- Risk Category 5: Dubai Campus items should be discussed with the Vice-Principal (Dubai). The 'Dubai Campus 2' item should be re-phrased and the assessed risk changed from 'High' to 'Low'. Responsible individuals in this section of the Heat Map are V-P(Dubai) and the Director of International Development;
- Risk Category 6: suggested additions:- 1) 'Income deviates substantially from Plan' (Medium Risk) and 'Long Term income planning assumptions not valid' (Medium Risk);
- Risk Category 8: Remove risk items 3, 4 and 5 from this section;
- Risk Category 11: the risk assessment associated with Item 3 on the list of risk items should be 'High'. Item 4 was identified as risk which has been realised; and
- Risk Category 12: SAS should be moved to section 4 since its implementation, under the measure "efficiency and effectiveness of the SAS system": (Medium Risk). The Oracle R12 implementation project should be added to this section (Low Risk).

The Secretary of the University highlighted work underway to review Risk Management processes, confirming that a report would be presented to PME in the near future.

M4813 ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS: 2010/11

Noted and approved, for onward presentation to the Audit and Risk and Finance Committees and the Court, the audited Annual Accounts and Financial Statements for the year to 31 July 2011, which were presented by the Director of Finance. Noted, as reported, adjustments and further development work remaining before onward transmission to the Audit and Risk Committee for consideration at the meeting on 7 October 2011. The Director of Finance reported that the External Auditor was expected to draft the Audit Highlights Memorandum and that that there were no material findings to be reported.

Following a query raised on the matter, the Director of Finance agreed to review the non-presentation in the accounts of a substantial one-off gain resulting from the sale of an equity investment made by EBS.

M4814 KEY VARIANCES TO BUDGET 2010/11

Received and noted a report, revised since the last meeting of PME, which specified and set out the scale of key areas of variance in income/expenditure against budget in 2010/11.

M4815 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31 AUGUST 2011

Received and noted Management Accounts for the period to 31 August 2011 (period 1), which were presented by the Director of Finance.

Attention was drawn in particular to highlighted features of the Accounts as reported in the Executive Summary of the year to date including variances against budget. The Director of Finance highlighted that income lines assumed student recruitment in line with the budget plan for the year, and that for other reasons it was too early in the cycle of the financial year cycle to draw accurate or meaningful conclusions from the reported Management Accounts.

M4816 RESEARCH GRANTS & CONTRACTS: PROPOSALS AND AWARDS – AUGUST 2011 REPORT

Received and noted a report, presented by the Deputy Principal (Research & KT), on research grants and contracts: proposals and awards with forward look analyses for the period to the end of August 2011 (period 1).

The Deputy Principal drew attention in particular to revised reporting of the three year forward look position which provided an indication of forecasted decreased income in the two and three year forward look periods and the potential reasons behind this change.

M4817 TUITION FEES: 2012/13

Received, discussed and approved a schedule of tuition fees for 2012/13 which was presented by the Vice-Principal on behalf of the Fees Working Group. The schedule included proposed fees for Scottish and Dubai Campuses and set out in an appendix the schedule arrangements for Bursaries and Scholarships for students from the rest of the UK.

Agreed that the proposed tuition fees should be reported to the Finance Committee for approval at its next meeting, following which arrangements should be made to publicise the fees on the University's web site.

The Vice-Principal drew attention to the University's comparative position in the UK in relation to tuition fees applicable to the UK. Consideration of this had informed the decision about the scale of fees increase for incoming new students studying at the University's Scottish campuses, while continuing existing students would find the rise in their fees constrained in line with an earlier guarantee. Attention was drawn to the comparative position at the Dubai Campus, and key drivers for fees setting currently and in the future.

Agreed that further discussion should take place with Schools to agree arrangements fees rates/arrangements for part-time Undergraduate students.

M4818 ANNUAL INSTITUTIONAL STATEMENT ON QUALITY ASSURANCE AND INTERNAL SUBJECT REVIEW

Received and approved an Annual Institutional Statement on Quality Assurance and Internal Subject Review, presented by the Deputy Principal (Learning & Teaching), subject to a minor required amendment notified by the Head of School, SML. Agreed that the statement should be presented to the Court at its meeting on 3 October 2011 for approval prior to submission to the Scottish Funding Council as part of the annual schedule of required reporting to the Council.

M4819 ORACLE R12 UPDATE

Received and noted a paper, presented by the Director of Finance, which reported on the current status (as at September 2011) of implementation the Oracle R12 system. No comments were raised in relation to this item.

M4820 RESIDENCES PROJECT UPDATE REPORT

Received and noted a monthly update report on progress with the University's Residences Projects at Edinburgh and Scottish Borders Campuses which was presented by the Director of Finance. No comments were raised in relation to this item.

M4821 IT MANAGEMENT INFORMATION

Received and noted an IT Management Information bulleting dated September 2011. No comments were raised in relation to this item.

M4822 ANY OTHER BUSINESS

DUBAI NEW CAMPUS

Noted an update report on the Dubai new campus launch event on 3 November 2011.

FORTHCOMING EVENTS IN MALAYSIA

Noted an update report on events on 14/15 and 30 November 2011 in Malaysia. Schools were reminded on the need to respond to an invitation to firm up the list of external invitees at the 30 November event.

OCCUPATIONAL HEALTH & SAFETY COMMITTEE

Noted an update on new chairmanship of the Occupational Health & Safety Committee from the Secretary of the University and acknowledgement and thanks from PME for the service provided by the outgoing Chair over a number of years. Noted that the appointed new Chair was Professor David Hopkins, taking over from Professor Bob Reuben.

PLANNING & MANAGEMENT EXECUTIVE
Minutes of the meeting held on 27 October 2011

Present:

Prof S Chapman, Principal and Vice-Chancellor (Chair)

Mr Mark Adderley, Director of Human Resources

Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching

Ms A-M Dalton, Secretary of the University

Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)

Prof A Harley, Head of School, Textiles and Design (TEX)

Prof G Hogg, Head of School, Management & Languages (SML)

Prof D Hopkins, Head of School, Life Sciences (SLS)

Prof J Jones, Vice-Principal

Mr P G Kerr, Director of Estates Services

Ms L Kirkwood-Smith, (Clerk to PME)

Mrs G McFadzean, Director of Research & Enterprise Services

Mr R McGookin, Director of Planning

Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)

Mr P McNaull, Director of Finance

Prof A Miller, Deputy Principal (DP) (Research & KT)

Mrs K Patterson, Academic Registrar & Deputy Secretary

Prof G Pender, Head of School, The Built Environment (SBE)

Prof A Prior, Academic Head of Professional Services Implementation

Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)

Prof A Walker, Senior Deputy Principal

Apologies:

Mr A Kitchin, Business Director, Edinburgh Business School

Prof A Kaka, Vice-Principal (Dubai)

Ms T Merrick, Director of Corporate Communications

Ms R Moir, Director of International Development

M4823 WELCOME

The Principal welcomed Mr Mark Adderley, Director of HR, who was attending his first meeting of the PME.

M4824 MINUTES OF THE PREVIOUS MEETING

The PME approved the minutes of the meeting held on 29 September 2011.

M4825 MATTERS ARISING AND ACTION LOG

The PME noted actions and related updates, as reported in the PME Action Log.

There were no matters arising.

M4826 BUSINESS REPORTED BY THE CHAIR

NOVEMBER GRADUATION CEREMONIES

The Principal highlighted that indicative numbers of colleagues due to process at the forthcoming November graduation ceremonies from the Schools of TEX and IPE remained low. The Heads of both Schools were asked if they could encourage more of their staff to participate.

The Head of IPE asked if further consideration could be given to pairing small Schools with larger ones at graduation ceremonies to help achieve the desired level of staff turnout at processions.

GOVERNMENT LED REVIEW OF HIGHER EDUCATION GOVERNANCE

The Principal updated PME on his recent experience of giving evidence in relation to the Government-led review of higher education governance.

M4827 PROFESSIONAL SERVICES REVIEW

The PME noted an update, provided by the Secretary of the University and the Academic Head of Professional Services implementation. It was noted, with reference to the update provided at the September 2011 meeting of the PME, that the Secretary's Board had since been established and had held its first meeting on 26 October 2011. Responsibility for leading implementation of the recommendations emerging from the Professional Services Review had passed to the Secretary's Board.

M4828 STRATEGIC PLANNING

The PME received noted and discussed an update, provided by the Vice-Principal and the Director of Planning, on 2011/12 income and assumptions for consideration in relation to the 2012 5-Year Plan. A change was noted in the September 2011 position as a result of increased student registrations; however, income from tuition fees remained behind plan, as did the current forecast for research income in the year. It was noted that the combined shortfall for teaching and research income equalled the value of contingency set aside in the year.

The PME noted actions on Schools to: assess the validity of assumptions in preparation of the Q1 forecast and to develop mitigation plans to restore contributions to planned levels, for agreement in autumn round planning meetings.

Reserved Section (Ref: Section 30, FOI(S)A.

M4829 REPORT FROM THE LEARNING AND TEACHING BOARD

The PME received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 13 October 2011.

M4830 CONSULTATIONS LOG

The PME received and noted a report on consultations communicated to the University with deadlines up to January 2012 and noted arrangements for co-ordination of the University's responses.

M4831 STUDENT EXPERIENCE STRATEGY

The PME noted and discussed a paper, presented by the Academic Registrar & Deputy Secretary, which set out a strategic plan for enhancing the student experience at the University.

The PME approved the strategy, noting that it stood separately from the University Learning & Teaching Strategy. Noted that the University's Strategic Plan, which would be developed throughout 2011/12, would be holistic in its approach to learning and teaching and the student experience. PME agreed:

- that steps should be taken to implement the strategy with PME endorsement, there being no requirement for the strategy to be approved by the Court which would receive the full University Strategic Plan for approval in due course;
- in the meantime, a report should be presented to the Court (via the Audit and Risk Committee), confirming the steps which had been taken in response to the recommendations of the Internal Audit Review of the Student Experience undertaken in December 2010;
- support for the intention of the Academic Registrar & Deputy Secretary with the Student Experience Forum

- to develop an operational plan with SMART targets which will underpin the strategy; and
- further development of the strategy over time to achieve enhanced linkage with the Learning and Teaching Strategy.

The PME noted the need to link relevant operational plans underpinning the strategy to other key plans, for example, matters concerning development of student facilities to the development of the Estates Strategy. Paragraph 3.8 of the strategy was highlighted as an example where it would be appropriate to couch the statement in less specific terms at this stage.

M4832 Reserved section (Ref sections 30, 33, FOI(S)A).

M4833 ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS 2010/11

The PME received and noted, for the record, Annual Accounts and Financial Statements for the year ending 31 July 2011, noting that the draft received was an update on the document which PME had approved earlier for onward presentation for approval by the Finance Committee and the Audit and Risk Committee at their meetings on 25 October 2011.

M4834 ANNUAL REPORT ON ENDOWMENTS AND FUNDING

The PME received, noted and discussed an Annual Report from the Endowments Committee and the Development and Alumni Office on the University's endowments and fundraising for the financial year ending 31 July 2011 which was presented by the Senior Deputy Principal.

The Director of Finance queried the 'Interest on Cash' figure detailed on page one of the report as this seemed low. The Senior Deputy Principal agreed to liaise further with the Finance Office to seek clarification.

The PME noted and discussed donations made to Schools, which were not fully captured within the current scope of Development & Alumni office records or reporting. While this was largely a presentational issue; nevertheless, PME considered that further development work should be undertaken to achieve consolidation of information on donations University-wide.

M4835 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 30 SEPTEMBER 2011 (PERIOD 2)

The PME received and noted Management Accounts for the period to 30 September 2011 (period 2), which were presented by the Director of Finance.

The attention of the PME was drawn in particular to highlighted features of the Management Accounts, as reported in the Executive Summary of the year to date, including variances against budget. The Director of Finance cautioned that it was still too early in the year to draw meaningful conclusions from the Accounts and that significant changes to the currently reported position would arise following the Q1 budget re-forecast.

The Director of Finance drew attention to the new addition to the Accounts of Capital Expenditure reporting which, in the September 2011 report, included a schedule of capital expenditure items proposed by the recently established Principal's Financial Strategy Group for submission to PME for approval in due course. It was noted that this element of reporting would be developed in more detail over the course of time.

The Director of Finance drew attention to significant differences in the value of research proposals as reported through the Management Accounts and Research Grants and Contracts Forward Look reports. These were assumed to arise from differences in methodology and it was aimed to reconcile both sets of figures by the time of first quarter reporting.

The Director of Finance proposed that a more detailed discussion on the Management Accounts should be planned for the next meeting of the PME when the first quarter report will be reviewed.

M4836 RESEARCH GRANTS & CONTRACTS: PROPOSALS AND AWARDS – SEPTEMBER 2011 REPORT

The PME received and noted a report, presented by the Deputy Principal (Research & KT), on research grants

and contracts: proposals and awards with forward look analyses for the period to the end of September 2011 (period 2).

The Deputy Principal (Research & KT) reported that the final report for the year ending 31 July 2011 had been considered by the Research and Knowledge Exchange Board at its most recent meeting with the expectation of the Board that Directors of Research will be raising issues arising for further discussion within their respective Schools.

M4837 INTERNAL AUDITS: SCHOOL OF THE BUILT ENVIRONMENT AND SCHOOL OF ENGINEERING & PHYSICAL SCIENCES

Received and noted reports, presented by the Deputy Principal (Learning & Teaching), of:

- an internal audit in the School of the Built Environment which took place on 29 September 2010. It was noted that the Quality and Standards Committee had approved the audit report and School response/action plan and that the Committee would consider the School's related one year progress report in October 2011; and
- an internal audit in the School of Engineering & Physical Sciences which took place on 5 May 2011 as a follow-up to matters arising from an original audit review in 2010. It was noted that the Quality and Standards Committee had approved the audit report which concluded that all current activities should be approved for ongoing delivery and that the next internal audit should be at the normal scheduled time of 2013/14.

M4838 FORTHCOMING IT PRIORITIES

The PME received, noted and discussed a presentation, delivered by the Director of Information Services, which set out IT challenges in relation to information systems, network infrastructure and physical infrastructure.

The PME noted that some elements of IT provision / infrastructure were currently the subject of review and had been identified as priorities for investment; however, much of the required development over coming years required more detailed review and prioritisation, set in the context of a holistic IT strategy and development plan. To this end, IT consultants had been, and would continue to be, commissioned, as necessary, to assist the University. It was noted that many of the required developments would be dependent on investments made first in the relevant physical IT infrastructure.

Discussion focused also on: training and development of the IT support team to further develop professional skills; the requirement for the University to develop an IT system of the required specification to support effective workforce planning/people management; and the resilience of the current system in terms of network backup. The Director of Information Services highlighted a reduction in the University's information risk exposure supported by arrangements for external site data storage and backup.

M4839 INFORMATION SERVICES MANAGEMENT REPORT – SEPTEMBER 2011

The PME received and noted an IT Management Information report dated September 2011 to which was appended a closure report, as at 30 September 2011, of the 'FIT for the Future' change programme. No comments were raised in relation to this item.

M4840 ACADEMIC ADVANCEMENT BOARD (AUTUMN 2011)

The PME received and noted the recommendations of the Academic Advancement Board (Autumn 2011) which were presented by the Senior Deputy Principal on behalf of the Board. The report confirmed the outcomes of the Board's consideration of cases for staff on Academic Probation and of advancement from Grade 6 to 7 and from Grade 7 to 8.

The PME noted promotions which, in accordance with due process, should be confirmed formally with the individuals concerned and their respective Heads of School by Human Resources.

M4841 ORACLE R12 UPDATE

The PME noted and discussed an update on implementation of the Oracle R12 system, provided by the Secretary of the University.

The PME discussed next steps in the project including stakeholder engagement, reporting and interfaces, noting that a first meeting would be held shortly with the School of the Built Environment, with meetings with other Schools to follow. An invitation was extended to Heads of Schools, or their nominated Financial Controllers, to join attendance at first meeting at SBE to take place on 17 November 2011.

M4842 RESIDENCES PROJECT UPDATE

The PME received and noted a monthly update report on progress with the University's Residences Projects at Edinburgh and Scottish Borders Campuses which was presented by the Director of Finance. It was noted that the project was on track at the Scottish Borders Campus site with delay risk mitigation measures being introduced as a precaution in the event of bad weather, while progress at the Edinburgh Campus site remained 7 weeks behind programme. It was noted that negotiations were underway with the contractor to agree a programme recovery strategy.

The PME noted that the potential delay in end date delivery of the Edinburgh Residences Project represented the only red graded risk on the project risk register. It was noted also that, in order to ensure delivery of the project in time for the August 2012 handover, use of part of the set aside contingency might be required.

PLANNING & MANAGEMENT EXECUTIVE
Minutes of the meeting held on 16 November 2011

Present:

Prof J Jones, Vice-Principal (Chair)	Mr A Kitchin, Business Director, Edinburgh Business School
Mr Mark Adderley, Director of Human Resources	Mrs G McFadzean, Director of Research & Enterprise Services
Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching)	Mr R McGookin, Director of Planning
Ms A-M Dalton, Secretary of the University	Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)	Mr P McNaull, Director of Finance
Prof A Harley, Head of School, Textiles and Design (TEX)	Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof G Hogg, Head of School, Management & Languages (SML)	Mrs K Patterson, Academic Registrar & Deputy Secretary
Prof A Kaka, Vice-Principal (Dubai)	Prof G Pender, Head of School, The Built Environment (SBE)
Mr P G Kerr, Director of Estates Services	Mr M Roch, Director of Information Services
Ms L Kirkwood-Smith, (Clerk to PME)	Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)

Apologies:

Prof S Chapman, Principal and Vice-Chancellor	Ms R Moir, Director of International Development
Prof D Hopkins, Head of School, Life Sciences (SLS)	Prof A Prior, Academic Head of Professional Services Implementation
Ms T Merrick, Director of Corporate Communications	Prof A Walker, Senior Deputy Principal

ACTION	With whom
Who	
When	

M4843 MINUTES OF THE PREVIOUS MEETING

The PME approved the minutes of the meeting held on 27 October 2011, subject to amendment within M4832: the "Agreement to Lease" reference should be changed to "Approval to Lease".	LKS 18 Nov 11
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M4844 MATTERS ARISING AND ACTION LOG

The PME noted actions and related updates, as reported in the PME Action Log.

There were no matters arising.

M4845 BUSINESS REPORTED BY THE CHAIR

There was no business for the Chair to report in addition to items already covered within the agenda.

M4846 HERIOT-WATT UNIVERSITY MALAYSIA PROJECT: UPDATE

The PME noted an update report on the Heriot-Watt University Malaysia project prepared by the Senior Deputy Principal and presented by the Secretary of the University. The report summarised progress made over the period since 3 October 2011, culminating, on 15 November, with the launch event in Putrajaya, at which the Principal and the CEO of Putrajaya Holdings signed the Agreement to Lease.

M4847 PROFESSIONAL SERVICES REVIEW IMPLEMENTATION

The PME received and noted a brief oral update from the Secretary of the University on progress in relation to the implementation of the recommendations emerging from the review of Professional Services.

The Secretary of the University confirmed that an initial meeting of the newly established Secretary's Board, which had responsibility for implementation of review recommendations, had been held on 26 October 2011 and the Board would meet again in early December 2011.

M4848 REPORT FROM THE LEARNING AND TEACHING BOARD

The PME received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 10 November 2011.

RJMC/LTB
clerk
Dec 11

The PME discussed the University-wide RUK recruitment policy, which was mentioned in the report from the Board, in the context of the Board's involvement in the development of the policy.

The PME discussed an oral report from several Heads of School confirming lack of clarity as to what the policy means for individual Schools and what they needed to do to in relation to its interpretation and implementation. It was reported also that Schools, in general, were not aware of how the policy was being implemented from the centre, suggesting a lapse in communications. It was noted, in relation to PGT recruitment, that there appeared to be a lack of clarity as to the previous year's data, its analysis and how the outputs of the analysis will inform action plans in the current recruitment year. It was also observed that Heads of Schools required further advice on operation of the RUK Academic Scholarship Scheme, in particular the HWU Excellence Scholarships.

The Director of Planning confirmed plans for himself and the Director of Recruitment & Admissions to present to PME, at its next meeting, a report and analysis of the 2011 recruitment cycle and the key issues for consideration in the current recruitment cycle.

RMcG /
M Bates
15 Dec 11

The PME agreed that the Senior Deputy Principal, along with the Director of Planning, Director of External Affairs and Heads of Schools or their representatives should convene a meeting well ahead of the December meeting of PME to discuss RUK strategy/policy development and implementation. The Director of Planning agreed to co-ordinate preparations for this discussion.

RMcG et al
Nov/Dec
11

M4849 REPORT FROM THE RESEARCH AND KNOWLEDGE EXCHANGE BOARD

The PME received and approved, for onward presentation to the next meeting of the Senate, a report from the Research and Knowledge Exchange Board relating to the meeting of the Board held on 16 November 2011.

RJMC/LTB
clerk
Dec 11

The PME discussed and approved a proposed approach to REF planning and preparation based on the expected UoAs, under which the University would make its submission **Reserved Section (Ref Section 30,FOI(S)A)**

The PME discussed the use of output quality profiles based on external expert assessment from the rolling School Research Reviews and the potential use of these profiles in the planning process.

AM
Dec 11/
Jan 12

HoS

The Deputy Principal (Research & KT) agreed, in a subsequent report to the PME, to include: initial estimate quantified information associated with UoA submission plans, including REF estimates; the outcome of further consultation/consideration in relation to the recommendation above.

AM et al
2011/12

It was noted that the PME will, in future, be asked to approve the final set of UoAs, including joint submissions, after the criteria for submission for REF2014 has been published by HEFCE, and following further assessment of all UoAs by the REF2014 Steering Group and the Research and Knowledge Exchange Board.

M4850 CONSULTATIONS LOG

The PME received and noted a report on a consultation communicated to the University with a deadline of January 2012 and noted arrangements for the co-ordination of the University's response.

M4851 RISK MANAGEMENT STRATEGY GROUP UPDATE AND RISK HEAT MAP

The PME received and noted a report, presented by the Secretary of the University, which comprised a report from the Risk Management Strategy Group relating to the meeting held on 8 November 2011 and an updated Group Risk Heat Map which provided an overview of the current status of the University's strategic risk factors.

In response to a point raised about the Risk Heat Map, the Secretary of the University agreed to consult further with the Director of External Affairs to ascertain why it was considered that 'External reputation and brand development' was a growing area of risk.

AMD
Nov 11

The PME discussed the need for the University, as a whole, to embed proactive risk assessment/ management firmly within operational activities and not view risk registers as simply a reporting tool. Members of PME were encouraged to liaise with the Group Risk Manager, who could provide further advice, and to engage with the planned process of re-organisation of the Risk Heat Map which will align with the University's evolving Strategic Plan. PME noted that this work would involve redevelopment of the framework of the Risk Heat Map which currently did not differentiate in reporting between major strategic risk areas and specific lower-tiered risks.

PME
2011/12

The Secretary of the University confirmed the intention to include focused discussion on risk within the PME agenda two to three times per year.

AMD
from
2011/12

M4852 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31 OCTOBER 2011 (FIRST QUARTER)

The PME received and discussed University Management Accounts for the period to 31 October 2011 (First Quarter) which were presented by the Director of Finance.

The Director of Finance drew attention in particular to:

- the forecast outturn for the year at the end of the first quarter of £1.9 m against a budgeted surplus of £1.3 m;
- key contributors to the variance between budget and forecast. It was noted that the variance in staff pay was due in the main to under-recruitment against budget

- rather than savings against the budgeted pay increase;
- the requirement to improve the forecast outturn to increase headroom on the banks' cash covenants;
- the imperative to achieve academic recruitment plan targets in the year;
- Schools' individual contributions to positive and negative variances against budget;
- trends in overseas tuition fee income by individual School and by mode of delivery which would be the focus of further discussions in School planning round meetings;
- year to date variances in contribution against budget by individual School;
- year to date Dubai Campus accounts which highlighted financial performance broadly in line with budget;
- trends in research income by individual School and by category of funder, highlighting the high degree of variability in volume of activity and relative performance of research activity against total income. All Schools were noted to be forecasting a lower level of contribution than originally planned;
- a favourable variance against budget reported for Professional Services;
- better than budgeted results for Hospitality Services;
- the currently reported position for Edinburgh Business School;
- capital expenditure in the year, as proposed by the Principal's Financial Strategy Group, for future presentation to the PME for approval; and
- the Heriot-Watt group first quarter cash flow statement, highlighting a nil closing net debt position. The PME discussed student debt noting the particularly high level associated with Saudi Arabia, the majority of which related to government supported student places.

Reserved Section (Ref Section 30, FOI(S)A).

M4853 RESEARCH GRANTS AND CONTRACTS: PROPOSALS AND AWARDS

The PME received and discussed a Research Grants and Contracts: Proposals and Awards Report for October 2011 which was presented by the Deputy Principal (Research & KT).

The attention of PME was drawn, in particular, to the comparative position against the same period in 2010/11, of spend, awards value and proposals value. It was noted that, while the number of proposals for the period was comparatively greater, the value of these lagged behind the previous year. The Deputy Principal (Research & KT) reported that proposal success rates were increasing. The current extrapolated estimate of actual spend for the year end stood at £21.5 m.

The Deputy Principal (Research & KT) agreed to provide a best estimate in relation to likely research grants and contracts income in 2012/13. Current speculative indications were that this would fall below the income assumption included in the 5-Year Plan.

AM
Nov-Dec
11

It was agreed to discuss further, at the meeting of PME in December 2011, current, best guess income assumptions for 2012/13 against the minimum contribution required from Schools (coupled with teaching income) to enable the University's 5-Year Plan to remain compliant with its bank covenant. (Associated action also noted under M4855 below).

PME
Dec 11

M4854 VISAS FOR DUBAI EMPLOYEES

The PME received and noted advice from the Director of HR and the Vice-Principal (Dubai) confirming the requirement to provide an adequate length of time between an offer of employment to staff recruited to work on the Dubai Campus in instances where an Employment Visa Entry permit is required. University colleagues who recruit staff to the Dubai Campus would also be advised of the requirement, where an employment visa is not available by the initially agreed employment start date, to delay the start date until such time as the employment visa is in place. It was noted that the timescale

for completing the employment visa process was highly variable.

PME recommended that, in the light of advice that the visa entry permit process might on occasion take longer than two months, the University's advice to staff should be that the start date of employment of an individual concerned must be at least 3 months from making the offer of employment. In view of the normal timescale for recruitment and appointment, this suggested that interviews would have to take place in January or February in each year for appointees at the start of an academic year.

AK/MA
Nov 11

In the context of discussion on visas, the Director of Finance highlighted the need for a clear policy to be developed covering issues of benefits in kind. Any purchase of a visa for a dependant or partner of a member of staff, or indeed for a student of the University, would fall into the category of a benefit in kind and therefore gave rise to tax implications.

MA/ H.R.
2011/12

The Director of Finance agreed also to check and report back on the whether fee waivers might be considered by the Inland Revenue as a benefit in kind.

PGM
Nov 11

M4855 VMG POLICY

The PME noted and discussed a proposal to institute a temporary tightening up of the policy of VMG in reviewing requests for new and replacement appointments. The proposal followed an initial analysis of the University's likely financial position which indicated the possibility of a substantial shortfall against budget for 2012–2013. It was noted that planning work over coming months would be focused on closing this gap and achieving compliance of School/Professional Service plans with agreed budget envelopes.

The PME agreed that VMG should apply a stringent approach to its consideration of cases for staff appointments/renewals through the forthcoming period until spring 2011 when the 5-Year Plan will be firmed up, planning envelopes have been agreed by PME and the relevant budget-holder has been able to demonstrate that their five-year plan will be compliant with the envelope.

JJ / V.M.G.
From Nov
11

The PME agreed that the temporary stringency in approach should not apply to strategic academic 'Global Platform' or Malaysia appointments and that careful consideration will be given to new staff resources which are expected to be incorporated in the Dubai Campus Plan for the coming year. With regard to the latter, the Vice-Principal (Dubai) was advised, in accordance with advice which will be given to all other University budget holders, that preparation of the Dubai Campus Plan should be completed as quickly as possible. The PME endorsed in principle the need to accelerate the plan development process across Schools and Professional Services and for budget holders to consider prospects for future savings across pay and non-pay elements of the budget.

JJ / Budget
Holders
From Nov
11

The PME agreed that VMG should grant requests for appointments only in cases of exceptional need. In those exceptional cases, approval should be conditional on the appointment being made internally, and where there was a strong probability that no backfill will be required. Any cases requiring an external appointment will be referred to the Principal. PME colleagues were asked to consult with the Vice-Principal in the first instance if they envisaged any difficult situations arising in relation to their staffing needs over the period of the next 4 months.

PME
Nov-Mar
11

The Vice-Principal highlighted that he would present, as a substantial item for discussion, an up to date and more detailed report on 5-Year Plan assumptions at the meeting of PME in December 2011.

JJ
15 Dec 11

In the context of the action on the Deputy Principal (Research & KT) (M4853 above), the Vice-Principal highlighted the need for sufficient discussion within the Research & Knowledge Exchange Board to properly inform discussion on strategic plan assumptions by PME at its December meeting. It was also noted, as minuted at the October meeting of PME, the expectation of the Board that Directors of Research will

AM / HoSs
Nov/Dec
11

be raising issues associated with research grants and contracts proposals and awards performance within their respective Schools. Heads of Schools were encouraged to help ensure that their Research Directors are suitably prepared for further discussion on this topic which should take place at the next scheduled meeting of the Board.

The PME discussed the potential value of a small group being established to consider strategic options to achieve evolutionary reshaping and realignment of staff resources to meet the requirements of the University Strategic Plan and the constraints within the underpinning 5-Year Plan. The PME also noted the intention for Heads of Schools to meet in December to consider future planning options and scenarios with a view to presenting a paper to the PME at its meeting in January 2012.

Reserved section

M4856 ACADEMIC PROMOTIONS AND APPOINTMENTS UNDER ORDINANCE 16

The PME received and noted a report from the Director of HR which detailed academic promotions and new appointments made under Ordinance 16: *Appointment of Academic Staff, Professional Services Staff and of the Librarian* over the first quarter: 1 August to 31 October 2011. In terms of the revised Ordinance 16, the relevant appointments were being reported to the PME for information.

The Director of HR agreed to liaise further with the Head of the relevant School to review the listing of two individuals who might have been wrongly attributed in the report to the School of Management & Languages.

MA / GH
Nov 11

M4857 INFORMATION SERVICES MANAGEMENT REPORT – OCTOBER 2011

The PME received and noted an IT Management Information reported dated October 2011. No comments were raised in relation to this item.

M4858 SAS BANNER: QUARTERLY UPDATE

The PME received and noted a first quarterly report from the Academic Registrar & Deputy Secretary on SAS following the restructuring of SAS management in the summer of 2011. The report highlighted: recent achievements; the overall assessment of good progress having been made in relation to meeting the timescale for implementation of essential requirements as identified to PME in August 2011; positive indications that the management structure was working effectively; and next steps.

The Director of Finance drew attention to the reference at the foot of the first page of the report highlighting the proposed upgrade to Banner 8.5.1 as a precursor to modular Banner 9 upgrades. In relation to the reference to University resources to implement the upgrade, the Director of Finance questioned whether this would involve any significant staff resources. If so, he had an expectation that a project case specifying these would be developed.

The Secretary of the University agreed to consult further with the Academic Registrar & Deputy Secretary to seek clarification.

AMD / KAP
Nov 11

M4859 ORACLE R12 UPDATE

The PME received and noted an update report on implementation of the Oracle R12 Project presented by the Secretary of the University. The report followed the meeting of the Oracle R12 Project Board on 9 November 2011.

In the course of discussion, the PME noted the requirement for significant effort to be deployed to ensure that the system is populated with robust data. PME discussed also plans for staff data fields, and agreed specifically on the requirement for the system to hold information on staff roles as well as titles. It was agreed to invite the Director of

PGM / MA
Nov-Jan 11

Finance with payroll section colleagues and the Director of HR to consider requirements further in consultation with Heads of Schools.

M4860 RESIDENCES PROJECT

The PME received and noted a monthly update report from the Director of Finance on progress of the residences project at both the Edinburgh and Galashiels campus sites. The report highlighted recent progress and the status quo in relation to workstreams and design and construction and as reported by the Project Manager.

The Director of Finance confirmed that discussions were still ongoing with the contractor to agree a plan to put the project at the Edinburgh Campus back on track by June 2012 and to agree the level of acceleration payment which would be acceptable to the University to achieve this aim. The Edinburgh residences project was reported to be 11 weeks behind programme and represented the only red risk on the Risk Register.

M4861 ANY OTHER BUSINESS

REVISED PDR DOCUMENTATION

The PME noted an update from the Director of HR on finalisation of proposed changes to the PDR process.

It was agreed that the Director of HR and the PME clerk should arrange PME approval of the revised PDR documentation as quickly as possible by correspondence.

MA / LKS
Nov 11

PLANNING & MANAGEMENT EXECUTIVE
Minutes of the meeting held on 15 December 2011

Present:

Prof S Chapman, Principal and Vice-Chancellor (Chair)
Mr M Adderley, Director of Human Resources
Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching)
Ms A-M Dalton, Secretary of the University
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)
Prof A Harley, Head of School, Textiles and Design (TEX)
Prof G Hogg, Head of School, Management & Languages (SML)
Prof J Jones, Vice-Principal
Prof A Kaka, Vice-Principal (Dubai)
Mr P G Kerr, Director of Estates Services
Ms L Kirkwood-Smith, (Clerk to PME)
Mr A Kitchin, Business Director, Edinburgh Business School

Mrs G McFadzean, Director of Research & Enterprise Services
Mr R McGookin, Director of Planning
Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
Mr P McNaull, Director of Finance
Ms T Merrick, Director of Corporate Communications
Prof A Miller, Deputy Principal (DP) (Research & KT)
Ms R Moir, Director of International Development
Mrs K Patterson, Academic Registrar & Deputy Secretary
Prof G Pender, Head of School, The Built Environment (SBE)
Mr M Roch, Director of Information Services
Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)
Prof A Walker, Senior Deputy Principal

Present also:

Mr M Bates, Director of Recruitment & Admissions Services (for items M4866 and M4867)

Apologies:

Prof D Hopkins, Head of School, Life Sciences (SLS)

Prof A Prior, Academic Head of Professional Services Implementation

M4863 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting of PME held on 16 November 2011 and the item approved by correspondence on 5 December 2011 were approved.

M4864 ACTION LOG AND MATTERS ARISING

The PME noted actions and related updates, as reported in the PME Action Log.

There were no matters arising.

M4865 BUSINESS REPORTED BY THE CHAIR

RELIGIOUS OBSERVANCE AT GRADUATION CEREMONIES: DISCUSSION AT THE SENATE

The PME agreed that the Principal should confer further with the Chaplain of the University to agree future revision to the Chaplain's messages at graduation ceremonies so that these are made neutral in religious terms.

USS PENSION SCHEME

The Principal updated the PME on recent news concerning the USS Pension scheme and plans, following the 2011 triennial valuation, to put in place a recovery plan to address a £2.9 b fund deficit. Currently there was no

signal that the employers' contributions would have to increase in the course of the next three years as part of a recovery plan.

WEST LONDON COLLEGE VISIT

The Principal updated the PME on a recent visit by representatives of West London College in relation to the planned London partner campus arrangement with the College.

SENIOR STAFF STRETCH

The Principal highlighted concerns raised by the Court at its meeting on 12 December 2011 in relation to potential over-commitment in work terms of senior staff. No comment was raised by any PME member in response and the Principal invited any member who may have concerns of their own to arrange to speak to him privately if they wish.

M4866 UNDERGRADUATE APPLICATIONS: UPDATE

The PME received and noted an update report on undergraduate applications as at 13 December 2011 which was tabled by the Director of Planning. The report highlighted the comparative movement against applications at mid November 2011 and over the same periods in the previous year. It was noted that, overall, the number of applications was increased by 28% over the same period in 2010 with a marginal increase showing for RUK applications.

M4867 2011 STUDENT RECRUITMENT CYCLE: REPORT AND ANALYSIS

The PME received and discussed a report, presented by the Director of Recruitment & Admission Service, on the 2011 student recruitment cycle and associated issues and future actions. The report focused on recruitment performance across UK/EU and International markets at both UG and PG level, identifying the factors and key patterns that had influenced the 2011/12 student intake. It was noted that an increase in the average intake UCAS Tariff Score had been achieved while meeting UK and EU undergraduate recruitment targets. The PME noted details of actions already underway and the role of the Secretary's Group, as an additional forum for progressing issues which would be kept under regular review.

Reserved section (Ref Section 33, FOI(S)A).

M4868 HWU MALAYSIA PROJECT: UPDATE

The PME received and noted an update report, presented by the Senior Deputy Principal, on recent progress and planned next steps in relation to the HWUM project, as had been reported to the HWUM Project Oversight Board in December 2011.

The Senior Deputy Principal highlighted in particular:

- the signing of the Approval to Lease which had taken place on 15 November 2011;
- the meeting which had taken place with the MOHE officials, following which the University could expect to receive a formal Certificate of Invitation early in the New Year, provided that the agreed conditions are met;
- work progressing on the detail of temporary campus premises;
- future stages in relation to arrangements for licensing and accreditation; and
- progress, through the UG and PG Studies Committees, of initial programmes for delivery in Malaysia from 2012 including the Master of Business Administration and the BEng in Civil Engineering.

M4869 PROFESSIONAL SERVICES REVIEW

The PME received and noted an oral update, provided by the Secretary of the University, on implementation of recommendations emerging from the review of Professional Services. The Secretary highlighted in particular:

- the role of the Secretary's Group in overseeing implementation plans and progress;
- budget and external benchmark considerations to be progressed in the context of the University's planning round process; and
- the required alignment of supporting individual Professional Service plans to the developing new University Strategic Plan.

The Principal emphasised, in relation to the Professional Service budget in the coming year, that any agreed budget reduction would represent a cut relative to the current 2012/13 plan, not to the current year actual budget.

M4870 REPORT FROM THE RESEARCH AND KNOWLEDGE EXCHANGE BOARD

The PME received and approved, for onward presentation to the next meeting of the Senate, a report from the Research and Knowledge Exchange Board which related to the meeting of the Board held on 11 November 2011.

The Deputy Principal (Research and KT) highlighted, in particular, that:

- the Heriot-Watt 'Fellowship College' had been established, with wide School engagement. The main aim of the 'Fellowship College' was to increase the number of research fellowships secured; and
- a scheduled focus discussion of the Board in February 2012 would consider School research strategies.

No comments or questions were raised in relation to the report.

M4871 REPORT FROM THE SECRETARY'S GROUP

The PME received and approved a report from the Secretary's Group which related to the meeting of the Group held on 26 October 2011. The Secretary highlighted:

- cancellation of the December meeting of the Board due to weather conditions;
- that the Group was developing Secretary's Group Terms of Reference which would be considered further at the meeting in January 2012;
- inclusion of institutional print strategy and staff engagement survey result topics within the agenda for discussion at the October meeting; and
- plans of the Secretary's Group to present a composite briefing report at each future meeting of PME.

No comments or questions were raised in relation to the report.

M4872 CONSULTATIONS LOG

The PME noted a report on a consultation communicated to the University with a deadline of December 2011 and noted arrangements for the co-ordination of the University's response.

M4873 SCENARIO FOR THE FIVE-YEAR PLAN

The PME received and discussed a report, presented by the Vice-Principal, which set out a scenario for development of the Five-Year Plan. The PME was invited to: review assumptions on which the top level of the 2012 Five-Year Plan would be based; agree overall budget envelopes for Schools and Professional Services; and agree the methodology for conversion of the overall Schools' budget envelope to individual School envelopes.

The Vice-Principal set out the key assumptions following consideration of the existing plan overlaid with expected changes. This highlighted: a significant probable income shortfall, relative to plan in 2012/13, with ongoing challenging income assumptions; the need for cost reduction across Schools and Professional Services of ~6%, *relative to plan*, to achieve a sustainable bottom line; and remaining uncertainty relating to the latter two years of the plan pending REF calculations. It was noted that an indicative grant announcement letter was expected to be released by the Scottish Funding Council on 19 December 2011.

Following extensive discussion, the PME:

- agreed to implement an approximate 6% cost-reduction, relative to plan, across Schools and Professional Services in each year of the Plan, noting the probable income shortfall relative to plan in 2012/13 and beyond and the impact on the plan without such a reduction;
- endorsed the key assumptions (changes since the 2011 Plan) which would impact on the 2012/13 Plan and which will inform the 2012 Five-Year Plan; and

- agreed the methodology for arriving at budget envelopes for individual Schools. This will take the 2011 Plan as the baseline, allocate changes based on research savings, calculated as 75% of research income shortfall, add other agreed changes (e.g. business plans related to strategic academic appointments), modify the 2015/16 Plan once REF income has been re-forecast, and calculate 2016/17 envelopes using the 6% growth and 7% surplus rules; and
- noted the intention, over the coming years, to plan with the aim of achieving closer alignment to benchmark norms for professional service costs across the University.

Reserved section (Ref Section 30, FOI(S)A).

M4874 ACADEMIC STAFF RECRUITMENT OPPORTUNITIES

The PME noted and discussed a paper, presented by the Director of HR, which set out progress in relation to new strategic academic appointments and posed questions for further discussion. The questions posed were in relation to potential for the introduction of a referral scheme, breadth of advertising, and the role of Perrett Laver.

In the course of substantial discussion the PME endorsed the following:

- the imperative that Heads of Schools have an appropriate level of control over appointments made to their respective Schools;
- the observation that PG CAP practice in the University can create an unnecessary burden on new academic staff. It was agreed that the DP (L&T) should consult further with the DP(R&KT), the Head of EPS and a University Dean to develop a proposal to create flexibility in current practice, recognising the need to free up as much of the relevant staff time as possible in preparation for REF. Agreed that this group should report back to the Principal early in the New Year, with the expectation that the proposals will include a report on the key parameters of a larger review of longer term PG CAP policy to be undertaken in 2011/12;
- in general, a referral scheme of the type described would not be considered helpful to Schools and should not be considered as a part of normal staff recruitment policy; however, the practice of referral should not be ruled out for any School to which this system provided benefits;
- fleet of foot approaches must be maintained to ensure that the University's administrative processes do not pose a risk to the timely management of recruitment opportunities;
- the desirability of a review of probationary arrangements; and
- the need for further consultation with Schools to consider further opportunities in relation to marketing (e.g. post titles) and publicity strategy.

M4875 GROUP RISK HEAT MAP

The PME noted and endorsed an updated Group Risk Heat Map, presented by the Secretary of the University for onward presentation to the Audit & Risk Committee. It was noted that the following items in the report required further consideration and review:

- UKBA risks appeared twice in the Heat Map but with two different assessments; and
- a request had emerged at the meeting of the Court on 12 December 2011 that rising red risks should be accompanied by a summary explanation of the agreed mitigation actions.

M4876 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 30 NOVEMBER 2011 (PERIOD 4)

The PME received and discussed Management Accounts for the period to 30 November 2011 (period 4) which were presented by the Director of Finance.

The Director of Finance drew attention in particular to:

- the continuing positive forecast outturn for the year. The most likely revised forecast surplus would be in the region of £2.3 m;
- the increase in overseas tuition fee income against the previous year, as reported in the Executive Summary;
- lagging research indicators, as reported in the Executive Summary;
- investments to improve the student experience were focused, thus far in the year, on the Residences Project;

- Hospitality Services' and Core Professional Services' performance ahead of budget;
- the Contribution Analysis Summary which highlighted a high degree of variation across Schools. The Director of Finance also drew attention to a £200 k (worst case) provision against a Withholding Tax liability relating to an ALP, which highlighted the need for more effective centrally controlled scrutiny of contracts to evaluate issues such as tax liabilities;
- risks and opportunities associated with the forecast, as reported on page 6 of the Accounts. This section of the Accounts highlighted the movement since the revised November 2011 forecast in top end: "optimistic" and bottom end "pessimistic" forecasts;
- the relative scale of contributions of each of the operational functions of Hospitality Services;
- capital expenditure in the year, as proposed by the Principal's Financial Strategy Group. The Principal emphasised, in relation to these investments, the need to ensure that committed funds are expended before the financial year end; and
- the net bank borrowing trend from 2007/08 to date. This highlighted, in the analyses excluding EBS, a rise over the same period in 2010/11 confirming growth in funds tied up in working capital. The Director of Finance drew attention to the desirability of reducing net bank borrowings.

No additional questions or comments were raised in relation to the Accounts.

M4877 RESEARCH GRANTS AND CONTRACTS: PROPOSALS AND AWARDS AND FORWARD LOOK - NOVEMBER REPORT

The PME received and discussed a Research Grants & Contracts: Proposals and Awards report for November 2011 which was presented by the Deputy Principal (Research & KT).

The Deputy Principal drew attention, in particular, to:

- the comparative position, against the same period in 2010/11, of spend, awards and proposals values;
- an increase in spend against the same period in 2010/11 of ~ £1 m;
- the University's relative under-performance against target in terms of research income and capacity for improvement;
- while the value of awards trailed significantly behind the same period last year, the accruing value of awards through the year was historically very uneven. There were also a number of reasonably sized grant awards in the pipeline;
- indications of a downward trend in the average value of individual grants;
- an increased success rate on proposals, driven by recently introduced enhanced internal review procedures. The increased rate of success was expected to compensate for the reduced volume of proposals due to more stringent screening; and
- the competitive external environment within which EPSRC funding would be reduced by some 12% in the coming year.

In the course of discussion, the PME's attention was drawn to the reduced value, against the previous year, of the one year forward look value. A more substantial level of reduction in the two and three year forward look values suggested possible shortening of the average life of grants.

The PME noted the need to develop research teams with the capability to win larger scale, longer term grants. In this regard, the DP(Research & KT) highlighted that a focused discussion on this topic had taken place within the RKEB meeting on 14 December 2011.

M4878 MANAGEMENT GOVERNANCE CHANGES

The PME received and discussed proposed changes to the management governance structure presented by the Secretary of the University and the Principal. It was noted that the proposals had been developed as part of the wider review of University governance structures. The proposals included:

- changes to the title and the membership of the Planning & Management Executive, thereby establishing The University Executive as the University's primary management decision making body;
- the formation of a new management group: the Principal's Strategy Group;
- the membership of the Secretary's Group as the University's primary Professional Services decision making body; and
- the continuation, with a revised membership, of the Vacancy Management Group.

In the course of substantial discussion comments raised included concerns principally about lack of clarity in the paper presented as to the rationale for change, and reduction of professional services representation in the membership. It was noted, however, that the membership of the PME was very large in comparison to its equivalent bodies in other universities and there were efficiency/effectiveness gains to be made by streamlining the membership while devolving appropriate powers to the Secretary's Group. Following discussion, the PME agreed:

- responsibilities for strategy development and implementation should be included the remit of the University Executive, noting that it was not intended that these should be within the remit of the Principal's Strategy Group. The PME agreed that the latter should be renamed the Principal's Advisory Group;
- further consideration must be given to communications arrangements supporting the revised structure;
- further consideration should be given to the possibility of a scheduled meeting of Directorate Heads with the Secretary of the University ahead of meetings of the University Executive to aid communications;
- the open invitation to budget holders to attend meetings of VMG, at which their cases will be considered, should remain;
- on the need for appropriate strength within the governance structure of the Secretary's Group, and effective alignment of the Group with the University Executive;
- further consideration should be given to an annual away day of the University Executive;
- as much notice as possible should be given in relation to meeting date changes resulting from the proposal;
- Terms of Reference for the relevant management committees should follow in the New Year; and
- the changes should be communicated to the University community as quickly as possible.

M4879 INTERIM REPORT OF THE REVIEW OF THE SCHOOL OF TEXTILES AND DESIGN

The PME received and discussed an Interim Report following a review visit to the School of Textiles and Design, which was presented by the Senior Deputy Principal. The PME noted that a final report on the review of the School would be produced, once a number of the immediate recommendations specifically in relation to financial planning have been completed.

The Senior Deputy Principal drew attention, in particular, to:

- the relative financial position of each of the University's Schools in terms of contributions and surplus;
- the need to put in place a business plan which puts the School on a pathway to financial stability in the shorter term and financial sustainability in the longer term. Against these factors, there was recognition of the highly important and positive contribution by the School to the University; and
- a key next step to developing a new 5-Year Plan for the School underpinned by detailed business planning will be a planning meeting with the School scheduled to be held in January 2012; and
- general support across the staff of the School for future change.

M4880 ORDINANCE 53 UPDATE

The PME received and noted an update report, presented by the Director of HR, which summarised amendments made to the draft revised Ordinance 53: *Discipline, Removal and Grievance Procedures for Members of Staff*, and the relevant policies and procedures and recent and next steps on the consultation process. It was noted that Ordinance 53 had been redrafted by the Ordinances & Regulations Committee and that the Committee had also drafted a new Ordinance 55: *Definition of Members of Staff to Whom Academic Freedom Shall Apply*.

The PME noted the proposed timetable for approval, noting the intention that the Procedures will be presented for consideration at the meeting of PME scheduled to take place on 26 January 2012. Ultimate approval by the Court will be sought at the meeting of the Court to be held on 25 June 2012.

No comments or questions were raised in relation to this item.

M4881 INFORMATION SERVICES MANAGEMENT REPORT – NOVEMBER 2011

The PME received and noted an Information Services Management Report presented by the Director of Information Services.

The Director of Information Services provided an update on the reason behind loss of connectivity between the Edinburgh Campus and the internet. It was noted that the problem led back to a comprised web-server within the University. The Director of Information Services made a recommendation that the number of firewall holes across the University network should be reduced substantially from the current level to minimise the security risk.

The PME agreed that the number of firewall holes be reduced to 100 with the expectation that staff from IT will liaise with Heads of Schools to agree where and how this reduction will be achieved, monitored and controlled.

M4882 ORACLE R12 UPDATE

The PME received and noted an update report, presented by the Secretary of the University, on progress of the Oracle R12 project. It was reported that the project remained on track and the PME noted the current status in relation to project work-streams; internal/external interfaces; the recent demonstration of the system received by the Project Board; stakeholder engagement and communications; review of the ability of the system to support international transactions; and risks and issues.

No comments or questions were raised in relation to the report.

M4883 RESIDENCES PROJECT UPDATE REPORT

The PME received and noted an update report, presented by the Director of Finance, confirming progress of the Residences Project. The report confirmed that the combined project remained within the approved budget with the likelihood of the full contract contingency fund being expended before completion of the project on both sites. Noted that the SBC site project was on programme with delay risk mitigation measures in place as a precaution in the event of bad weather, while progress at the Edinburgh site project remained behind programme with a programme recovery strategy in place so that the end of June 2012 contract completion date will be achieved.

No comments or questions were raised in relation to the report.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 26 January 2012

Present:

Prof S Chapman, Principal and Vice-Chancellor (Chair)	Prof A Kaka, Vice-Principal (Dubai)
Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching)	Ms L Kirkwood-Smith, (Clerk to the UE)
Ms A-M Dalton, Secretary of the University	Mr A Kitchin, Business Director, Edinburgh Business School
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)	Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof D Hopkins, Head of School, Life Sciences (SLS)	Prof G Pender, Head of School, The Built Environment (SBE)
Prof A Harley, Head of School, Textiles and Design (TEX)	Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)
Prof J Jones, Vice-Principal	Prof A Walker, Senior Deputy Principal

Present also:

Mr R McGookin, Director of Planning (observer and for item M11)	Mr M Adderley, Director of Human Resource Development (HRD) (for items M4 and M5)
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Apologies:

Prof G Hogg, Head of School, Management & Languages (SML)	Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
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M1 MINUTES OF THE PREVIOUS MEETING

The UE approved the minutes of the meeting of PME held on 15 December 2011.

M2 ACTION LOG AND MATTERS ARISING

The UE noted actions and related updates, as reported in the Action Log.

The Principal requested, in relation to M4878: Management governance changes, that the outstanding action, to inform the University community of the changes, should be completed as quickly as possible.

There were no matters arising.

M3 BUSINESS REPORTED BY THE CHAIR

3.1 Appointments

The Principal updated the UE on the recommendation that will be presented to the Senate and to the Court in relation to the appointment of Vice-Principal (Malaysia) and Chief Executive Officer of Heriot-Watt University Malaysia (HWUM). It was noted that the recommendation would be presented to the Senate and to the Court for approval as quickly as possible and that the role of Chief of Executive Officer would also be presented for the approval of the HWUM Board.

The Principal updated the UE on the appointment to the role of Deputy Principal (Learning & Teaching) of Professor John Sawkins with a start date to be negotiated. In consequence of this change the Principal asked that Heads of Schools encourage relevant School colleagues to give consideration to potential nominees for election to the position of Dean (Arts, Humanities and Social Sciences).

Bank closure

- 3.2 The Principal updated the UE on the unexpected news of the intention of the Royal Bank of Scotland to close its branch at HWU and actions currently being undertaken by the University to identify a replacement bank facility on the Edinburgh campus.

M4 REDUNDANCY PROCESS: UCU PROPOSED AMENDMENTS

The UE noted and endorsed proposed responses to UCU proposals for three amendments to current redundancy arrangements – as presented, to be relayed to the local UCU. The paper was presented by the Director of Human Resource Development. It was noted that the UCU proposals had been presented at the meeting of the Consultative Committee for Redundancy Avoidance on 9 December 2011. Rationale statements for both the proposals presented by the UCU and the proposed response by the University were noted.

Reserved section (Ref Section 30, FOI(S)A).

M5 ORDINANCE 53: POLICIES AND PROCEDURES

The UE approved, with the minor amendment suggested below, policies and procedures relating to Ordinance 53 for onward recommendation to the Senate, the Staffing Strategy Committee and the Court. The paper, which was presented by the Director of Human Resource Development, included the following:

- Capability Policy & Procedure
- Disciplinary Policy & Procedure
- Grievance Policy & Procedure
- Maximising Attendance Policy & Procedure.
- Management lines of responsibility for policies and procedures

It was queried whether the wording of para 1.2 on sickness certification in the Maximising Attendance Policy & Procedure should be reworded to clarify self-certification will be required for absences of up to 7 days.

The UE noted that the policies and procedures had been reviewed through a period of consultation since December 2010, and had been revised in the light of Ordinance 53: *Disciplinary, Removal and Grievance Procedures for Members of Staff*, and the repeal of Statute XXV. Attention was drawn to amendments to the policies and procedures arising from discussions about Ordinance 53 and trade union consultation.

The UE noted that work had commenced aimed at standardising and aggregating HR policies and procedures to improve consistency and to ensure that 'Academic Freedom' is identified as a key principle in an overarching policy or statement.

M6 CONSULTATION AND PUBLICATIONS LOG

The UE noted a report on external consultations communicated to the University with deadline dates up to March 2012, noting arrangements for the co-ordination of the University's responses, and a summary of recently published higher education related publications.

M7 TERMS OF REFERENCE: THE UNIVERSITY EXECUTIVE

The UE received and approved draft Terms of Reference for The University Executive (UE) for immediate implementation, noting that the remit of the UE should be supported by a documented rolling programme of annual business.

In relation to the UE's responsibility for monitoring financial performance against budget, it was agreed that Management Accounts should be presented at each meeting of the UE with substantive discussion planned to coincide with the release of quarterly Accounts.

M8 UNIVERSITY GOVERNANCE STRUCTURE REVIEW UPDATE

The UE received and discussed a report and presentation by the Secretary of the University on the University's governance structure and work underway to review and restructure.

Following discussion, the Secretary agreed to consider presentational adjustments to the proposed School management structure being developed in consultation with Schools to make allowance for the fact that a functional area/ activity or individual may, in some cases, undertake the responsibilities which in another School might be governed by a committee.

The Secretary of the University confirmed her intention to present Terms of Reference for the Learning & Teaching Board and the Research & Knowledge Exchange Board to the University Executive at a subsequent meeting.

M9 FORMATION AND TERMS OF REFERENCE OF THE INTERNATIONAL STRATEGY BOARD

The UE received and approved a proposal, presented by the Senior Deputy Principal, for the creation of an International Strategy Board which will report to The University Executive.

It was agreed that further consultation should be undertaken to develop the draft Terms of Reference for the Board. In particular, the following points were raised:

- the EBS representative on the Board should be Mr Alick Kitchen;
- it will be the normal expectation that Schools will be represented on the Board by their respective Head; however, any case presented by a Head of School to nominate an alternative named representative of the School on the Board will be considered;
- further clarity is required in the Terms of Reference to ensure that the responsibilities of the Board are distinct from the responsibilities of the Senate and the Learning & Teaching Board; and
- further consideration should be given to the alternative option of defining supporting working groups to the Board along vertical functional lines rather than the cross-cutting areas currently proposed.

It was agreed that the Senior Deputy Principal should consult further with Heads of Schools and the DP(Learning & Teaching) and present a revised draft of the Terms of Reference to the subsequent meeting of the UE.

In response to a request that the UE should receive and consider an update to the University's International Strategy, the Senior Deputy Principal confirmed the intention that an update of the Strategy will be developed through the International Strategy Board by the end of the current calendar year. The draft revised strategy would be presented subsequently to the UE for approval.

M10 ANNUAL TRAC RETURN: JANUARY 2012

The UE received and approved the University's Annual TRAC return for 2010/11 which was tabled by the Senior Deputy Principal. It was noted that the return would be submitted to the Scottish Funding Council by the due deadline date of 31 January 2012.

The UE received and noted a summary report which compared HWU 2010/11 data against the previous two years and against the latest available data for the selected benchmark peer group.

The Principal requested that, due to limitation of time between completion of the draft return and its submission to the SFC, in future, approval of the submission should be delegated to a smaller group, to be defined by and led by the Principal.

M11 SCENARIO FOR THE 5-YEAR PLAN: UPDATE

11.1 5-Year Plan: top level envelope

The UE received and discussed an update on development of the 5-Year Plan presented by the Vice-Principal.

The Vice-Principal drew attention to key matters for consideration including: improved income assumptions in the light of recently announced SFC funding and higher RUK recruitment expectations and the impact of these

on the 5-Year plan; consistency of Professional Services budget envelopes with Tribal benchmark; to confirm arrangements for the issue of budget envelopes to individual budget holders; and to agree release of contingency in the current year with agreement on the approval process for expenditure.

The Vice-Principal highlighted that, in the light of changed assumptions, distribution of income and expenditure moderation between Schools had been discussed within recent planning meetings with some matters yet to be concluded.

The UE approved:

- release of £1 m of contingency funds to be designated principally for "spend to save" projects and agreed that the Principal will have the authority to approve individual projects to be funded from this source. It was agreed that decisions, which will be required to be made quickly, should be reported subsequently to the University Executive; and
- the assumptions - as presented - which will underpin individual School budget envelopes and the budget for Professional Services.

11.2 **SFC Grants and RUK fees income**

The UE received and discussed a report, presented by the Director of Planning, which set out 5-Year Plan assumptions associated with SFC grant and RUK fees income. The Director of Planning drew attention in particular to:

- almost complete restoration of the teaching unit of resource to the 2010/11 level, offset by loss of funding for RUK places;
- the comparatively less favourable funding position associated with capital investments as against recurrent teaching and research grants;
- restriction of Research Excellence Grant funding to 3* and 4* with a funding ratio between the two of 3:1;
- expectations associated with the comparatively favourable funding outcome for the HE sector:- the "something for something" outcome agreement between the SFC and universities which was expected to be in place for 2012/13. Of particular note one aspect of the outcome agreement involved "Easy Access IP" to allow university-generated IP to be released to companies for free by way of quick and simple agreements. Universities would be encouraged to facilitate Scottish SME engagement with Easy Access IP; and
- finalised confirmation of allocations to HE in March 2012. In particular, details of capital grant funding would only be announced for 2012/13 around mid-February.

M12 **REPORT FROM THE DEPUTY PRINCIPAL (LEARNING & TEACHING)**

The UE received and discussed a report for January 2012 which was presented by the DP(Learning & Teaching).

12.1 **Proposal for Study Group to offer DEP level programmes**

The UE noted a proposal that Study Group be permitted to offer DEP level courses and develop a programme for submission to the Undergraduate Studies Committee for academic approval.

It was agreed, due to the absence of the Head of SML from the meeting, to defer consideration of this item until the February meeting of the UE. The DP(Learning & Teaching) was invited to confer further with the Head of SML in the meantime.

12.2 **Entry requirements for the Malaysia Campus**

The UE noted proposed undergraduate entry requirements for levels 1 and 2 at the Malaysia Campus, noting the requirement for the University to provide a statement on programme entry requirements for the Malaysian Qualifications Agency in the very near future.

The UE:

- endorsed the proposal for a BBB entry requirement for level 2, with the proviso that there may be legitimate exceptions to the agreed standard, notably in Actuarial Science where the entry requirements will be higher; and

- agreed that further research should be undertaken before agreement is reached on entry requirements for level 1. This should include research carried out on entry requirements for foundation level entry in Malaysian universities. It was agreed that HWU entry requirements should be benchmarked against a top group of Malaysian universities.

The UE agreed that the DP(Learning & Teaching) should consult the UE membership by correspondence to gain approval for the proposed entry requirements prior to these being submitted to the Malaysian Qualifications Agency.

12.3 **Academic requirements for transfer between campuses**

The UE discussed and endorsed the principle of equality of opportunity in relation to student mobility across campuses noting, in particular, the majority view of the Learning & Teaching Board that there should be no academic barrier to transfer over and above that required for progression.

The UE agreed that a fair and consistent policy should be developed which applies University-wide in line with the above principle, while recognising the unique FE articulation arrangement with Borders College students involving SML. It was agreed, therefore, that the Deputy Principal (Learning & Teaching) should consult further on the proposed policy with the Head of SML and that any deviation from the principle of fairness and consistency must be supported by a compelling line of reasoning.

12.4 **Senate Council in Malaysia**

The UE noted and discussed a proposal, in line with requirements by the Ministry of Higher Education in Malaysia, for an independent Senate, or equivalent, established at Heriot-Watt University Malaysia (HWUM). It was proposed that this body should be called the Senate Council. It was noted that the proposal would be discussed by the Senate Business Committee at its meeting on 26 January 2011.

The UE agreed:

- that the presentation of the proposal should be amended to ensure that there is no impression given anywhere of equivalence between the proposed Senate Council and the Senate;
- Similar such governance arrangements should apply at the Dubai Campus; and
- reference to Senate delegated responsibility for approval by the Senate to the Undergraduate and Postgraduate Studies Committees and the Quality and Standards Committee was misleading and should be removed. The principle of no delegated responsibility for approval should be made explicit in the document.

12.5 **PGCAP : Update from December meeting of the PME**

With reference to M4874, from the December 2011 meeting of PME, the UE noted that a meeting with the relevant group of colleagues to discuss the PGCAP was yet to be scheduled. The DP(Learning & Teaching) reported that he had met with the Director of HRD and the Programme Leader to review the options and that, in the meantime, Heads of Schools had been invited to identify members of staff where the probation requirements to attend PGCAP should be reviewed in the light of colleagues' REF commitments.

M13 REPORT FROM THE LEARNING & TEACHING BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 12 January 2012.

All items were presented for information.

M14 REPORT FROM THE DEPUTY PRINCIPAL (RESEARCH & KT)

14.1 **Main report**

The UE received and discussed a report for January 2012 which was presented by the DP(Research & KT). The report set out the University's comparative research performance and conclusions of the Research & Knowledge Exchange Board. Attention was drawn to the University's comparative performance in relation to

REF grant income, key sources of research grants and contracts income, scale of academic staff population and citation rates. Discussion centred on the need for further debate to identify the steps necessary to improve the University's performance in those key areas.

The UE endorsed a plan by Heads of Schools to present a joint paper on research issues / opportunities for substantive discussion at the February 2012 meeting of the UE.

14.2 **Research Grants & Contracts: Proposals and Awards and Forward Look – December report (Appendix 1 of the report)**

The UE received and noted a Research Grants & Contracts: Proposals & Awards report for December 2011. The DP (Research & KT) drew attention in particular to performance to date in relation to actual spend, awards and proposals as highlighted in the report summary, and highlighted positive movements in both awards and proposals values towards a catch up position with the previous year's values at the same period.

M15 REPORT FROM THE RESEARCH & KNOWLEDGE EXCHANGE BOARD

The UE Received and approved, for onward presentation to the next meeting of the Senate, a report from the Research & Knowledge Exchange Board relating to the meetings of the Board held on 14 December 2011 and 11 January 2012.

All items were presented for information.

M16 REPORT FROM THE SECRETARY'S GROUP

The UE received and noted a report presented by the Secretary of the University relating to the meeting of the Secretary's Group held on 10 January 2012.

In addition to items included in the report, the Secretary confirmed plans to make an appointment to the post of Director of Governance & Compliance within the coming week.

Specific points were raised in relation to the Oracle R12 project which have been recorded in M17 below.

M17 ORACLE 12 PROJECT: UPDATE

The UE received and noted an update report, presented by the Secretary of the University, on progress of the Oracle R12 project and discussed Oracle R12 training requirements across Schools. The Secretary of the University confirmed that she would consult with the project manager to ensure that IPE receives the support that it needs for implementation.

It was agreed that the Vice-Principal would consult further with the project manager in relation to system support for the annual performance review and TRAC exercises.

M18 REPORT FROM THE SENIOR DEPUTY PRINCIPAL: MALAYSIA PROJECT UPDATE

The UE received and noted a report, presented by the Senior Deputy Principal, which provided an update of recent progress and next steps and summarised aspects of the academic arrangements being put in place of the operation of HWUM as a Branch Campus of HWU. It was noted that these items would be presented to the Senate Business Committee for information and comment.

It was noted that the Malaysian Minister for Higher Education had issued a 'certificate of invitation' to HWUM and various work-streams were progressing in relation to: the 'Establishment' stage; company governance matters; premises; and appointment of senior executives. The novation of Agreement to Lease had come into effect. A review of risk movements was being undertaken but a significant number of uncertainties were reported to have been resolved.

M19 REPORT FROM THE SENIOR DEPUTY PRINCIPAL: VISIT TO SAUDI ARABIAN BUREA

The UE received and noted and update report, presented by the Senior Deputy Principal, which summarised

the outcome of a visit in January 2012 to the Saudi Arabian Bureau. The report highlighted that the block preventing Saudi Arabian students from receiving government Scholarships for certain HWU programmes had been removed.

The report also highlighted required responses by the University to requests by the Cultural Attaché in relation to reports submitted by the University on students.

Reserved section.

The Senior Deputy Principal agreed that further discussion should be taken forward with the Saudi Arabian authorities in relation to accreditation arrangements relating to Dubai Campus study.

M20 REPORTS FROM SCHOOLS/POSTGRADUATE INSTITUTES

The UE received and noted oral updates on news and developments in their respective Schools/PGIs from the Heads present.

M21 RISK HEAT MAP AND REPORT FROM THE RISK MANAGEMENT STRATEGY GROUP

21.1 Report from the Risk Management Strategy Group

The UE received and noted a report from the Risk Management Strategy Group relating to the meeting of the Group held on 17 January 2012.

21.2 Risk Management process

The UE received and noted an update presentation by the Secretary of the University on the planned development of the processes for identifying, reporting and monitoring risk. The UE noted the following key aspects of the proposals:

- the aim was to achieve greater clarity in the relationship, reporting and monitoring of strategic risks and operational risks;
- a new 'Strategic Risk Register' would be developed, aligned with the University's strategic priorities and underpinned by a second full 'University Corporate Risk Register';
- all significant risks identified by the Schools and Services would be added to the Corporate Risk Register for monitoring and review by the Risk Management Strategy Group with high level (Red and Amber) risks being reported to the Audit & Risk Committee (ARC) and the Court. Once per year the ARC and the Court would receive the full Corporate Risk Register;
- the Terms of Reference of the Risk Management Strategy Group would be developed to reflect all the relevant proposed changes and would be presented for consideration and approval at the next meeting of the RMSG.

21.3 Group Risk Heat Map

The UE noted and endorsed an updated Group Risk Heat Map presented by the Secretary of the University. The UE recommended that an anomaly in the reporting of the residences project risk assessment between page 1 and page 5 of the report be resolved.

The Secretary of the University drew attention to 7 recent key changes which had been made to the risk profile following consideration by the Risk Management Strategy Group.

In response to a point raised by a UE member on the future visibility of Health and Safety Risks, the Secretary of the University proposed that the minutes of meetings of the Occupational Health & Safety Committee should be presented to the UE.

M22 INTERNAL AUDIT REVIEW REPORTS

The UE received and noted three reports of Internal Audit reviews which were presented by the Secretary of the University for onward presentation to the Audit & Risk Committee. The reports, which included agreed management actions on the recommendations, related to reviews carried out in autumn 2011 as part of the

Internal Audit annual plan for 2011/12.

22.1 **REF and PURE review**

The UE noted the contents of the report.

22.2 **Student Administration System (SAS) review**

The UE noted the contents of the report.

In the course of discussion, disagreement was voiced about the Internal Auditor's high risk assessment in connection with the "user expectations gap" (3.1.1), as the issue raised appeared to represent a symptom rather than an "impact", and the recorded agreed management action did not accord with a high risk assessment. The Secretary of the University advised that she would be consulting further with the Internal Auditor in relation, in a wider context, to the presentation of their recommendations.

22.3 **Statutory Returns review**

The UE noted the contents of the report.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 23 February 2012

Present:

Prof J Jones, Vice-Principal (Chair)	Mr A Kitchin, Business Director, Edinburgh Business School
Prof R J M Craik, Deputy Principal (DP) (Learning and Teaching)	Mr R McGookin, Director of Planning (observer)
Ms A-M Dalton, Secretary of the University	Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)	Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof D Hopkins, Head of School, Life Sciences (SLS)	Prof G Pender, Head of School, The Built Environment (SBE)
Prof A Harley, Head of School, Textiles and Design (TEX)	Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)
Prof G Hogg, Head of School, Management & Languages (SML)	Prof A Walker, Senior Deputy Principal
Ms L Kirkwood-Smith, (Clerk to PME)	

Present also:

Prof John Sawkins, Dean of the University	Mr M Adderley, Director of Human Resource Development (HRD) (for items M26 to M29)
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Apologies:

Prof S Chapman, Principal and Vice-Chancellor	Prof A Kaka, Vice-Principal (Dubai)
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M23 MINUTES OF THE PREVIOUS MEETING

The UE approved the minutes of the meeting of the UE held on 26 January 2012.

M24 ACTION LOG AND MATTERS ARISING

The UE noted actions and related updates as reported in the Action Log.

There were no matters arising.

M25 BUSINESS REPORTED BY THE CHAIR

25.1 Development of the Strategic Plan

The Vice-Principal thanked colleagues for their participation in the Court Away Day on 20 February 2012 and updated the membership on key future steps in the consultation process supporting development of the Strategic Plan. UE members were asked to encourage participation of their colleagues in the various strands of the consultation process.

The UE agreed that further consideration should be given to issuing invitations to Honorary Professors of the University to participate in the process of consultation.

Specialised induction / training for governors

25.2 The UE discussed the need to augment, on a continuing basis, the knowledge of lay members of the Court about the operational business of the University, especially in highly specialised areas such as research practice. The Secretary of the University agreed to consult with appropriate University colleagues to garner views on ways in which this aim could be most effectively met.

M26 REDUNDANCY AND REDEPLOYMENT PROCESS

The UE received, discussed and approved proposed Redundancy and Redeployment Processes and approved a draft Redundancy Selection Policy, presented by the Director of HRD. The approval was subject to further consideration of comments recorded below. The UE agreed support for:

- the University's aspiration to avoid redundancy, accepting that redundancy may happen as an action of last resort;
- funds being made available for 'Targeted Severance', to avoid redundancy in areas undergoing major change, whilst not having a 'General Severance' Scheme;
- subject to an individual no longer being required in an area, the principle of 'deselected' staff moving physically as well as virtually into a 'Redeployment Pool', where they will be managed and supported for the subsequent 3 months (or until their notice period expires); and
- the recommendation that if the University needs to select staff for redundancy, then the Redundancy Selection Process should be used.

The UE agreed that further consultation on the policy and procedures should be undertaken with the relevant trade unions on operational procedures to make these principles work effectively.

The UE approved the draft policy and procedures and agreed that the policy need only be referred back to the UE for approval (by correspondence) if material changes are proposed. In the meantime, the wording should be reviewed to ensure that Schools/Sections have maximum flexibility to make decisions on the location of staff who are working out their notice period. It was agreed also that the Principal should be consulted to ensure that he is content with the Principal's role in the process, as set out in the Policy.

M27 REMUNERATION, REWARD, PROMOTION AND PROBATION PROCESSES

The UE received and noted proposals for reorganisation of the support for remuneration, reward, promotion and probation processes across the University which were presented by the Director of HRD.

The UE noted that a range of improvements will be taken forward during 2012 to make the processes more efficient and transparent; however, a review will be undertaken with the aim of bringing about substantial reorganisation: consolidating processes and improving efficiency with effect from 2013. It was noted that a Short Life Working Group (SLWG) comprising management and trade union representatives, would review current policies and procedures with the aim of consolidating these into a single policy and procedures and to ensure that the required preparation documents are fit for purpose. It was noted that consultation would take place with all the relevant groups including trade unions.

The UE recommended that the wording of the document should be revised to clarify the linkage with the PDR process, in the context of engagement with the process, rather than with PDR outcomes.

The UE agreed that the Head of EPS should be invited to join the SLWG.

M28 TRADE UNION FACILITIES TIME

The UE received, discussed and approved a proposal, presented by the Director of HRD, to establish a formal method of agreeing appropriate time and reimbursing Schools or Services for the time away from their work of trade union representatives. The key assumption upon which agreement was reached was that there would be a budgetary allowance, against which appropriate levels of reduction in contributions could be agreed with the relevant Schools. The full estimate of this allowance was noted.

It was requested that Heads receive information from HR on which staff are involved, representing which trade union memberships.

The Vice-Principal confirmed that he would work with HR to develop the process for estimating and attributing budgetary allocations and that this information would be reported subsequently to the UE.

The UE noted the University's obligation to ensure that trade union representatives have sufficient access to facility time to enable them to carry out their functions effectively and agreed that it was in the interests of the University management to gain a better understanding of how this time was being deployed. The Secretary of the University confirmed that once the planned trade union Recognition Agreement had been drafted it would be shared with Heads of School.

M29 PDR UPDATE

The UE received and noted an update on University-wide progress in relation to completion of 2012 PDR meetings which was presented by the Director of HRD.

In relation to future reporting of PDR progress, the UE agreed that regular reports should be presented to the Secretary's Board (noting that reports will be received by the UE through the reports from the Secretary's Board) and that, in parallel, there should also be regular reporting to Heads of Schools, via the relevant HR partners. The UE agreed that the option of direct reporting to the UE by the Director of HR should remain open should a significant issue arise which indicates this is necessary.

M30 SUPPORTING RESEARCH INTENSIFICATION

The UE received and discussed proposals to support research intensification across the University which were presented on behalf of all Heads of School by the Head of the School of MACS. The proposals were presented in three parts, focusing on: structural aspects; investments; and measurement of progress through adoption of a wider range of KPIs.

Following full discussion, the UE membership by a substantial majority were supportive of the proposals and associated rationale, and:

- endorsed the use of institutes as the primary mechanism for promoting and investing in research intensification;
- agreed to the flexible use of Global Platform funds through an allocation process rewarding leveraging of research income; and
- approved the use of a wider range of research intensification metrics in future performance reviews at an institute level.

The UE noted that while some aspects of the proposals could be implemented in the current academic year, others would require implementation over a longer time-scale. It was noted that the operational detail required behind the proposals, including the relevant targets, remained to be developed in full. It was noted also that planning processes associated with the proposals will be required to be undertaken in tandem with other strategic developments, for example, the Estate Master Plan.

The UE agreed that a working group should be convened to develop the operational details to support implementation of the proposals and agreed that the group should include in its membership the Vice-Principal, the DP(Research & KT), the Director of Planning and 3 representative Heads of Schools/PGI nominated by the Heads. It was agreed that a full operational plan should be presented at a future date for the approval of the UE.

It was agreed that an operational plan in relation to investment targeted at PhD studentships should be developed within a shorter timescale and presented to the UE for approval in the near future.

M31 REPORT FROM THE DEPUTY PRINCIPAL (RESEARCH & KT)

The UE received and discussed a report presented by the Deputy Principal (Research & KT) which included a report of Research Grants & Contracts: Proposals and Awards for January 2012.

The UE discussed indications of a time-lag between the start of activities and recording in the Oracle system which gave rise to significant mismatches in reporting. Anecdotal evidence of overly bureaucratic processes was also highlighted. The Secretary of the University and the DP(Research & KT) were invited to discuss these issues further and to report back to the March meeting of the UE in the context of the Oracle R12 system.

M32 REPORT FROM THE RESEARCH & KNOWLEDGE EXCHANGE BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Research & Knowledge Exchange Board relating to the meeting of the Board held on 13 February 2012. All items were presented for information. The DP(Research & KT) drew attention in particular to the reported biannual discussion of the Board on School research strategies which would form the focus of further discussions he would carry forward with Schools.

The DP(Research & KT) confirmed that proposals for the Code of Practice, as required to be developed and applied by each institution submitting staff in REF14, and a timeline for REF preparations will be presented to the UE for approval at its meeting in March 2012.

M33 SECRETARY'S BOARD: TERMS OF REFERENCE

The UE received and approved proposed Terms of Reference for the Secretary's Board, presented by the Secretary of the University for immediate implementation.

M34 INTERNATIONAL STRATEGY BOARD: TERMS OF REFERENCE

The UE received proposed Terms of Reference for the International Strategy Board, presented by the Senior Deputy Principal.

The UE approved the Terms of Reference for implementation, subject to the following recommended amendments:

- under section 2.1 of the document, explicit reference should be made to the delegation of the Board's authority by the UE. The statement should also make reference to the responsibilities of the Board;
- under section 2.1(ii), there should be explicit reference to the responsibility of the Board for *implementation* of the Strategy;
- Under section 6, it should be clarified that the Board will provide a report to the UE following each meeting of the Board;
- the Terms of Reference should include the responsibility to review and, where necessary, update the Terms of Reference and present for UE approval on an annual basis; and
- a typo in the name of the Business Director, EBS should be corrected.

In the light of substantial work required in 2012 to update the International Strategy and also to contribute to the relevant sections of the developing Strategic Plan, the Secretary of the University strongly encouraged the Chair to schedule the first meeting of the Board as soon as possible.

M35 CAMPUS SERVICES MANAGEMENT BOARD: TERMS OF REFERENCE

The UE received proposed Terms of Reference for the proposed Campus Services Management Board, presented by the Secretary of the University.

The UE approved the proposed Terms of Reference for implementation subject to the following suggested amendments and matters for further consideration:

- one or more Heads of School should be invited to join the membership of the Board. The Head of MACS was invited to include this as a matter for consideration at a forthcoming Heads of School meeting;
- further consideration should be given to most effective and efficient way of the Board receiving the necessary input from the Learning & Teaching and the Research & Knowledge Exchange Boards. The Secretary of the University and the DP(Learning & Teaching) were invited to confer further; and
- it should be made more explicit in the Terms of Reference that the Board will report on its business to the University Executive.

It was observed, as a matter of principle, that a judgement should be made as to whether formal bodies in the management governance structure should report directly to the UE or via the Secretary's Board. It seemed appropriate; however, that the Campus Service Management Board should report directly to the UE.

M36 STUDENT APPLICATIONS: UPDATE

The UE received and discussed a presentation delivered by the Director of Planning on student applications. The UE noted that this was the first of three times yearly reports which would be presented to the UE at key points in the student recruitment calendar.

The presentation reported on the current comparative status of undergraduate applications to the University, as at the mid-January UCAS main closing date, and PGT course applications as at early February 2012. In

relation to the latter it was noted that the applications process remained at an early stage with only around 45% of the likely total applications having been received thus far.

The UE discussed the highly positive current status of undergraduate applications which showed that, overall, the University was outperforming national (Scottish/UK) trends. A high degree of variability across Schools was noted.

The UE noted a less uniform trend in relation to PGT application numbers which showed an upward trend in OS applications and a downward trend in UK/EU applications. The UE discussed the potential impact of fees and the cost-effectiveness of some areas of provision versus other drivers such as reputational issues.

It was acknowledged in the course of discussion that the effective management of both undergraduate and postgraduate applications/admissions was dependent on well-defined policies. The Vice-Principal requested that there should be a discussion at the next meeting of the UE on the process for developing the planned admissions policy.

M37 5-YEAR PLAN DEVELOPMENT: UPDATE

The UE received and noted an update report on development of the 5-Year Plan which was presented by the Vice-Principal. The report provided a summary of the outline of the plan, principal changes to the 2012 Plan relative to the 2011 Plan with the relevant altered planning assumptions, identified future challenges and next steps.

Discussion centred on the aim through the course of the Plan to achieve the target 25.5% of School income cost of central services suggested by the outputs of the Tribal benchmarking exercise. This target would apply to centrally located Professional Services; however, the required re-engineering of Professional Services would be a University wide initiative involving services delivered across both the centre and Schools.

M38 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31 JANUARY 2012 (MID-YEAR)

The UE received and noted Management Accounts for the period to 31 January 2012 (mid-year), presented by the Vice-Principal.

It was noted that the report highlighted an improved position. The reported current position appeared to be at variance with forecasting of the remainder of the year which appeared relatively pessimistic. The Vice-Principal asked Heads of Schools to consider their forecasts further and to identify any reasonable opportunities for early release of funds which could be utilised for investment purposes in the current financial year.

M39 TRAC REPORT

The UE received and noted a report on TRAC developments, presented by the Senior Deputy Principal on behalf of the TRAC Development and Resource Modelling Group.

The UE noted that a key element of TRAC processes, the Academic Staff Time Survey (HAST) was due to be repeated in 2012/13 and it was necessary to reach agreement on a University-wide process to support this exercise.

The UE discussed options for an approach to gathering information on academic staff time, noting the earlier broad acceptance by PME of a system based on workload allocations and agreed Forward Job Plans provided that this was consistent with the Performance Reviews data. It was noted that the next HAST survey would need to be carried out in 2012/13. Following discussion, there was broad consensus across Heads of Schools that a survey system involving Forward Job Plan information should be avoided as the information gathered through this process would not provide a sufficiently reliable indicator, but that use of Performance Review data would be preferable to continuing with a HAST-type survey.

The UE agreed that a small group of School Heads from SBE, SML and IPE should consider the options in further detail and present a proposal for consideration by the UE at its next meeting on 22 March 2012.

M40 REPORT FROM THE DEPUTY PRINCIPAL (LEARNING & TEACHING)

The UE received a report presented by the Deputy Principal (Learning & Teaching) which set out a proposal for entry grades for year 1 entry to the Malaysia Campus for onward reporting to the Malaysia Qualifications Agency (MQA).

The UE noted comparative information on entry requirements of other relevant universities and agreed that the entry requirement for the BEng in Civil Engineering should be set at CCC with the expectation that this will be the normal requirement for other undergraduate programmes. The UE noted that this decision would not preclude Schools from presenting proposals for high entry requirements for other programmes where this can be justified. The UE agreed that confirmation of the entry grade should be forwarded to the MQA.

M41 REPORT FROM THE LEARNING & TEACHING BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 9 February 2012.

All items were presented for information and no comments were raised in relation to the report.

M42 REPORT FROM THE SENIOR DEPUTY PRINCIPAL

The UE received a report presented by the Senior Deputy Principal which set out a proposal for the introduction of a new scholarship scheme funded by the Omani Ministry of Higher Education. It was noted that through the scheme students would be recruited funded by the Omani authorities and based on partial fee remission once the specified minimum number of undergraduate students are confirmed on HWU and Study Group courses in September 2012.

The UE discussed and approved in principle the introduction of the scheme, subject to Heads of School being given the opportunity to consider and comment further should they so wish. The Senior Deputy Principal was invited to lead this further consultation over the next few days to garner further views.

In relation to concern raised by Heads of Schools about unexpected and late reported agency fees it was recommended that this issue is placed on the agenda for a forthcoming meeting of the Recruitment, Admissions and Marketing Group. It was also noted that the Director of Recruitment & Admissions was preparing a report on agency commission fees and, to close the reporting circle, the report should be presented in due course to the UE.

M43 HERIOT-WATT UNIVERSITY MALAYSIA (HWUM): UPDATE

The UE received and noted a report, presented by the Senior Deputy Principal, which provided an update on recent progress and next steps and summarised aspects of the arrangements being put in place for the operation of HWUM.

It was noted in relation to documentation to be submitted to the MQA that the MBA documentation would not meet the 24 February deadline date reported but would follow shortly. It remained the hope that the MBA programme could be offered from September 2012 rather than early 2013. The Senior Deputy Principal advised that the Project Board will be required to discuss the matter of the launch date further as this will have an impact on expenditure plans.

M44 REPORT FROM THE SECRETARY'S BOARD

The UE received and noted a report from the Secretary's Board relating to the meeting of the Board held on 6 February 2012.

The Secretary of the University drew attention to the new Secretary's Board bulletin available on the University's web pages.

M45 REPORT FROM THE OCCUPATIONAL HEALTH & SAFETY COMMITTEE

The UE received and noted a report of the meeting of the Occupational Health & Safety Committee which was held on 7 December 2011.

All items were presented for information and no comments were raised in relation to the report.

M46 ORACLE R12 PROJECT

The Secretary of the University confirmed that the Oracle R12 project was proceeding to plan; however, there was a potential risk associated with reaching the required level of participation in organised training on the system.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 22 March 2012

Present:

Prof S K Chapman, Principal and Vice-Chancellor (Chair)

Prof R J M Craik, Vice-Principal (Malaysia)

Ms A-M Dalton, Secretary of the University

Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)

Prof D Hopkins, Head of School, Life Sciences (SLS)

Prof A Harley, Head of School, Textiles and Design (TEX)

Prof G Hogg, Head of School, Management & Languages (SML)

Prof J Jones, Vice-Principal (Chair)

Ms L Kirkwood-Smith, (Clerk to the UE)

Mr A Kitchin, Business Director, Edinburgh Business School

Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)

Prof A Miller, Deputy Principal (DP) (Research & KT)

Prof G Pender, Head of School, The Built Environment (SBE)

Prof John Sawkins, Deputy Principal (Learning & Teaching)

Prof A Walker, Senior Deputy Principal

Present also:

Mr M Adderley, Director of Human Resource Development (HRD) (for items M50 and M51)

Mr R McGookin, Director of Planning

Mr Phil McNaul, Director of Finance (for item M51)

Apologies:

Prof A Kaka, Vice-Principal (Dubai)

Prof S Stewart, Head of Institute, Petroleum Engineering (IPE)

M47 WELCOME

The Principal welcomed Professor John Sawkins who had joined the membership of the University Executive in his new role as Deputy Principal (Learning & Teaching).

M48 MINUTES OF THE PREVIOUS MEETING

The UE approved the minutes of the meeting held on 23 February 2012, with agreement that the minutes should not specify a nominal allowance for facilities time.

M49 ACTION LOG AND MATTERS ARISING

The UE noted actions and related updates, as reported in the Action Log. In relation to M28, the Principal confirmed the relative amounts which a surveyed small group of other Scottish universities had reportedly made budgetary allowance for to cover facilities time.

There were no matters arising.

M50 REPORT FROM THE DIRECTOR OF HUMAN RESOURCE DEVELOPMENT

The UE received and noted a six monthly update report on the activities of the Human Resource Development department which was presented by the Director. The report included an update on organisation-wide people issues, Human Resource Development activity, and commentary on the workforce, via a 'Workforce and HRD Scorecard', which comprised key statistical data.

The Director of HRD sought feedback from the UE on the presentation of workforce statistics, as set out in Appendix 1 of the report. In response the following recommendations emerged from the discussion:

- in relation to all future reporting, the term "open-ended" should be used rather than "permanent" to describe the relevant employment category;
- number trend reporting should be developed over time;
- the inclusion of external comparative "benchmark" data would be helpful; and
- it would be useful if actual numbers attributed to each of the staff categories were included in future reports.

In relation to arrangements for any agreed temporary suspension of studies of academic staff enrolled on the PGCAP course, the UE agreed that all such arrangements should be authorised by means of the appropriate form signed off by the relevant Head of School and University Dean, without the requirement for additional consideration and approval by a University committee. It was agreed that this arrangement should be implemented with immediate effect.

In relation to future arrangements for the Staff Engagement Survey, the UE reconfirmed the agreement of PME in 2011 that the Survey should be established in the HRD operational calendar as a biennial event.

M51 RESEARCH GRANTS & CONTRACTS: PROCESS IMPROVEMENTS

The UE received and discussed a report, presented by the Director of Finance, which set out details of the capacity of the Oracle R12 system to significantly improve data capture and processes associated with the administration and reporting of research grants and contracts information.

The UE endorsed the recommendation that the University should adopt a single process for creating, authorising and submitting research grants and contracts proposals and awards and noted the major benefits for Principal Investigators of improvements in the accuracy, timeliness and transparency of the financial position of individual research grants, noting also the enhancement to the overall visibility of the volume and value of proposals and awards, through their life cycles, created by the new process .

The Vice-Principal recommended that a work-stream should be established with the aim of developing an effective reporting mechanism to replace the current 'forward look' reports.

The UE noted related communications, system familiarisation and vital training arrangements in place and underway to support the successful implementation of Oracle R12. It was noted that the take-up rate for the training programme was not a large as it needs to be and Heads of Schools were asked to encourage the participation in training of the relevant School colleagues. The Director of Finance agreed to provide a reminder to Heads of Schools of the relevant training session dates.

The Director of Finance confirmed that a rolling programme of familiarisation and training would be instituted to support future staff members who will engage with the system.

M52 BUSINESS REPORTED BY THE CHAIR

52.1 HWU Students Union

The Principal updated the UE on HWUSU being named as University Students' Union of the year at the National Union of Students (NUS) Scotland Awards 2012, and the related press coverage and other publicity. The UE broadly endorsed the suggestion that HWUSU's success could be highlighted in messages to student applicants to the University and agreed that the Secretary of the University should relay this suggestion to the Director of External Affairs and Director of Recruitment & Admissions for further consideration.

Leadership Lecture

52.2 The Principal requested that Heads of Schools encourage attendance of staff and students at the forthcoming lecture. UE members were also reminded about the Inaugural Lecture to be delivered by Prof Steve McLaughlin, Head of the School of EPS, on 23 March 2012.

National Student Survey (NSS)

The Principal highlighted the most recently reported response rates by department of HWU eligible students in

52.3 the 2012 NSS. Heads of Schools were asked to maintain awareness of response rates and address areas which are shown to be lagging.

The UE noted a report that students studying through the West London College ALP will, from the next NSS survey, be included within the eligible population for Heriot-Watt University.

M53 CONSULTATIONS AND PUBLICATIONS LOG

The UE noted a report on external consultations communicated to the University with deadline dates up to April 2012, noting arrangements for the co-ordination of the University's responses, and a summary of recently published higher education-related publications.

M54 VACANCY MANAGEMENT GROUP: TERMS OF REFERENCE

The UE received and approved draft revised Terms of Reference for the Vacancy Management Group (VMG) for implementation, noting the intention to invite the Director of HRD to be in attendance at meetings. It was agreed that the Terms of Reference document should be amended accordingly prior to publication.

The Vice-Principal (Malaysia) highlighted the intention that, in the future, the remit of the VMG would not extend to the Malaysia Campus. Noted, in terms of oversight and control of the pay budget relating to the Malaysia Campus, that a mechanism had yet to be developed and agreed for this. The Vice-Principal and the Senior Deputy Principal confirmed that, pending agreement on an alternative, the control provided by the VMG should be deemed for the time-being to include the Malaysia Campus.

M55 PRINCIPAL'S ADVISORY GROUP: TERMS OF REFERENCE

The UE received and approved draft Terms of Reference for the Principal's Advisory Group (PAG) for implementation, noting that an error had been made in the presentation of the membership and that the Director of Finance and the Director of Planning were full members of the PAG. It was agreed that the Terms of Reference document should be amended accordingly prior to publication.

M56 REPORT FROM THE SENIOR DEPUTY PRINCIPAL

The UE received and noted a tabled summary report on a visit to China in March 2012 which was presented by the Senior Deputy Principal. The report highlighted involvement of the visiting group in a number of events and visits aimed at developing existing or new relationships. The Senior Deputy Principal confirmed that a fuller report was being prepared and would be circulated to the UE in due course.

M57 HERIOT-WATT UNIVERSITY MALAYSIA (HWUM) PROJECT UPDATE

The UE received and noted an update report, presented by the Senior Deputy Principal, on recent progress and next steps in relation to the HWUM project.

The Senior Deputy Principal drew attention in particular to fit-out costs and the likelihood that the element of these costs attributable to the University will be significantly higher than the original estimate incorporated in the project Business Plan. The current upper estimate for capital costs up to July 2016 was £2.25 m above the original figure. The Senior Deputy Principal confirmed that consultations were ongoing with the Putrajaya Holdings team to obtain a detailed breakdown of the costs to identify areas of potential saving. Further discussions would follow to determine how the remaining additional costs should be divided between both parties and how the expenditure might be phased to minimise its impact on each. It was noted, in relation the University's share, that there may be potential to agree "rentalisation" of this additional liability.

The Vice-Principal confirmed that while additional costs would not have a material impact on the University's revenue line, there would be an impact on projected cash-flow and in consequence the requirement for additional borrowing; however, this would not be at a level which would cause substantial concern.

The Senior Deputy Principal also reported on a recent meeting involving Professor Brian Robertson of the project team with the Minister of Science, Technology and Innovation. The outcomes of this meeting had been reported in positive terms and had highlighted potential opportunities including potential research funding which

would be followed up through further meetings.

M58 PHD STUDENTSHIP SCHEME

The UE discussed and approved a proposal to establish a new scheme for support of PhD studentships which was presented by the Vice-Principal. The UE approved implementation of the studentship scheme from 2012/13 and proposed arrangements for financial support of the scheme in future years.

The UE agreed also that:

- in principle, the University-wide studentship scheme should be named/branded; and
- the allocation of studentships at the Dubai Campus should be via the relevant Schools.

The UE noted that the outline of the Scheme presented provided the basis for a detailed proposal to be developed with a view to the scheme being put in place in time for the current planning round. The objective of the scheme was to increase the total PhD student population without displacing other types of funding and with the intention of generating a long-term return on investment. It was intended that the scheme would be resourced from the fund set-aside for academic recruitment, set at £4.5M pa for each year of the current five-year plan. In the first year's intake a maximum of 50 of the new studentships would be offered. The Vice-Principal highlighted that the funds would cover stipends, not fees, and that the scheme was affordable only on the basis of that there was a required payback arrangement.

M59 REPORT FROM THE SECRETARY OF THE UNIVERSITY

The UE received and noted an oral update report presented by the Secretary of the University. The Secretary highlighted:

- good progress being made by the contractors on the Residences project on both campus sites. The programmes through to completion were tight but were being carefully monitored by the Director of Campus Services and his team;
- the highly positive fundraising campaign led by the Development & Alumni Office which had raised £180 k against an original target of £60 k, with more than 700 new donors created;
- details of a new £15 m new "Heart of Campus" fundraising campaign project would be presented to the University Executive in the near future;
- continuing development of the Student Administration System (SAS) Banner system to accommodate, for example, UKBA requirements;
- ongoing plans, in the wider context of a student life-cycle project, to re-engineer student recruitment and admissions processes with the aim of developing an action plan for the elimination of inefficient processes across the University, improving conversion rates and the student experience;
- the high turnout at the recent HWU Student Union elections and the Student Union's success in being named as the University Students' Union of the year 2012;
- ongoing consultations within the Information Services Directorate in relation to the planned creation of a conjoined Library and Information Technology service. A proposal will be presented to the University Executive for consideration in due course;
- the planned go-live date of September for the upgraded Virtual Learning Environment (VLE). Other significant IT roll-outs included the PURE system, ongoing roll-out of Windows 7/Office 2010 and SAS updates;
- the appointment of Dr Ruth Neiland as Head of Academic Enhancement; and
- plans to revise and integrate University promotion and reward policies and processes from 2013.

M60 REPORT FROM THE SECRETARY'S BOARD

The UE received and noted a report from the Secretary's Board relating to the meeting of the Board held on 6 March 2012. The discussion by the UE focused in particular on plans to develop a proposal relating to 'buildings closed days' from 2012/13. The Secretary of the University highlighted plans to take forward consultation with staff on the University's handling of public holidays, to resolve misunderstandings associated with the terminology surrounding public holidays, to ensure there is robust on-call cover where required, and to address issues about accessibility of buildings in areas where staff/students which require or desire a business as usual approach on recognised holiday dates.

M61 EFFICIENT GOVERNMENT RETURN 2012

The UE received and approved the University's draft Efficient Government Initiative (EGI) 2012 Return which had been forwarded by the Secretary's Board with a recommendation that it be approved for onward submission to the Scottish Funding Council by 23 March 2012.

The UE noted that the report for submission included confirmation of the 2009/10 and 2010/11 outturns and forecasts in relation to the current financial year, 2011/12 in relation to which there was an expectation the Scottish Government that each public body would deliver efficiency savings of at least three percent against the 2010/11 baseline.

M62 REPORT FROM THE DEPUTY PRINCIPAL (RESEARCH & KT)

The UE received and noted a report presented by the Deputy Principal (Research & KT). The UE noted that the report highlighted the requirement for UE approval of the University's draft 'Code of Practice on the Selection of Staff for the Research Excellence Framework REF2014' – dealt with under M63 below and provided, as an appendix, a report of Research Grants and Contracts: Proposals and Awards report for February 2012 (Period 7). The report also provided an update on Heriot-Watt Crucible Interdisciplinary Projects which had been selected for funding, and an update of the launch of the 2012 Converge Challenge Business Competition. Associated with the latter, the Deputy Principal confirmed that discussions were underway with external bodies in relation to future prospects for funding support for the Converge project.

In relation to the report on Research Grants & Contracts, the Deputy Principal highlighted that while the extrapolation of spend at the year-end fell short of target, the gap continued to narrow. The value of proposals had increased to exceed the level reported at the same time last year.

M63 REPORT FROM THE RESEARCH & KNOWLEDGE EXCHANGE BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Research & Knowledge Exchange Board relating to the meeting of the Board held on 14 March 2012.

The UE noted and approved the University's draft 'Code of Practice on the Selection of Staff for the Research Excellence Framework REF2014' for submission to the UK REF Team by 27 April 2012. It was noted that the purpose of the Code of Practice was to ensure the fair, equitable and transparent selection of staff for inclusion in the REF 2014 submission based on the excellence of individuals' research. The Code had been developed in the light of the relevant external REF guidance and in consultation with the University's Equality and Diversity Advisory Group, Trade Unions, RKEB and the REF Steering Group.

The UE discussed the matter of setting of threshold criteria for submission of staff and agreed that a proposal should be developed setting out the process by which decisions will be reached on threshold criteria for submission. This should enshrine the principle of University Executive input/agreement following which further more detailed work is taken forward by the REF Steering Group and the internal Panels. It was agreed that the REF Steering Group should prepare a paper to form the basis of further discussion at the next meeting of the UE.

The Principal advised that the approval process by which REF2014 textual submissions are finalised should include meetings of Heads of Schools with the Principal and the authors of the draft submissions.

The UE noted other items included in the report from the Board which were presented for information.

M64 REPORT FROM THE DEPUTY PRINCIPAL (LEARNING & TEACHING)

The UE received and noted a report presented by the Deputy Principal (Learning & Teaching) which highlighted the ongoing review of the Learning & Teaching Board's Term of Reference, reports of Internal Reviews of teaching and learning, and the QAA Enhancement Themes conference held at the University in early March 2012.

The UE received and noted internal review reports of the following, noting that in each case the Review team had confirmed *"confidence in the Programme Teams' ability to maintain academic standards and to ensure high quality courses of study now and in the future"*:

- Urban Studies (review held in February 2011)
- Mathematics (review held in February 2011)

The report confirmed that a 'confidence' judgement had also been returned by the internal review team in relation to a review of Mechanical Engineering held in early March 2012.

M65 REPORT FROM THE LEARNING & TEACHING BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 8 March 2012. All items were presented for information.

M66 ORAL UPDATES FROM HEADS OF SCHOOLS/ V-Ps (overseas campuses)

The UE received and noted oral updates on news and developments in their respective Schools/Campuses from the relevant Heads/V-Ps present.

M67 UNIVERSITY RISK HEAT MAP

The UE received, discussed and approved an updated Risk Heat Map for onward presentation to the Audit & Risk Committee.

In relation to risk area 7, a question was raised in relation to overseas postgraduate student numbers and whether something particular had contributed to the negative movement in the risk assessment. The Secretary of the University agreed to double-check on the risk areas in the section which were both assessed as red risks. The Vice-Principal highlighted the possibility that the attendant risk – in particular in relation to the overseas postgraduate student numbers is associated with imbalance in staffing requirements (given that for some Schools future growth in numbers is higher than target, while for some Schools growth will be less than target.) If this is the case, the wording of the risk should be clarified.

In relation to risk area 10, it was noted that the planned maintenance programme was assessed as a green risk area: seemingly at odds with the wider issue of spend levels being insufficient to meet needs or expectations. The Secretary of the University drew attention to the limitations of the current model of reporting which would be addressed with the implementation of the planned new system.

M68 INTERNAL AUDIT REVIEW REPORTS

The UE received reports of Internal Audit reviews, complete with agreed management actions on the recommendations, for onward presentation to the Audit & Risk Committee:

'Treasury and Cash Management'

68.1 The UE noted and endorsed the management responses as set out in the report, for onward presentation to the Audit & Risk Committee.

'Capital Management Review'

68.2 The UE noted the report. In relation to 'Capital Management Processes', the Vice-Principal highlighted that significant capital projects would, as a matter of course, require to be supported by a business case. However, there remained a significant class of work, e.g. the rolling programme of space refurbishment for which this approach was neither desirable or necessary. The wording of the management response appeared to support a recommendation from the Internal Auditor that the University Executive would find unacceptable. It was agreed that UE's disagreement with the recommendation should be relayed for discussion and clarification at the forthcoming meeting on the Audit & Risk Committee on 26 March 2012.

Other than the matter reported above, the UE endorsed the management responses as set out in the report, for onward presentation to the Audit & Risk Committee.

'Strategic and Operational Planning Review'

The UE noted and endorsed the management responses as set out in the report, for onward presentation to

the Audit & Risk Committee.

Project Management Review

68.3 The UE noted and discussed the report. The UE agreed that a separate further UE discussion will be required to arrive at an appropriate definition of a "project" and it was agreed that the Audit & Risk Committee, at its meeting on 26 March 2012, should be advised of the plan by the UE to give further consideration to this, establishing clear criteria for designation of a work-stream as a "project".

68.4 Agreed that a proposal should be developed by the Principal's Advisory Group for submission to the UE and to the Audit & Risk Committee in due course. It was agreed that the UE should consider a proposal in the early summer period, to include, inter alia, a recommendation as to how the University should best provide an effective structure for the support project management across the University.

The UE noted and endorsed the management responses as set out in the report, for onward presentation to the Audit & Risk Committee.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 31 May 2012

Present:

Prof S K Chapman, Principal and Vice-Chancellor (Chair)
Prof R J M Craik, Vice-Principal (Malaysia)
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)
Prof J T Ford, Acting Head of Institute, Petroleum Engineering (IPE)
Prof D Hopkins, Head of School, Life Sciences (SLS)
Prof A Harley, Head of School, Textiles and Design (TEX)
Prof G Hogg, Head of School, Management & Languages (SML)

Prof J Jones, Vice-Principal (Chair)
Ms L Kirkwood-Smith, (Clerk to the UE)
Mr A Kitchin, Business Director, Edinburgh Business School
Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof G Pender, Head of School, The Built Environment (SBE)
Prof J W Sawkins, Deputy Principal (Learning & Teaching)

Present also:

Mr M Adderley, Director of Human Resources

Mr R McGookin, Director of Planning

Mr Phil McNaull, Director of Finance (for items M74-M79)

Apologies:

Ms A-M Dalton, Secretary of the University

Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)

Prof A Kaka, Vice-Principal (Dubai)

Prof A Walker, Senior Deputy Principal

M69 WELCOME

The Principal welcomed Professor John Ford who had joined the membership of the University Executive in the capacity of Acting Head of the Institute of Petroleum Engineering.

The Principal relayed thanks to Phil McNaull, Director of Finance, for his valued contribution to the senior management team and wished him success in his new role as Director of Finance at the University of Edinburgh.

M70 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 22 March 2012 were approved with the following amendment: M54: first sentence of second paragraph to read "The Vice-Principal (Malaysia) highlighted the intention that, in the future, the remit of the VMG would not extend to the Malaysia Campus."

M71 ACTION LOG AND MATTERS ARISING

71.1 ACTION LOG

The UE noted actions and related updates, as reported in the Action Log.

71.2 MATTERS ARISING

Scottish Borders Campus

The UE noted and discussed an update provided by the Director of HR on the status quo of the ongoing consultation with staff on the subject of the Five-Year Strategic Plan for the School of Textiles & Design which was aimed at addressing the current deficit position of the School and securing its financial sustainability in the longer term. The UE noted:

- extension to the consultation period until the end of June 2012, active engagement with staff and the trade unions was therefore continuing;
- an approach had been made to the SFC in relation to prospects for additional funded student places. However this approach was entirely independent of the proposed plan for the School and must not be viewed as an alternative means to achieve a sustainable bottom line;
- HR support was being provided to individuals who might be interested in voluntary severance; and
- the need to establish a clear road map of all the relevant step processes between now and September 2012.

UKBA Inspection on 8 June 2012

UE members were requested to ensure that any requests by the UKBA for further information in relation to the planned UKBA inspection on 8 June 2012 are met with due priority and speed.

M72 BUSINESS REPORTED BY THE CHAIR

72.1 **Residences Project**

The Principal reported that there was a possibility that the new Scottish Borders Campus Residences block would not be ready in time; therefore, contingency plans would be put in place. The Principal confirmed that the contractor was seeking additional payment to implement an accelerated programme and that negotiations were being undertaken between the University and the contractor to resolve this case as a matter of urgency. Accommodation options were being considered in the worst case scenario that residences accommodation will not be ready in time for student arrivals. The options considered included use of the Residences 1 block at the Edinburgh Campus.

72.2 **Reserved Section (Ref Section 30, FOI(S)A)**

72.3 **Additional meeting of the UE, summer 2012**

Following invited comments from the UE membership, the Principal invited the clerk to arrange consultation on dates for a forthcoming further meeting of the UE ahead of the next scheduled meeting to be held on 23 August 2012. In this context, there was broad agreement that more time needed to be freed up in the UE business agenda for topical strategic discussion.

M73 CONSULTATIONS AND PUBLICATIONS LOG

The EU received and noted a report on external consultations communicated to the University with deadlines dates up to May 2012, noting arrangements for the co-ordination of the University's responses. The UE received and noted also a summary of recently published higher education-related publications.

M74 FIVE-YEAR PLAN

The UE received and discussed a paper and supporting presentation by the Vice-Principal which set out the near-final Five-Year Plan 2012. It was noted that work would continue over the coming month to finalise the Plan towards its recommendation by the Finance Committee to the Court for approval at the meeting of the Court to be held on 25 June 2012.

The Vice-Principal highlighted key changes to the Plan over the previous year's Plan and drew attention to those areas of the 2012 Five-Year Plan which would require further development over the weeks ahead, most notable among those were changes associated with the Malaysia Campus Project where work was continuing

to determine the level of costs associated with accommodation fit-out. Other key areas for further iteration included the Dubai Campus, where the campus plan had yet to be approved but where an increase in contribution would be proposed; and the School of Textiles and Design, where consultation on staff restructuring remained in progress.

The UE endorsed the Five-Year Plan for onward presentation and recommendation to the Finance Committee at its meeting on 6 June, and thence for onward recommendation by the Committee to the Court.

In relation to the PhD Studentship scheme, which was approved by the UE at its meeting on 22 March 2012, the Principal asked that Schools, which have yet to do so, should submit their bid for funding to support additional PhD student numbers in 2012/13.

M75 STUDENT RECRUITMENT UPDATE

The UE received and discussed an update report on applications and acceptances, as at mid-May 2012, which was presented by the Director of Planning. The report confirmed the significant milestone in the UCAS application cycle for UK/EU undergraduate applicants of mid-May as the point at which applicants are required to confirm acceptance or otherwise of the offers they have received. It was noted that the application and acceptance deadlines for Overseas undergraduates were later.

It was noted that the University was on track to match closely the Scottish plus non-UK EU maximum intake target - a positive and well-controlled outcome which applied to each School. It was noted that historic 'conversion' values were available only for UE/EU combined. Actual values were expected to be more favourable for conversion of Scottish acceptances, uncertain for Rest of EU acceptances with the likelihood of over-recruitment in this category, and less favourable for conversion of RUK acceptances while, nevertheless, being more than adequate to ensure that the minimum RUK recruitment target is exceeded.

In response to a request from a UE member, the Director of Planning agreed to provide a detailed report to the UE in the style usually presented to the Secretary's Board.

M76 MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 30 APRIL 2012

The UE received and discussed Management Accounts for the period ending 30 April 2012 (Period 9), which were presented by the Director of Finance.

The Director of Finance drew attention in particular to the Executive Summary of the year-to-date which reported on key areas of progress against the University's five key strategic goals. In particular, research contribution was highlighted as having failed to meet budget targets. However, there had been a substantial increase in research proposals indicating potential for increased future income. The UE noted a year-end forecast of a budget surplus of £4.9 m against a budgeted surplus of £1.3 m and noted the reported budget performance factors which contributed to this forecast.

M77 Reserved Section (Ref: Sections 30, 33, FOI(S)A).

M78 ORACLE R12 PROJECT UPDATE

The UE noted and discussed an update report on progress on the Oracle R12 Project which was presented by the Director of Finance. It was noted that the go-live date for the project remained 1 June 2012, following which there would be a structured roll-out of system functions. It was noted that there were currently no 'red' risks associated with the project.

The Director of Finance drew attention in particular to the "self-service" principle of the new system; standardisation of processes; simplified structure; data cleansing issues and progression to consistent use of codes; work to embed reporting hierarches and signing responsibilities in compliance with the University's financial regulations; and the programme of training being provided. With regard to the latter, attendance levels had not been as good as hoped; however, feedback from those who had participated had been very largely positive.

In the course of discussion a few Heads of Schools highlighted issues in relation to their respective School "approver" hierarchies. The Director of Finance confirmed that, following the launch of the system, these could be revisited and changed if required.

The UE discussed the matter of use of the system by staff who had not received the requisite training. The Director of Finance confirmed that, to enable adequate control of the system, staff would not be permitted to use Oracle R12 without having completed the relevant training. It was recommended by a few members of the UE that further consideration be given to "fast-track" training and to less structured training arrangements once the system is operational with large numbers of staff users.

M79 INTERNAL AUDIT REPORT: ORACLE PRE-IMPLEMENTATION

The UE received and noted an Internal Audit Report: 'Oracle pre-implementation' which reported the outcomes (findings, recommendations and agreed management outcomes) of an audit review which was undertaken in March 2012. The purpose of the review had been to gain an understanding of the extent to which the necessary activities were being performed in order to successfully achieve the planned Oracle R12 go-live date and to manage the risks associated with implementation of the system.

No comments were made on the agreed management responses, as set out in the report. These were therefore endorsed for onward transmission within the report to the Audit and Risk Committee for consideration at its meeting on 8 June 2012. However, UE members were given the opportunity to relay any comments as soon as possible following the meeting to the UE clerk (*addendum: no comments were received by the clerk*).

M80 LEARNING & TEACHING BOARD: TERMS OF REFERENCE

The UE received and approved revised Terms of Reference for the Learning & Teaching Board which were presented by the Deputy Principal (Learning & Teaching) for immediate implementation.

The UE noted that the revised Terms of Reference had been approved by the Learning & Teaching Board at its meeting on 12 April 2012 and that the revisions reflected the view of the Board members that the Board should focus more on strategic matters while operational issues are delegated to the Board's committees.

M81 MALAYSIA PROJECT BOARD: TERMS OF REFERENCE

The UE received and approved revised Terms of Reference for the Malaysia Project Board which were presented by the Senior Deputy Principal for immediate implementation.

In the course of discussion, a question arose in relation to the approving body for changes to the Malaysia Project business plan and it was noted that, in general, changes relating to operational delivery of the business plan will fall within the remit and authority of the HWUM Board, while authority for strategic and material changes to the business plan will fall within the remit and authority of the University Executive (notwithstanding any required further Court/Court committee approval.)

The Principal agreed that he would raise this matter for discussion at the next meeting of the Malaysia Oversight Board with a view to formal guidance being developed to clarify the lines of demarcation, for UE approval.

In relation to the reporting responsibilities of the Malaysia Project Board following the end of the project, the Senior Deputy Principal confirmed the expectation that the project will be considered to have reached its end three months after the campus has become operational.

M82 TRAC DEVELOPMENT AND RESOURCES MODELLING WORKING GROUP: TERMS OF REFERENCE

The UE received and approved revised Terms of Reference for the TRAC Development and Resources Modelling Working Group which were presented by the Senior Deputy Principal for immediate implementation.

M83 REPORT FROM THE SENIOR DEPUTY PRINCIPAL

The UE received, discussed and approved a Malaysia Project Board proposal, presented by the Principal, that a Capital Contingency for the HWUM Project at the level of £3 m be created in support of possible additional premises costs and that this recommendation is relayed to the Finance Committee, the Malaysia Oversight Board and to the Court for consideration and approval at their meetings in June 2012. The proposal included

a recommendation that the Malaysia Oversight Board be delegated to approve the application of the contingency to deliver the appropriate premises outcomes, as necessary.

The UE noted that the point of determining the final fit-out costs had not yet been reached; however, in the context of preparing the University's Five-Year Plan, there was a need to finalise overall budgets. The UE noted that efforts would also continue, through a range of different means, to minimise the extent to which the Capital Contingency is actually required.

A member of the UE raised a question about the original misunderstanding in relation to building fit-out costs which, in turn, raised issues about timely clarification of contract details and future application of lessons learned.

M84 MALAYSIA PROJECT UPDATE

The UE received and noted an update report on the HWUM Project prepared by the Senior Deputy Principal for the UE, the Audit and Risk Committee and the Malaysia Oversight Board.

The report highlighted recent progress in relation to campus premises; finances - in particular the overall impact of potential cost changes in the context of the University Five-Year Plan; company governance; licensing and accreditation; staff appointments; risk register and recent events in Malaysia. The paper included a report of key dates through to the September 2014 launch of undergraduate programmes, and a summary of the position and actions following recent discussions on the matter of premises fit-out.

M85 REPORT FROM THE INTERNATIONAL STRATEGY BOARD

The UE received and noted a report from the International Strategy Board relating to the first meeting of the Board which had been held on 17 May 2012.

The UE approved the request of the Board to augment the membership of the Board through inclusion of the Vice-Principal (Dubai) and the Vice-Principal (Malaysia).

The UE noted and commented on other items presented for information. In relation to agenda item 3 of the report and the reference to international dual/joint degree programmes, the Deputy Principal (Learning & Teaching) reminded the UE of current policy in that, under such circumstances, the University would not normally enter into an agreement to offer a joint award, and recommended that this policy be reaffirmed.

M86 VOLUNTARY SEVERANCE POLICY AND PROCEDURES

The UE received and approved for implementation draft Voluntary Severance (VS) Policy and Procedures and a draft updated Voluntary Severance Payment Policy which were presented by the Director of Human Resources.

It was noted that the VS Policy, which applies to UK-based University employees, was one of a suite of policies on Managing Change which should be read in conjunction with the following policies: consultation on the avoidance of redundancy; redeployment; voluntary severance payments, redundancy selection policy and procedures; and redundancy payments.

The UE Noted that Voluntary Severance Policy and Procedures were tabled at the meeting of the CJNCC in early May 2012. The UE noted also work ongoing by the management members of the CJNCC to engage the trade unions with the operational procedures associated with the principles of change management, as well as engaging them in consultation associated with areas affected by change, as and when required.

M87 REPORT FROM THE SECRETARY OF THE UNIVERSITY

The UE received and noted a Secretary's Board Bulletin for May 2012 which was presented by the Director of HR on behalf of the Secretary of the University.

The UE broadly endorsed a recommendation by the Principal that a new UE bulletin be developed for regular publication in a similar style to the Secretary's Board bulletin. There was also broad endorsement for the suggestion by a UE member that the bulletin should be made available in reasonable numbers in paper format.

The UE clerk was invited to consult further on development of the bulletin with Corporate Communications.

M88 REPORT FROM THE SECRETARY'S BOARD

The UE received and noted a report from the Secretary's Board which was presented by the Director of HR on behalf of the Secretary of the University.

Noted items presented for approval which were dealt with under M89, M90 and M91 below.

M89 LEADERSHIP EXCELLENCE FRAMEWORK

The UE received and approved a proposed 'Leadership Excellence Framework' (LEF) which was presented by the Director of HR, noting that the LEF had been endorsed by the Secretary's Board at its meeting on 12 April 2012. The UE approved the adoption of the LEF for use in leadership development and recruitment, and as part of the promotions process review and endorsed the proposal to refine the LEF for Grade 9 leaders.

The UE noted that the LEF set out guidance on expectations of leaders in relation to: communications; championing change; delivery and productivity; decision-making which best fits University goals; and discipline/specialist leadership, as well as providing useful but non-prescriptive guidance for recruiters to leadership roles including sample interview questions.

M90 HOLIDAY ARRANGEMENTS: OPTIONS FOR CHANGE

The UE received and discussed options, presented by the Director of HR with the aim of achieving better alignment of 'buildings closed' holidays with the operational needs of the University's Scottish campuses.

The UE endorsed, for further consultation with staff via the relevant trade unions, the choice of 'Option 3' in the paper; i.e. to keep Easter and Christmas as 'fixed' days and to consolidate the remaining days into a 'flexible' allowance with 9-10 'fixed' days. It was agreed that the target date for implementation should be from academic year 2012/13.

The UE also approved the recommendation that in 2012, as a one-off gesture, staff are allocated an additional half-day's leave on Monday 24 December, with Friday 21 December treated as a normal working day.

In the course of discussion two issues were highlighted for resolution:

- alignment of Scottish Borders Campus and Edinburgh Campus holiday dates; and
- following resolution of the policy on 'buildings closed' days to seek to standardise and to communicate other policies and procedures associated with staff leave.

M91 BUILDINGS CLOSED DAYS: REVIEW OF ON-CALL ROTA

The UE received and noted a summary of the current plans in place to ensure that services continue to operate during 'Buildings Closed Days' and 'out of hours'. The UE noted the assessment of the Secretary's Board that, as a non-urgent issue, which would require consultation, and in the light of the large amount of change which is the focus of HR, trade union and consultative activity, the current situation should be monitored for the time-being with a view to revisiting the University's approach and the relevant policies in 18 months' to two years' time.

M92 REPORT FROM THE DEPUTY PRINCIPAL (LEARNING & TEACHING)

The UE received and noted a report from the Deputy Principal (Learning & Teaching). Items 1 and 2 were presented for approval. Other items were presented for information.

92.1 Policy on Programme Titles, Learning Outcomes and Course: Management of Multi-Location, Multi-Mode Programmes

The UE received, noted and approved the key principles of the University's policy on programme titles, learning outcomes and courses, to approve point 4 (as detailed) and the timeline for implementation, noting that the

policy will be considered by the Undergraduate and Postgraduate Studies Committees, with approval being requested from the Senate in due course. The UE noted that Schools will have one year from the date of implementation of this policy to ensure that all multi-location/mode programmes comply with the points outlined in the policy with the exception of the School of Management & Languages; the Head of which advised that compliance could be achieved over two years.

92.2 **Reserved section (Ref Section 30, FOI(S)A).**

M93 REPORT FROM THE LEARNING AND TEACHING BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Learning & Teaching Board relating to the meeting of the Board held on 12 April 2012.

All items were presented for information with the exception of item 1: Learning & Teaching Board Terms of Reference which was dealt with under M80 above.

M94 REPORT FROM THE DEPUTY PRINCIPAL (RESEARCH AND KT)

Received and discussed a report from the Deputy Principal (Research & KT). All items were presented for information. Emerging discussion focused in particular on:

- the current position in relation to the value of research grants and contracts, proposals and awards. The Deputy Principal drew attention to the improved position compared to the previous year of research income (by spend), although this looked likely still to fall a little way short of the 2011/12 end-of-year target of £24.6 m. A very healthy total of new awards for the month comprised 32 awards, including the renewal of the International Centre for Mathematical Sciences programme 2012-18. The value of proposals submitted so far in the year compared highly favourably against each of the last two years;
- the functionality of the 'Pure' system which was reported to be operational in Schools;. The Deputy Principal (Research & KT) updated the UE on the 'Pure Advance Portal' which would increase the functionality of the system including, for example, facilitating external access to the system, not currently enabled; and;
- REF2014 preparations. The UE discussed ongoing discussions within the University relating to preparations for REF 2014, and other associated issues, such as staff contracts, and approval by the SFC of the University's REF2014 Code of Practice document (yet to be confirmed).

The UE noted that a UE discussion on criteria for selection to each Unit of Assessment in REF remained to be scheduled in the near future. It was agreed that this should be considered in the context of the request for an additional summer meeting of the UE (M72.3 above.)

M95 REPORT FROM THE RESEARCH & KNOWLEDGE EXCHANGE BOARD

The UE received and approved, for onward presentation to the next meeting of the Senate, a report from the Research & Knowledge Exchange Board relating to the meeting of the Board held on 14 May 2012.

All items were presented for information.

M96 ORAL UPDATE FROM HEADS OF SCHOOLS, V-P MALAYSIA

The UE received and noted oral updates on news and developments in their respective Schools/Campuses from the relevant Heads and Vice-Principal (Malaysia) who were present.

In relation to emerging discussion on the Eco Village project and apparent slow progress on development of the business case, the Principal agreed to consult further with the Director of Campus Services.

M97 REPORT FROM THE RISK MANAGEMENT STRATEGY GROUP AND UNIVERSITY RISK HEAT MAP

The UE received and noted the following which were presented by the Director of HR on behalf of the Secretary of the University:

- a report from the Risk Management Strategy Group (RMSG), relating to the Group's meeting held on 15 May 2012; and
- an updated Group Risk Heat Map accompanied by a summary report of key changes to the risk profile as agreed at the most recent meeting of the RMSG.

The UE approved the Risk Heat Map for onward reporting to the Audit & Risk Committee at its next meeting to be held on 8 June 2012.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 5 July 2012

Present:

Prof S K Chapman, Principal and Vice-Chancellor (Chair)
Ms A-M Dalton, Secretary of the University
Prof J T Ford, Acting Head of Institute, Petroleum Engineering (IPE)
Prof G Hogg, Head of School, Management & Languages (SML)
Prof D Hopkins, Head of School, Life Sciences (SLS)

Prof J Jones, Vice-Principal (Chair)
Ms L Kirkwood-Smith, (Clerk to the UE)
Prof A Miller, Deputy Principal (DP) (Research & KT)
Prof G Pender, Head of School, The Built Environment (SBE)

Present also:

Prof M Christie, Institute of Petroleum Engineering
Prof I Galbraith, School of Engineering & Physical Sciences
Prof G Gibson, School of Mathematical & Computer Sciences

Mr R McGookin, Director of Planning
Prof G Stylios, School of Textiles & Design

Apologies:

Prof R J M Craik, Vice-Principal (Malaysia)
Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)
Prof A Harley, Head of School, Textiles and Design (TEX)
Prof A Kaka, Vice-Principal (Dubai)

Mr A Kitchin, Business Director, Edinburgh Business School
Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)
Prof J W Sawkins, Deputy Principal (Learning & Teaching)
Prof A Walker, Senior Deputy Principal

		ACTION	With
		Who	whom
		When	
M98	WELCOME		
	The Principal welcomed Professors from Schools/IPE who were representing absent Heads of Schools in relation to item M103.		
M99	MINUTES OF THE PREVIOUS MEETING		
	The UE approved the minutes of the meeting held on 31 May 2012.	LKS	
		6 Jul 12	
M100	ACTION LOG AND MATTERS ARISING		
	ACTION LOG		
	The UE noted actions and related updates, as reported in the Action Log.		
	MATTERS ARISING		
	There were no matters arising.		
M101	PG CAP AT HERIOT-WATT: FUTURE DEVELOPMENT PROPOSAL		
	The UE received and approved recommendations, presented by the Deputy Principal (Research & KT) on behalf of the 'Academic Enhancement Advisory		

Group', which set out an approach towards re-development of the PG CAP programme. These included a recommendation that probationary targets for all new academic staff should no longer uniformly require completion of the full PG CAP qualification.

The UE noted that the recommendations had been developed in response to concerns raised within Schools about the staff time commitment to PG CAP, in particular in the light of research commitments in the lead up to the Research Excellence Framework (REF), and the efficacy of this single compulsory mechanism for preparing staff for lecturing roles. The UE had discussed the matter at its meeting in December 2011 when it had been agreed that a revised policy should be outlined within 2011/12. It was noted that, in the mean-time, a small number of probationary staff had opted to apply for temporary suspension of studies to postpone completion of their PG CAP course.

The UE agreed that:

- completion of PGCAP should not be an essential requirement of probation for all academic staff, although it will still be recommended or compulsory for some (e.g. Teaching Fellows). Instead, most new academic staff will be required to undertake some training in learning and teaching and research from the range of provision offered by Academic Enhancement ;
- a blended-learning version of face-to-face PGCAP courses will be introduced from September 2012, reducing classroom and assignment time requirements and introducing greater flexibility;
- the Edinburgh-campus and distance-learning versions of PGCAP courses will be re-synchronised to run at the same time (commencing in September 2012) with the aim of reducing administrative and teaching effort of Academic Enhancement and encouraging enhanced peer support and networking between staff across all campuses; and
- a new CPD "Framework" will be developed for Academic Enhancement provision which will be broadly consulted on and for which HEA accreditation will be sought; the expected launch date to be September 2013.

AM
From Jul 12

Et al

Reserved section (Ref Section 30, FOI(S)A).

M102 PHD STUDENTSHIP SCHEME

The UE discussed and approved a proposal, presented by the Vice-Principal, to increase the total number of new PhD studentships to be awarded in 2012/13. The UE noted minimum criteria and procedures relating to the James Watt PhD scholarships ("badged" as per the UE's recommendation when the new studentship scheme was approved by the UE in March 2012).

The UE noted that demand for the studentships from Schools had been considerably higher than expected. The UE noted and discussed the proposed allocation of 68 studentships across Schools, as against the originally planned 50. This number would increase the cost in the coming academic year from £0.75 m to £1.02 m, although the total available academic investment resource in the year would remain unchanged.

Following discussion at which several Heads of Schools highlighted their desire for further additional studentships over the proposed increased number it was agreed, for 2012/13 only, to further raise the number available to 80. The UE agreed that the Vice-Principal should take forward discussions with all the relevant Heads with a view to finalising Schools' allocations of studentships for the coming academic year.

JJ
Jul/Aug 12

M103 REF STRATEGY

102.1 Overview:

The UE received a presentation from the Deputy Principal (Research & KT) which

confirmed: the research quality funding formula; REF framework; components of the required REF submission; profiles, weightings and quality rating outputs; HWU RAE 2008 results; Units of Assessment in 2014; and the internal REF organisational structure and timeline.

It was noted that the HWU Code of Practice on the selection of staff for REF2014 had been approved by the REF Equality and Diversity Panel and SFC, but that the former required further information in terms of Equality Impact Assessment and on the University's policies and procedures for selection staff for the REF.

The Deputy Principal reported on the status quo in relation to: outputs from the PURE REF module; findings from the first of a series of selection panel meetings; and internal trends in relation to measures of research spend and PhD graduate numbers. The UE noted also key issues for consideration: REF eligibility and contracts; equality and diversity; REF data (HESA, Oracle); KT and impact statements; REF5 and strategies; and required development of University Research web pages.

102.2 **Update reports from Schools:**

The UE received and noted update presentations from Heads of School/School representatives which set out RAE 2008 performance, currently estimated submission numbers for REF2014 with early assessment of indicative quality and supporting data/statistics, as well as key REF drivers (barriers and issues to be resolved.)

102.3 **Selection Criteria:**

The UE discussed REF2014 selection criteria noting that these may differ across Units of Assessment and, therefore, across and within Schools. The UE discussed varying minor volume indicator impact across different Units of Assessment and the probable requirement for fine-level judgements to be applied, in particular in relation to staff members who might be considered at the 2* and 3* borderline. Joint submissions, where more than one academic unit will be involved, presented a further factor for careful handling to ensure that a good balance is achieved by the parties involved in satisfying all the relevant interests.

The UE discussed the balance to be achieved between setting suitably high bar criteria for REF selection and providing realistic advice to staff who will not achieve the level of output required for inclusion in REF2014, while providing encouragement to and motivating those who could have potential, with additional effort, to reach the criteria requirements for REF2014 as well as those who may not reach the target of inclusion in a REF exercise until the 2020 round.

102.4 **Optimisation:**

The UE discussed the need, working with HR, for further consideration to be given to staff contracts as a means of ensuring that the University optimises opportunities for staff inclusion, noting the variety of ways in which this could be achieved. The Deputy Principal (Research & KT) confirmed that he would continue to work with HR and Heads of Schools, noting that one of the priority areas for consideration was the role descriptor for Senior Teaching Fellow. In relation to new appointments, the Principal highlighted the relative high speed with which he could make offers.

AM
Summer 12

The UE discussed the need to institute improvements to the University's web-pages to heighten the visibility and accessibility of the University's research activity and appropriately represent areas of joint activity/submissions. It was agreed that a subset of the REF Steering Group should work with the Director of External Affairs to take the necessary development work forward. The Deputy Principal (Research &KT) advised that he would invite the Director of External Affairs to a forthcoming meeting of the Steering Group.

AM
Summer 12

TM et al

The Vice-Principal highlighted the potential availability of resources to meet the cost of new temporary appointments to support REF preparations, especially in covering the more resource intensive operational activities involved.

THE UNIVERSITY EXECUTIVE
Minutes of the meeting held on 23 August 2012

Present:

Prof S K Chapman, Principal and Vice-Chancellor (Chair)

Ms A-M Dalton, Secretary of the University

Prof P De Wilde, Head of School, Mathematical & Computer Sciences (MACS)

Prof J T Ford, Acting Head of Institute, Petroleum Engineering (IPE) (left after item M106)

Prof G Hogg, Head of School, Management & Languages (SML)

Prof D Hopkins, Head of School, Life Sciences (SLS)

Prof J Jones, Vice-Principal (Chair)

Prof A Kaka, Vice-Principal (Dubai)

Ms L Kirkwood-Smith, (Clerk to the UE)

Mr A Kitchin, Business Director, Edinburgh Business School

Prof S McLaughlin, Head of School, Engineering & Physical Sciences (EPS)

Prof G Pender, Head of School, The Built Environment (SBE)

Prof J W Sawkins, Deputy Principal (Learning & Teaching)

Prof A Walker, Senior Deputy Principal

Present also:

Mr M Deans, Director of Campus Services (for item M106)

Mr R McGookin, Director of Planning

Ms S Collier, Director of Governance & Legal Services (for item 107)

Mr Phil McNaull, Director of Finance (for items M122 and M123)

Apologies:

Prof R J M Craik, Vice-Principal (Malaysia)

Prof A Miller, Deputy Principal (DP) (Research & KT)

Prof A Harley, Head of School, Textiles and Design (TEX)

M103 WELCOME/ ANNOUNCEMENTS

The Principal welcomed Mr Malcolm Deans, Director of Campus Services, and Ms Sue Collier, Director of Governance & Legal Services, who were attending for items M106 and M107.

M104 MINUTES OF THE PREVIOUS MEETING

The UE approved the minutes of the meeting held on 5 July 2012 subject to changes to M101 to reflect presentation by, and actions arising for, the DP(Research & KT) and not the DP(Learning & Teaching).

M105 ACTION LOG AND MATTERS ARISING

105.1 ACTION LOG

The UE noted actions and related updates as reported in the Action Log.

105.2 MATTERS ARISING

Website:

In relation to M102 of the last meeting, the Secretary of the University confirmed that significant progress was being made to develop the University's website to improve the accessibility of information on the University's research activities.

The Principal requested that more is done presentationally on the web pages to heighten visibility, e.g. larger fonts on titling.

Staff contracts:

In relation to M102 of the last meeting, UE members discussed lack of clarity on issues surrounding contracts

of Teaching Fellows, Senior Teaching Fellows and Professorial Fellows and progress of the necessary steps involved.

The Principal requested that HRD provide an action plan including the relevant detail/issues and a timetable as quickly as possible.

M106 BUSINESS REPORTED BY THE CHAIR

106.1 Residences Project

On the invitation of the Principal, the Director of Campus Services updated the UE on the status quo of the residences project at both the SBC and Edinburgh campuses in the light of closely approaching occupation dates. The UE noted:

- contingencies in place in relation to the SBC residences should the project fail to meet the scheduled sign-off date; however, current prospects for completion and occupancy by the agreed dates were looking highly positive. It was noted that remaining snagging issues could be managed post-occupancy.

The Principal requested that arrangements be made for him to visit the site.

- regression of the Edinburgh residences project schedule as a result of damage caused within the building in the final phases of work. The Director of Campus Services reported that work by the contractor would continue with the aim of delivering all 273 Edinburgh rooms on time; however, at present, a high level of confidence could be credited only to full delivery on time of one block, accounting for half of the total. It was agreed to consult with the Deputy Secretary and University Registrar and her team to seek their views on how best to manage communications to and arrangements for incoming students to University accommodation, bearing in mind the view of the UE that students require clarity/certainty as early as possible. The Principal confirmed that he would communicate to Heads of Schools details of decisions made.

106.2 Student numbers

The Principal highlighted pressures on teaching space and the teaching timetable that will arise from growth in the student intake in 2012/13 and requested that Heads of Schools consider creative solutions aimed at managing available space more efficiently and consult directly with the Director of Campus Services.

On the matter of space use more generally on the Edinburgh Campus, the Secretary of the University confirmed that she and the Director of Campus Services will be engaging with Schools to consider space-planning issues and will present ideas for discussion at a meeting of the UE in the near future.

In this context, the DP(Learning & Teaching) highlighted that teaching space requirements were being considered by Learning & Teaching Board in the context of the Learning & Teaching Strategy being developed throughout 2012/13.

Academic Staff Base

The UE discussed evidence, highlighted by the Principal, which confirmed the University's comparative position in the sector in relation to proportion of academic staff as against the total staff complement. It was noted that the proportion of academic staff against total at Heriot-Watt was comparatively very low, underlining the imperative to maintain the current target level of new academic recruitment (with the same quality threshold) per annum over the longer term, while controlling the level of Professional Service appointments.

M107 UKBA INTERNAL AUDIT

The UE received and discussed a report, presented by the Director of Governance & Legal Services, which set out the findings of a review of Tier 4 student files carried out in August 2012. The UE noted that a planned UKBA audit of the University would take place between 1 October and 31 December 2012 and that the reported action plan set out a range of actions for completion before 1 October.

The UE discussed and agreed the action plan, as presented, and the Principal confirmed that any additional resource requirements by Schools or the centre in ensuring that the actions are completed within the agreed timescale should be notified to the Vice-Principal who will make arrangements to meet these requirements.

M108 RESEARCH & KNOWLEDGE EXCHANGE BOARD: TERMS OF REFERENCE

The UE received and approved revised Terms of Reference for the Research & Knowledge Exchange Board for immediate implementation.

M109 HEALTH & SAFETY POLICY STATEMENT AND POLICY

The UE received and approved a revised Health & Safety Policy Statement and Policy for presentation to the Court for approval at its meeting on 1 October 2012. It was noted that the currently standing Policy Statement and Policy were approved by the Court in 2010.

The attention of the UE was drawn in particular to the respective responsibilities of senior management and Heads of Schools were asked to discuss these within their own School management groups. The Secretary of the University invited UE members to direct any future comments/views on the policy to her or directly to the Head of Health & Safety Services.

The Principal highlighted the need for further advice in relation to his own responsibilities. This was echoed further by the DP(Learning & Teaching) in relation to DP responsibilities, drawing attention to the need for further work aimed at supporting non-School Head members of the UE to meet their responsibilities for implementation of the policy.

M110 UNIVERSITY HEALTH & SAFETY COMMITTEE: TERMS OF REFERENCE

The UE received and approved revised Terms of Reference for the University Health & Safety Committee for immediate implementation.

M111 STUDENT RECRUITMENT UPDATE

The UE noted an oral update on student recruitment provided by the Director of Planning. Key aspects featured in the report included:

- a significant overall increase in PGT acceptances with a variability across schools;
- Dubai Campus UG and PG applications which were substantially ahead of target. It was noted that a substantial proportion of these were international and therefore likely to be subject to varying conversion rates. It was noted also that flexibility / agility might be required in terms of matching student intake to staff resources should actual intake be substantially in excess of target;
- the extent of the anticipated breach of the consolidation limit on Scottish/EU numbers at Scottish campuses. This would not be known until the progression rate of the current student population is verified;
- the proportion of overseas applicant "no shows", reported in previous years was being eroded by factors including market shift and UKBA conditions; and
- a substantially exceeded RUK target to which all Schools had contributed. It was noted that there had been no significant movement in the number of applicants seeking entry directly into level two.

M112 NATIONAL STUDENT SURVEY RESULTS

The UE received and noted embargoed NSS results for HWU which were presented by the DP(Learning & Teaching) and the Director of Planning.

The UE noted a summary report of the overall improved and highly positive results and noted also that the results will be considered by the Learning & Teaching Board with a view to NSS action plans being developed across Schools and good practice being identified and shared across the University. The Principal confirmed his intention to visit each School, accompanied by the DP(Learning & Teaching, to discuss their respective NSS results.

The Principal conveyed his great appreciation of the efforts of staff across the University who had contributed to the positive results. The UE noted that NSS results would be published nationally through KIS (Key Information Sets) which would be available, via the Unistats website, from 27 September 2012.

The Principal requested that plans be put in place to provide the Court with information on Key Information Set (KIS) requirements, in place from September 2012.

M113 REPORT FROM THE DEPUTY PRINCIPAL (RESEARCH & KNOWLEDGE TRANSFER)

The UE received and noted a report from the Deputy Principal (Research & KT). The report included updates on a variety of topics all of which were presented for information.

M114 REPORT FROM THE RESEARCH AND KNOWLEDGE EXCHANGE BOARD

The UE received and noted a report from the Research & Knowledge Exchange Board relating to the meeting of the Board held on 6 July 2012. The UE approved the report for onward submission to the next meeting of the Senate on condition that the wording is changed in section 2 of the report, as noted under 'REF selection' item below. It was noted also, in discussion on the proposal for RKEB representation on the Equalities and Diversity Group that the minute of the Board was misleading as regards responsibility for Athena Swan within the University.

114.1 Knowledge Exchange and Exploitation Committee: Terms of Reference

The UE noted and approved proposed Terms of Reference of the Knowledge Exchange and Exploitation Committee for immediate implementation. It was noted that the purpose of the Committee will be to develop and propose to RKEB the strategy and policy for the University's activities relating to knowledge exchange and commercialisation.

114.2 REF2014 selection

The UE noted and discussed a proposal in relation to an interim lower institutional minimum threshold level to be set to aid the REF2014 selection process, as approved by the Board.

The UE approved the proposed threshold criteria, as stated, but agreed that additional clarification must be included in the report presented to the Senate so that it is clear that meeting the stated criteria does not mean automatic inclusion in REF but, simply, eligibility to move through to the next phase of evaluation, i.e. the stated threshold represents the minimum level to be achieved for further consideration in the second phase of evaluation. It should not be assumed that the criteria stand as the agreed institutional minimum for REF selection.

The UE agreed to recommend that a deadline of January 2013 should be applied in relation to first phase evaluation.

114.3 RKEB representation of the Equalities and Diversity Group

The UE noted and approved the recommendation that RKEB representation is included in the membership of the Equalities and Diversity Group (EDAG) for reasons associated with the University's Athena Swan status.

However, the Secretary of the University confirmed that the Director of Governance & Legal Services had been charged with responsibility for Athena Swan (with a part reporting line between the Equality & Diversity Adviser and the Director of Governance & Legal Services having been established). It was noted that an action plan was under development, led by the Director and that there would be substantial involvement of Schools in the preparations underpinning an Athena Swan submission. It was noted that the RKEB report wrongly attributed responsibility for Athena Swan to EDAG and the minute should be amended accordingly.

In the course of discussion, the need was highlighted for greater clarity in relation to the roles and responsibilities of individuals associated with Athena Swan within the University including, inter alia, responsibilities assigned within Human Resources Development. The UE noted advice from the Secretary of the University that it was anticipated that the University would be ready to make a submission in the round after next, i.e. in the spring of 2013.

M115 SUSTAINING THE ROBERTS AGENDA

The UE received and noted a paper, presented by the Vice-Principal on behalf of the DP(Research and KT), which recommended embedding of the Roberts generic and transferrable skills training agenda for all PGR students and Post-Doctoral RAs under the model proposed in the paper, via a £200 levy for each registered in the University. The UE noted the expectation under the proposed arrangement that Academic Enhancement

will continue to develop generic skills training for PGR students and early career staff and that the proposed arrangement would be in place from 2013/14 at the earliest.

It was noted that the recommendation was presented in the context of the contractual requirement of RCUK and other funders to continue to satisfy the provision of high quality generic skills training for PGR students and PDRAs under a funding regime for the Roberts agenda, while the additional funding stream from RCUK to fulfil Roberts requirements had terminated in 2010/11.

The UE approved the recommendation in principle noting the stated needs of Heads of Schools in relation to understanding and inputting to the future planning for the skills training and development scheme for development within the University. It was therefore recommended that the detail of the HWU scheme (funding/budgetary arrangements and skills/development programme) must be developed in consultation with Schools, including with the relevant postgraduate co-ordinators. The UE recommended that the RKEB should be responsible for overseeing the process of consultation.

The UE agreed to invite the DP (Research & KT) to prepare a paper for a forthcoming meeting of the UE which details plans and proposals for the consultative process and also the mechanisms and process by which the effectiveness of the training and development scheme will be assessed.

M116 ANNUAL INSTITUTIONAL STATEMENT TO THE SFC ON QUALITY ASSURANCE AND INTERNAL SUBJECT REVIEW

The UE received and approved for onward submission to the SFC, the Annual Institutional Statement on Quality Assurance and Internal Subject Review, noting that some minor changes may be made prior to submission to the Funding Council in September.

M117 INTERNAL REVIEW REPORTS

The UE received and noted reports on Internal Reviews in relation to Business Management, Sport & Exercise Science, School of Life Sciences and Institute of Petroleum Engineering.

M118 REPORT FROM THE SENIOR DEPUTY PRINCIPAL: CHINA OFFICE

Reserved section (Ref: Section 33, FOI(S)A).

M119 HERIOT-WATT UNIVERSITY MALAYSIA CAMPUS UPDATE

The UE received and noted an update report on the HWUM project presented by the Senior Deputy Principal.

The report highlighted recent progress in relation to campus premises; student accommodation; project finances; company governance; licensing and accreditation; staff appointments/HR developments; marketing; project management; and the timetable of key steps through to the launch of undergraduate programmes in September 2014.

In relation to the planned appointment to HWUM of a Head of EBS, a Head of School member of the UE made the request that the associated role descriptor be shared among HWU Heads of Schools to support consistency of approach when planning similar new HWUM appointments.

M120 REPORT FROM THE SECRETARY OF THE UNIVERSITY

The UE received and noted the Secretary's Board Bulletin dated July 2012 which was presented by the Secretary of the University.

M121 REPORT FROM THE SECRETARY'S BOARD

The UE received and noted a report from the Secretary's Board relating to the meetings of the Board held on 7 June and 3 July 2012.

121.1 **Recruitment, Enquiries and Admissions Student Life Cycle Group**

The Secretary confirmed that no action was invited from the UE at its August 2012 meeting and that a fuller proposal would be submitted to the UE for consideration at its next meeting on 27 September 2012.

121.2 **'Creating Pride and Belonging': HWU Employee Engagement Strategy**

The UE received and approved the proposed HWU Employee Engagement Strategy, 'Creating Pride and Belonging', noting that the strategy document had been previously approved by the Secretary's Board at its meeting in July 2012.

121.3 **Enhanced selection methods for the recruitment of staff**

The UE received and discussed proposals for enhanced selection methods for the recruitment of staff noting that the proposals were approved by the Secretary's Board at its meeting in July 2012. The proposals set out a proposed standard and consistency of approach in the use of enhanced selection methods for internal and external recruitment and internal promotion to all leadership roles (academic and professional service) at grades 9 and 10.

While supporting the principle of more structure, consistency and rigour in selection methods and supporting the LEF question bank as a resource that can be usefully adapted, a number of UE members raised concerns about the pitch of the document, in particular its apparent lack of suitability for senior academic appointments. It was generally considered by the UE that the proposals, as they stood, suggested limited understanding of the specific aims and objectives of selectors of high quality academic appointees and the expectations of those seeking the academic appointment.

Other comments raised included: whether the proposals might hamper aims to encourage the promotion of women to senior level grades; and whether the choice of selection methods is too narrow even for professional service appointments.

The UE agreed not to approve the proposal in its current form, but encouraged further engagement by the Director of HRD with Schools on the matter of selection methods aimed at academic staff.

M122 MANAGEMENT ACCOUNTS FOR THE PERIOD TO 31 JULY 2012 (FULL YEAR)

The UE received and discussed a presentation, provided by the Director of Finance on draft annual results for the year to 31 July 2012 and the statutory audit and reporting timetable.

The Director of Finance drew attention to the currently reported surplus for the year which was very substantially better than budget, and the factors contributing to this. However, it was confirmed that a full review of the underlying figures remained in progress and that critical parts of the accounts were incomplete including July month-end reconciliations. The Accounts were therefore presented as an early draft which would be subject to significant change.

The Director of Finance confirmed that additional accountant resources had been drafted in to support work to prepare the accounts to the point that they can be forwarded for review by the external auditor. The Director also advised that a review of the current state of play and evaluation of the necessary work remaining will need to be undertaken early in the coming week before a firm commitment can be made in relation to the staff resources that will be needed to deliver against the proposed timetable. It was noted also, in order to facilitate timely completion of work on the Accounts, that other key projects which are able to be put on hold temporarily may well be so.

The UE noted and discussed the proposed timetable for preparation, consideration and approval of the Annual Accounts by the relevant bodies. The Secretary of the University reported that the Finance and Audit and Risk Committees should be advised appropriately following further appraisal the University's ability to meet the suggested deadlines. The Secretary also confirmed that she would ensure, in due course, that appropriate references to the new finance system are included in the Annual Accounts and Financial Statements document and in the external auditor's report.

M123 ORACLE R12 IMPLEMENTATION

The UE received and discussed a presentation provided by the Director of Finance on Oracle R12 implementation which drew attention to both progress and difficulties arising from implementation of the system.

Members of the UE voiced significant concerns about the short-comings that were being experienced in relation to the system and the underpinning management of its implementation, as well as a low level of confidence in the quality of financial information derived from the system. However, it was acknowledged that the responsibility for resolution of current problems and, ultimately, successful implementation was shared by all UE members. It was acknowledged also that Finance Office staff had been working hard to resolve problems.

The UE noted a perceived lack of clarity and consistency in relation to communications surrounding implementation of the system, in particular on the difficulties experienced by staff. The Principal encouraged Heads of Schools as a priority to engage closely with their Financial Controllers, while he would engage directly with Finance Office.

M124 INTERNAL AUDIT REPORT: RECRUITMENT REVIEW

The UE received and noted an Internal Audit Report 'Recruitment Review', noting that the report would be considered by the Audit and Risk Committee at its meeting on 13 September 2012. No comments were raised in relation to the report.

M125 INTERNAL AUDIT FORWARD PLAN 2012/13

The UE received and noted the planned Internal Audit Plan for 2012/13, noting that the Plan would be presented to the Audit and Risk Committee for approval at its meeting on 13 September 2012. No comments were raised in relation to the report.

Signature

Date