

COURT

Minutes

In the Chair: Lord Penrose Date of Meeting: 13 October 2014

Present also: Ms Tracey Ashworth-Davies Ms Shonaig Macpherson
Ms Pamela Calabrese Mr Strone Macpherson
Professor Steve Chapman Ms Jessie Nelmes
Mr Allan Gray Ms Jane Queenan
Ms Trish Gray Professor James Ritchie
Dr Stephen Houston Mr David Robinson
Professor Phillip John Professor Ian Wall
Professor Julian Jones

Officer in attendance: Ms Ann Marie Dalton Ms Sue Collier
Mr Andrew Menzies

Others in attendance: Ms Lorna Kirkwood-Smith (minutes)

M14/1 APOLOGIES

Apologies were received from: Dr Jock Clear, Councillor Ricky Henderson, Mr Iain McLaren, Mr Andrew Milligan, Ms Miranda Matoshi, Mr Tony Strachan and Professor Peter Woodward.

M14/2 OBITUARIES (Paper Ct1/14/39)

The Court learned with sadness of the reported death of Professor Sir Peter Hall on 30 July 2014. Professor Hall received an Honorary Degree of Doctor of Letters from the University in 2002 in recognition of his distinguished academic career and contribution to planning and public policy.

M14/3 WELCOME

The Chairman welcomed Mr Colin MacLean who was sitting in attendance at the October 2014 meeting of the Court and who had agreed to present the report of the Audit and Risk Committee to the Court.

M14/4 MINUTES OF THE MEETINGS OF THE COURT HELD ON 23 JUNE AND 18 SEPTEMBER 2014

The Court approved the minutes of the meetings of the Court held on 23 June and 18 September 2014.

M14/5 MATTERS ARISING

5.1 University and College Union (UCU) ballot on industrial action

The Principal updated the Court on the UCU ballot of its members currently underway on industrial action over potential changes to the Universities Superannuation Scheme (USS). The ballot was due to close on 20 October 2014.

The Principal highlighted the background to the dispute. The USS had been in deficit for a number of years. At the time of the last triennial valuation of the Scheme in March 2011, the deficit had been estimated at £2.9 billion. In March 2013 the deficit had grown to a high of £11.5 billion and by March 2014 had reduced (to around £8 billion). Against this background the Trustees of the Scheme have a legal responsibility to ensure that there are sufficient funds to cover current and future liabilities. No firm proposals had yet been presented for consultation although a range of

suggested changes had been reported. The Principal confirmed that changes to the benefit structure of the USS will be inevitable and the changes would include contribution increases for both members and employers. Even with potential changes to pension benefits being explored the employer contributions to the USS were expected to increase above the current level of 16% of salary – perhaps up to 18%. Any changes proposed would therefore not represent a cost-cutting exercise, but would be proposed as a guard against otherwise unaffordable levels of contribution from individual members and from employers to reduce the deficit. The view of the UCU was that incomplete, selective modelling has been applied to the Scheme valuations.

The Principal confirmed the expectation, given the general level of sensitivity around pensions, that the ballot outcome will be in favour of industrial action. It should be anticipated that there will be difficult times ahead in the sector with potential particular risks to individual institutions, e.g. as a result of any assessment boycotts.

In response to a question from the Chairman as to communications with University staff, the Principal confirmed that an all-staff email had recently been released which set out the University's position on what has been viewed as an ill-timed and unhelpful action.

In response to a question about the risk to the forthcoming diet of examinations, the Principal confirmed that the University had contingency arrangements that can be brought into play in the event of industrial action; however, it was not possible presently to judge the potential scale of any impact. There were no recent cases against which to draw a comparison, other instances of industrial action having been associated with the more usual disputes relating to annual pay increase settlements. The current dispute had the potential to make a far more substantial and longer term impact should industrial action materialise.

The Court noted that the University should await the results of the national ballot on 20 October 2014 and confirmed its expectation that the threat and impact of industrial action will be recorded appropriately in the University Risk Register.

M14/6 ANNUAL REPORT TO THE SCOTTISH FUNDING COUNCIL ON INSTITUTION-LED QUALITY REVIEW 2013/14 (Paper Ct1/14/40)

The Court received the Annual Report to the Scottish Funding Council on Institution-Led Quality Review for 2013/14, noting that the Court had considered an earlier draft of the report at its meeting in June 2014. Suggested minor enhancements by the Court had since been incorporated in the report.

The Court endorsed the report and approved signing of the accompanying annual assurance statement by the Chairman of Court.

In response to a point raised about attendance at internal meetings on Annual Programme Monitoring and Review, which was raised previously at the June 2014 meeting of Court, the Chair and the Principal emphasised that the matter will be resolved with a revised timetable in 2015, as described in the report.

M14/7 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE: MEETING HELD ON 15 SEPTEMBER 2014 (Paper Ct1/14/41)

The Court received and noted a report, presented by the Secretary of the University on behalf of the Governance and Nominations Committee, which related to the meeting of the Committee held on 15 September. The report included a range of matters which were presented both for consideration and approval and for the information of Court.

7.1 Court membership succession plans

The Court noted that the succession plans for the Court were arranged within a two-phased approach with phase 1 recommendations spanning the current academic year 2014/15 and phase 2 recommendations spanning the academic year 2015/16.

The Court approved the following phase 1 appointments, both individuals filling current vacancies:

- Mr Colin McLean to be appointed to the membership of the Court with immediate effect until 31 July 2017*; and
- Ms Jandy Stevenson to be appointed to the membership of the Court with immediate effect until 31 July 2017.

*Mr Colin McLean was not present during discussion of this item.

The Court approved the following phase 2 appointments to anticipated vacancies, each to be appointed for a term of three years in the first instance:

- Ms Rio Watt to be appointed to the membership of the Court from 1 August 2015 until 31 July 2018. (It was noted that Ms Watt has been a member of the Audit and Risk Committee since March 2014);
- Ms Dorothy Shepherd to be appointed to the membership of the Court from 1 August 2015 until 31 July 2018. (It was noted that Ms Shepherd has been a member of the Finance Committee since September 2013); and
- Ms Lucy Conan to be appointed to the membership of the Court from 1 August 2015 until 31 July 2018. (It was noted that Ms Conan has been a member of the Staff Committee since March 2014).

The Court noted that the above phase 2 appointments would fill vacancies in the membership which will occur when the following members complete their second full terms of appointment: Dr Shonaig Macpherson; Mr Iain McLaren; and Mr David Robinson.

7.2 Audit and Risk Committee succession plans

The Court approved the following phase 1 appointments:

- Mr Colin McLean to be appointed as Chair of the Audit and Risk Committee with effect from 14 October 2014 until 31 July 2017; and
- Ms Jandy Stevenson's to be appointed to the Audit and Risk Committee with immediate effect until 31 July 2016, subject to Ms Stevenson's willingness to accept the invitation.

The Court noted the intention of the Governance and Nominations Committee to seek the view of Ms Stevenson on her choice of Committee membership as her experience was suited also to the work of the Finance Committee.

The Court approved the following phase 2 appointment to an anticipated vacancy following completion of a second full term of membership of Mr David Robinson:

- Ms Rio Watt to be appointed to the Committee for a period of three years until 31 July 2018.

The Court noted that the Governance and Nominations Committee will give further consideration to the vacancy that will be left in the membership of the Audit and Risk Committee following the departure of co-opted lay member, Mr Will Dick, from 1 August 2015.

7.3 Campus Committee succession plans

The Court approved the following phase 1 appointments, both filling current vacancies:

- Ms Pamela Calabrese to be appointed to the Committee with immediate effect, her term of office to run concurrently with her membership of the Court which will expire on 31 July 2017; and
- Mr Allan Thompson, from the approved list of 'pool' candidates, to be appointed as a co-opted lay member of the Committee with immediate effect until 31 July 2017.

In terms of phase 2 appointments (anticipated vacancies), the Court noted that the Governance and Nominations Committee will give further future consideration to a vacancy arising in the independent or staff member category. It was noted that new staff and Senate elections to the Court are to take place in spring 2015. Future consideration will be given also to two vacancies which will arise in the co-opted lay membership category of the Committee. It was noted, with

regard to the latter that, should plans proceed to appoint two new co-opted members with hospitality and commercial experience, the co-opted membership category of a minimum of two places would be met. It may not therefore be necessary to appoint further members to this category.

The Secretary of the University invited Court members to suggest names of any field experts with the appropriate skill sets who might be encouraged to submit a future application for consideration in the co-opted member category of the committee.

7.4 Emergency Committee of Court succession plans

The Court approved the following phase 1 appointment:

- Professor Peter Woodward to be appointed to the Committee with immediate effect, his membership to run concurrently with his membership of the Court until 31 July 2015.

The Court noted, in relation to phase 2 successions plans, that a vacancy will be created from 1 August 2015 with the retiral of Professor Peter Woodward. The Court noted the intention of the Governance and Nominations Committee to review options to fill the vacancy following staff and Senate member elections to the Court in spring 2015.

7.5 Finance Committee succession plans

The Court approved the following phase 1 appointment:

- Mr George Morton, from the approved list of 'pool' candidates, to be appointed as a co-opted lay member to the Committee with immediate effect until 31 July 2017.

The Court noted that a Court member vacancy had been created following the retiral of Professor David Lane on 31 July 2014. The Governance and Nominations Committee will give further consideration in 2014/15 to a suitable candidate to fill the vacancy.

The Court noted, with regard to phase 2 succession plans (anticipated vacancies), that vacancies will occur from 1 August 2015 with the retiral of Mr Iain McLaren (Court member category and Chair of the Committee) and Ms Dorothy Shepherd. It was noted that Ms Shepherd's appointment to the membership of the Court would fill a substantive vacancy left by Mr Iain McLaren, but would create a vacancy in the Committee's co-opted lay member category. Further consideration will be given to the future appointed Chair of the Committee.

The Court approved the following approach to a phase 2 appointment:

- either Mr Allan Thomson or Mr Grant Inness, from the approved list of 'pool' candidates be appointed to the Finance Committee in the category of co-opted lay member from 1 August 2015.

The Court noted that the Governance and Nominations Committee, at a meeting held in the early part of 2015, will give further consideration to the process by which the Chair of the Finance Committee from 1 August 2015 will be nominated.

7.6 Governance and Nominations Committee succession plans

The Court approved the following phase 1 appointments:

- Professor James Ritchie to be appointed to the Committee with immediate effect, his membership to run concurrently with his membership of the Court which expires on 31 July 2015; and
- the Deputy Chair of Court, Mr Tony Strachan, should join the 'ex officio' membership of the Committee with immediate effect.

The Court noted that, on Mr Colin McLean's appointment as Chair of the Audit and Risk Committee, he will become an ex-officio member of the Governance and Nominations Committee.

The Court noted, with regard to phase 2 succession plans (anticipated vacancies), that a vacancy

will be created with the retiral of Professor Jim Ritchie from the membership of Court from 1 August 2015. The Governance and Nominations Committee will review options to fill the vacancy following staff and Senate member elections to the Court in spring 2015.

7.7 Ordinances and Regulations Committee succession plans

The Court noted that there were no immediate vacancies to be filled in the membership of the Ordinances and Regulation Committee.

The Court noted, with regard to phase 2 succession plans, that a vacancy will be created with the retiral of Professor Peter Woodward from the membership from 1 August 2015. The Governance and Nominations Committee will review options to fill the vacancy following staff and Senate member elections to the Court in spring 2015.

7.8 Remuneration Committee succession plans

The Court approved the following phase 1 succession plans:

- the Deputy Chair of Court, Mr Tony Strachan, to be appointed to the position of Chair of the Remuneration Committee. It was noted that this change will accord with advice included in the Scottish Code of Good Higher Education Governance that the Chair of Court should be a member of a remuneration committee, but not its Chair; and
- Mr Grant Inness, from the approved list of 'pool' candidates, to be appointed as a co-opted lay member of the Remuneration Committee with immediate effect until 31 July 2017.

The Court noted, with regard to phase 2 succession plans (anticipated vacancies), that with the appointment of Ms Tracey Ashworth-Davies to the Chair of the Staff Committee, she would automatically transfer to the 'ex officio' category of membership of the Remuneration Committee. The Governance and Nominations Committee will give further future consideration to the vacancy in the independent Court member category created by this change.

7.9 Staff Committee succession plans

The Court noted that there were no immediate vacancies to be filled in the membership of the Staff Committee.

The Court noted, with regard to phase 2 succession plans (anticipated vacancies), that a vacancy in the Committee membership will be created following the retiral of Dr Shonaig Macpherson from 31 July 2015 with a further vacancy created from the same date following the retiral of Mr Richard Bailey from the co-opted member category. A further two vacancies will occur in the category of staff Court member following the retirals of Mr Allan Gray and Dr Stephen Houston.

The Court approved the following phase 2 appointment:

- Ms Tracey Ashworth-Davies to be appointed as Chair of the Staff Committee.

The Court noted the following in relation to phase 2 succession plans (anticipated vacancies):

- the Governance and Nominations Committee will give further future consideration to its recommendations for filling the vacancy that will be left in the Co-opted member category and, following the staff and Senate elections to the Court to be held in Spring 2015, the two vacancies that will occur in the staff Court member category of the Committee.
- Ms Lucy Conan on appointment to the Court, will transfer from the co-opted lay member category to independent Court member of the Staff Committee, thus filling the vacancy created by the retiral of Dr Shonaig Macpherson.

7.10 Edinburgh Business School Board succession plans

The Court approved the following phase 1 succession plans, noting that two non-executive director vacancies had been created on the Edinburgh Business School (EBS) Board due to the resignation of Professor Nicholas Beadle and the completion of an agreed term of office by Professor Andy

Walker:

- Professor Andy Walker to be invited to serve for a further year until 31 August 2015 as a University nominated representative on the Board.

The Court noted that the Governance and Nominations Committee had agreed to invite the Secretary of the University to make first and second approaches to two existing Court members to ascertain their willingness and availability to accept an invitation to serve on the EBS Board.

The Court noted, with regard to phase 2 succession, that the Governance and Nominations Committee would give further future consideration to the membership of the University nominated representative on the Board, should there be any further movement during 2014/15. (*Addendum: on 29 October 2014, the Emergency Committee of the Court approved the appointment of Mr Andrew Milligan as a University nominated representative on the Board with immediate effect and for the period up to 31 July 2017.*)

In response to a question raised about future Chairship of the Board, the Secretary of the University advised that guidance had been provided to EBS on the appointment process; however, the process of appointing a new Chair had yet to begin. The Court invited Lord Penrose to write to the Chair of EBS to express disappointment that succession planning had not yet commenced and to seek clarification on when it would.

7.11 Length of terms of office of co-opted lay members of Court committees

The Court approved the recommendation of the Committee that the standard terms of office for co-opted lay members of Court committees should be increased from two years with eligibility to serve for up to a further two years, to three years with eligibility to service for up to a further three years. The Court agreed that this change should be implemented for new incoming co-opted members of Court committees from 1 August 2014.

It was noted that the rationale for this change was to bring Court committee membership terms into better alignment with those of the Court.

7.12 Ethical Business: Conflict of Interest Policy

The Court received, noted and approved a draft 'Ethical Business: Conflict of Interest Policy and Procedures', which were presented by the Committee for approval and immediate implementation.

It was noted that the scope of the Policy extended only to University governors (members of the Court and its committees), while a revised Conflict of Interest Policy for staff was currently under development. It was noted that the scope of the University's current Conflict of Interest Policy does not extend to governors.

7.13 Court Attendance and Participation Policy

The Court received, noted and approved a draft Court Attendance and Participation Policy which was presented by the Committee for approval and immediate implementation.

It was noted that the purpose of the Policy was to support optimum contributions from individual members of the Court and its committees in undertaking their responsibilities, and to clarify the expectation of Court members' contributions to the work of the committees of Court.

In relation to the reference in the Policy to members' attendance record being a criterion for individual governor performance appraisal, a staff member of Court enquired about the purpose of the appraisal process. The member was advised that regular governor appraisal processes were widely and commonly applied and expected as a contributor to effective governance and as part of good governance practice across the sector in accordance with the Scottish Code of Good Higher Education Governance. It was confirmed that an individual's 'voting record' within collective Court/Court committee decision-making on particular matters would not be considered an appropriate element of the criteria upon which individuals' contributions are assessed.

In response to a question raised about the process where elected members of the Senate to the Court were in default of the Policy, it was confirmed that the Senate would be informed.

7.14 Governor visits to overseas campuses 2014/15

The Court considered and approved recommendations presented by the Committee in relation to governor visits to overseas campuses during 2014/15. This followed recent approval by the Court of a process by which, at the beginning of each academic year, the Governance and Nominations Committee will consider and agree the case for governor visits to overseas campuses and will make recommendations to the Court.

The Court approved the arrangements proposed by the Committee in its report, in summary:

- in November 2014, the new Chair of Court Designate (subject to availability) should be accompanied, as previously agreed by, Professor Ian Wall, Chair of the Campus Committee and the Principal & Vice-Chancellor in visits to the Dubai and Malaysia Campuses, the trip will coincide with overseas graduation events. The court noted and endorsed the suggested opportunities that could be created by a trip at this time and noted the Committee's recommendation that consultation should be undertaken with the wider Campus Committee and Chairs of the Audit and Risk Committee and the Malaysia Oversight Board prior to the visit to help inform preparation of the visit plan. The respective campus Vice-Principals should also be responsible for making the necessary local arrangements to facilitate the visits and meetings with student and staff groups.
- in February 2015, the new Principal & Vice-Chancellor Designate, accompanied by the current Principal, should have the opportunity in February 2015 to visit both campuses as an essential part of their early orientation prior to taking up office. A visit at this time would coincide with the formal Heriot-Watt Malaysia opening event. Opportunities should be provided to enable the Principal & Vice-Chancellor Designate to meet a range of key HWUM internal and external stakeholders. The Court noted that the Secretary of the University and the Vice-Principal will be responsible for developing the visit plan in consultation with the Principal & Vice-Chancellor Designate. It was noted also that, should the Chair of Court Designate not be available to travel in November 2014, there would be another opportunity to join the February 2015 trip.

7.15 Improving communications in support of governance

The Court received noted and approved recommendations presented by the Committee for the establishment of a communications focus group to be chaired by the Deputy Chair of Court to consider and to make recommendations pertaining to Court communications and engagement in support of good governance and the Principal's Review recommendations.

7.16 Membership diversity

The Court received and noted a report on gender diversity within the memberships of the Court and its committees from 2012/13 to the current year, 2014/15. The report highlighted the positive progress that had been made to increase the level of female representation on those bodies. It was emphasised that the momentum must continue and that there should be focus also on wider membership diversity aims (albeit within the boundaries of limited total membership), in particular ethnic balance, given the University's international focus.

7.17 Skills Matrix

The Secretary of the University drew attention to the agreement by the Governance and Nominations Committee to oversee further development of the Skills' Matrix report which captures information on governor skills and guides succession planning.

7.18 Other items presented by the Governance and Nominations Committee for information

The Court noted reports from the Committee presented for information on the following topics:

- Chair of Court appointment;

- Principal & Vice-Chancellor appointment;
- Charter and Statutes – status update. The Secretary of the University advised that the University expected to receive advice from the Scottish Government by the Christmas break;
- Review of Ordinances – status update;
- Scottish Code of Good Higher Education Governance compliance update; The Court noted progress being made towards achieving full compliance with the Code; and
- Lead governor scheme. The Court noted plans in relation to the planned pilot scheme which will be structured around cross-cutting strategic themes. In response to a request for clarification, it was confirmed that the scheme will include independent lay members of the Court, with the intention that staff and student members with the relevant knowledge and experience will be involved in ‘buddy’ roles.

M14/8 APPOINTMENT OF PRINCIPAL: ORDINANCE 27 (Papers Ct1/14/51 a/b)

The Court received and discussed recommendations relating to the appointment committee established under *Ordinance 27: Appointment of the Principal*, which were presented by the Deputy Chair of Court and the Secretary of the University. The paper drew the attention of the Court to recommendations for changes to Ordinance 27 agreed by the Senate at its meeting on 8 October 2014 along with a further subsequent highlighted change to the Ordinance, as proposed by the Chair of the Ordinances and Regulations Committee to provide greater clarity. The Court noted also the recommendation of the Governance and Nominations Committee, which on 3 October 2014 had agreed on the approach to chairing of the appointment committee, as reflected in the revised draft Ordinance 27.

An additional set of recommendations in the paper presented by the Secretary of the University and the Deputy Chair of Court were presented on the basis of recommended best practice in accordance with the Scottish Code of Good Higher Education Governance and enhancements to the proposal received by the Court from the Senate.

The Secretary of the University also supplied Court members with copies of the published brief for the position of Principal and Vice-Chancellor.

The Court discussed and agreed the following changes which should be reflected in a revised draft of Ordinance 27, whilst receiving and approving the proposed changes to Ordinance 27 specifically in relation to chair arrangements for the appointment committee which had been presented by the Senate:

- the assignment of a casting vote to the Chair of the committee. The Court noted however the desirability of achieving broad consensus across the committee membership. Failure to achieve this would be an indicator of failure in, and a need to refer the process back to the Court; and
- the addition of an independent person appointed by the Court who is not a member of the Court. The view of the Court was invited to comment on the nature and calibre of the individual required.

The Court agreed that the individual must be absolutely independent of the University. This would therefore discount the option of this role being fulfilled by the Chancellor of the University. The Court agreed that the Chancellor’s engagement with the recruitment process should be secured in another way, for example through involvement in the candidate visit day meetings. The general view expressed was that that this type of engagement was more in keeping with the agreed role and responsibilities of the Chancellor which were reflected in the revised Charter and Statutes. It was noted that the Secretary of the University was compiling a list of individuals who might potentially be considered for the independent position on the appointment committee.

The Court agreed that the appointed independent member should have strong academic knowledge and expertise, and will be of the required calibre to command wide respect across the University community and to engender confidence in the robustness of the recruitment process. It was agreed that the group considering a suitable individual should comprise the Chair of Court Designate, a member of the Senate and the Secretary of the University. The Senate Business Committee should be invited to agree the principle of including an

independent individual in the membership of the appointment committee and the process by which a suitable individual is selected. The Secretary of the University invited Court members, within the next 24 hours, to submit any further suggestions of suitable individuals for consideration by the group.

- the assignment of the President of the Student Union to their own category of membership of the committee with the option to send a nominee should she be unable to attend any meeting; and
- the inclusion of a report of the views submitted by all staff and students as collated by the executive search consultant, to be made available to the appointment committee as part of the decision making process.

The Court was invited to approve the proposed list of appointment committee members which included: Chair, Court nominated members, Senate nominated members and independent members. The Court noted that the nominations associated with the Court member category were based on the particular area of skill and experience that each would bring to the process. It was suggested that the word 'lay' should be removed from the category description of Court members, on the basis that Court nominated members on the committee – and indeed any member of the committee, will serve in their own right, and not as a representative of any sub category of membership that they belong to.

The Court noted and discussed the view expressed by a few members that, while the inclusion of the Vice-Principal in the proposed appointment committee membership met the requirement of the Scottish Code for an appointed staff member of the governing body to be included, a further staff member of the Court should be included within the Court nominated category. The Court agreed that no substitution should be made within the list of Court nominated members to the appointment committee, thereby approving the list of nominees, as presented.

One staff member of the Court requested that their dissent be recorded in relation to the decision taken not to substitute one of the current Court member nominees to the appointment committee with an additional appointed staff member of the Court.

The Court approved the recommendation that the quoracy required to enable the appointment committee to proceed with its business shall be at least three members of the Court and three members of the Senate, together with a student representative.

The Court agreed that the Principal and the Secretary of the University should arrange as soon as possible in a scheduled meeting with the Senate Business Committee to seek the support of the Senate Business Committee for the enhancements proposed.

(Addendum: alterations to the revised Ordinance 27 were recommended by the Senate Business Committee at its meeting held on 22 October 2014. Main further alterations to the Ordinance included removal of provision for the Chair to have a casting vote, and inclusion of explicit provision for any member of the appointment committee participating by way of Skype or conference telephone call to be counted in the quorum. The Emergency Committee of the Court confirmed approval of all further changes on 29 October 2014. On the same date, the Emergency Committee also approved a recommendation that any one of four potential candidates may be approached and invited to take up the place of the 'independent' member in the membership of the Appointment Committee. It was later confirmed with Court members that Professor Muffy Calder, OBE had been approached and had accepted this invitation.)

M14/9 NATIONAL PERFORMANCE CENTRE FOR SPORT STAFFING (Paper Ct1/14/42)

The Court received, discussed and approved proposals presented by the Secretary of the University in relation to National Performance Centre for Sport (NPCS) staffing arrangements. It was noted that the University Executive, at its meeting in August 2014, had approved the proposals for onward recommendation to Court.

The Court approved proposals that NPCS staff shall be employed directly by Heriot-Watt Services Ltd (HWSL) with new terms and conditions for new staff; and that consultation and negotiations should be undertaken with the relevant Trade Unions in relation to the transfer of existing staff under TUPE arrangements to the new company, with some modifications to be made to current employee terms and conditions. It was noted that only the terms and conditions that have particularly challenging operational implications will be considered for change/modification.

It was noted that the current approximate 24 FTE staff members will increase to 48 FTE by the time the NPCS opens in 2016. The Court discussed the scenario of staff members employed at the Centre on different terms and conditions. This situation would be mitigated over the longer term through staff turnover; however, in the short term any risks associated with the disparity would need to be managed. It was evident that neither the option to employ all new join NPCS staff on exactly the same terms as current Centre for Sport and Exercise staff, or vice-versa, would be a feasible option. The financial case could not support the former (the staffing model being proposed accorded with the original business plan figures with only a minor adverse variance) and, in the case of the latter, pre-existing terms and conditions were largely protected under TUPE legislation.

The Court noted a summary report which described the proposed changes to terms and conditions of existing staff groups and the proposed new terms and conditions for new staff. The Court noted the report that careful consideration had been given to cost efficiencies, but also to protecting as many terms and conditions for current staff as are operationally possible.

M14/10 BARCLAYS BANK AGREEMENT: EXTENSION OF LOAN AGREEMENT (Paper Ct1/14/43)

The Court received, discussed and approved a recommendation, presented by the Finance Committee, for approval of an extension to the debt facility provided by Barclays Bank for a further five year period. The Finance Committee approved this proposal at its meeting on 11 June 2014 for onward referral to the Court, noting that the availability period of the revolving credit facility would come to an end on 4 July 2014 (the original Agreement having been signed in July 2007). The Court noted that the existing funding arrangements were extended by three months following approval by the Emergency Committee of Court on 27 August 2014. The extension was to allow Barclays to prepare the necessary legal documentation. The documentation for signature by the Chair of Court and the Secretary of the University was presently awaited from Barclays.

It was noted that, following the University's discussions with Barclays in the context of the development of the University's latest Five-Year Plan and its funding requirements over that period which will extend into the currently unutilised portion of credit, Barclays had presented two offers for consideration; Option 1: a three-year extension term, and Option 2: a five-year extension term. Both had been reviewed by JC Rathbone Associates Limited (JCRA) and the Committee had considered the JCRA report. The Committee considered both options, had confirmed it was satisfied with the terms and pricing, and had accepted JCRA's recommendation to extend the facility for a further five years. The committee had noted that the proposal would provide the University with access to funding at competitive rates and with the necessary flexibility to meet the University's forecast requirements. The Director of Finance was invited to proceed to conclude the agreement on the basis of Option 2 within the paper.

The Court received a copy of the JCRA report in which the headline terms of the amended facility agreement were described. In response to two questions asked, it was reported by the Director of Finance that Barclays could not sell the loan on to another party without the University's permission, and the University was happy with the hedging arrangements associated with the facility.

M14/11 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chair updated the Court on an invitation he had received to contribute to a Leadership Foundation for Higher Education organised seminar. His topic focused on the Scottish Code of Good Higher Education Governance and the aims priority of Scottish sector to implement the Code.

M14/12 COMMUNICATIONS FROM THE PRINCIPAL / UNIVERSITY EXECUTIVE (Paper Ct1/14/44)

The Court received and noted a report from the Principal and The University Executive on a range of news topics of current interest and involvement of the University. The Principal highlighted items of news as reported. The following were highlighted for the particular attention of the Court:

12.1 Appointments and promotions made in terms of Ordinance 16

The Court received and noted for information a report of appointments and promotions for the period to 1 October 2014 to 31 July 2014. It was noted, in terms of *Ordinance 16: Appointments of Academic Staff, Professional Staff and the Librarian*, that the University Executive is required to report to the Senate and to the Court the academic appointments and promotions which are governed by this Ordinance.

12.2 Senior roles

The Court noted the report of changes to senior roles and recent new appointments. These included, inter alia, a report of the recent change in the reporting line of the Director of Finance who had also been appointed to the membership of the University Executive. The Principal advised that, in addition to the senior appointments either confirmed or underway work was underway to appoint a Deputy Principal responsible for research, in succession to Professor Alan Miller who will retire at the end of the calendar year.

12.3 Principal's Review

The Court received and noted a copy of the report on the outcomes of the Principal's Review conducted by Ranmore consulting. The report incorporated management responses which had been reviewed and agreed by the University Executive at its meeting on 25 September 2014.

The Court agreed with the Principal's recommendation that the report should be considered by the new Chair of Court and the new Principal & Vice-Chancellor in 2015 with anticipation that they should decide how to respond to the report.

12.4 Strategic Projects Register

The Court received and noted a copy of the University's Strategic Project Register, as at mid-September 2014 and report on Strategic Projects in the Pipeline, noting that these reports were considered by the University Executive on a regular basis.

The Chair of the Campus Committee highlighted that, in order to facilitate all of the required input to the project, the date for delivery of the Campus Masterplan project had been extended for a further few months to March 2015.

12.5 Railway Centre

The Court noted the update in the briefing report provided by Professor Woodward on the development of a Railway Centre at Heriot-Watt, noting, in summary, the report on recent progress. The Principal highlighted the positive nature of the developments and recommended that, as Professor Woodward was unable to attend the October meeting of the Court, there should be an opportunity to discuss plans further at the next meeting of the Court at which Professor Woodward is present.

12.6 National Student Survey 2014

The Court received and noted a report on the outcomes of the National Student Survey 2014 which provided information on the University's comparative position within the UK in subject-level as well as institution-level rankings.

12.7 University Complaints

The Court received and noted a report on complaints received by the University and steps taken to

resolve these for the most recent quarterly period, June to August 2014. Receipt by the Court accorded with earlier agreement that the Court should receive periodic reports of complaints received by the University. It was noted that annual summary of all complaints received during the academic year 2013/2014 will shortly be reviewed by the University Executive, prior to submission to the Scottish Public Services Ombudsman and recording on the University website (as required by the SPSO).

In response to a question raised by a Court member it was noted that key responsibilities of the Scottish Public Services Ombudsman included timely review, as the final stage point of complaints not resolved by a public body, and to require an annual report from public bodies of complaints received and managed.

An observation was made by a Court member that one of the complaints, concerning lack of feedback to an unsuccessful job applicant, highlighted a lack of good practice, in that all applicants who are unsuccessful ought to receive written confirmation. The current standard policy was that candidates who have not been contacted within four weeks of the closing date should assume that their application has been unsuccessful. It was recommended that the core cause of the complaint should be resolved through a change in standard practice. The Secretary of the University confirmed that the new iHR system will support the required automated responses to job applicants.

12.8 Other items presented for information

The Court accepted all other items in the report which were presented for information.

It was noted in relation to the associate campus agreement with West London College, that there could be no change in the control of West London College without the consent of the University or without a first option under the control of Heriot-Watt. In accord with the close association of both bodies, the University also maintained an active interest in the College's future financial sustainability.

It was agreed, in response to a point raised by a member of the Court, that a paper setting out the longer term strategy for West London College should be provided to the Court in due course.

M14/13 COMMUNICATIONS FROM THE SENATE (Paper Ct1/14/45)

The Court received and noted a report from the Senate which related to the meeting of the Senate held on 8 October 2014.

13.1 Appointment of the Principal

The Court received and noted recommendations presented by the Senate in relation *Ordinance 27: Appointment of the Principal* and proposed changes to the Ordinance. This item was dealt with under the recorded item M14/8 above.

13.2 Reappointment of the Vice-Principal

The Court approved the recommendation of the Senate, made in terms of *Ordinance 32: Vice-Principal of the University*, that Professor Julian Jones be reappointed as Vice-Principal for a further period of five years from 1 August 2015 to 31 July 2020. The Principal highlighted the value that would continue to be added through the Vice-Principal's especial talents and management acumen.

Professor Julian Jones absented himself from discussion on this item.

13.3 Proposed revisions to Ordinance 3: Student Union

The Court, on the recommendation of the Senate, approved a recommendation that *Ordinance 3: Student Union* be modified with immediate effect.

The Court noted that it had been agreed previously that the Ordinance should regulate the

provisions of the Student Union Constitution and should set out procedures for approving the Constitution, the remit of the Student Union and its membership. A review of Ordinance 3 was undertaken by the Chief Executive Officer of the Student Union and the Academic Registrar and Deputy Secretary, to ensure that it regulates the provisions of the Constitution. The Student Union Constitution was approved by the Court in May 2014. The Senate and the Court had confirmed support for a review of the Ordinance and rescinding of Regulation 21: Student Union, as the Regulation duplicated the Constitution.

The Court noted that the revisions to Ordinance 3 had been drafted in compliance with the current Charter and Statutes. The Ordinance will be considered as part of the review of the regulatory framework underpinning the revised Charter and Statutes and further modifications may be required in due course as part of that review.

The Court discussed the legal and constitutional differences that impact on Student Union provisions at the Dubai and Malaysia Campuses, noting that it was intended that, as far as possible, students should have the benefit of equitable provision. It was noted that students at the Malaysia Campus have a Student Council, while at the Dubai Campus, where there are legal issues to consider, a similar structure is in place. The Principal highlighted the potential value of changing the terminology at the Dubai Campus, e.g. to student 'guild'.

13.4 Proposed rescinding of Ordinance 9: Student Discipline

The Court, on the recommendation of the Senate, approved a proposal to rescind *Ordinance 9: Student Discipline*, once changes to *Regulation 50: Student Discipline* are approved in 2014/15. It was noted that Regulation 50 is currently being reviewed and a revision will be presented to the Senate for approval in 2014/15.

The Court noted that, in May 2014, the Senate had approved revised Student Discipline Policy and Procedures (the Procedures) which are being introduced following a comprehensive review and consultation undertaken by the University Discipline Committee. *Regulation 50: Student Discipline* sets out the provisions to be contained in the Procedures. The Senate, noting that the University's constitutional framework now defines Ordinances as providing a regulatory framework for corporate rather than academic governance (covered by University 'Regulations'), had agreed that any relevant provisions contained in Ordinance 9 should be covered instead by Regulation 50.

M14/14 COMMUNICATIONS FROM THE STUDENT UNION PRESIDENT

The President of the Student Union updated the Court on:

- steps being taken by the Student Union to incorporate the Union by the end of December 2014 as a charitable trust company limited by guarantee;
- the recent very successful freshers' week;
- steps being taken to develop the governance structure of the Union to support improved student engagement from next year. The changes will include the establishment of two Vice-President roles with distinct remits. The President and the Secretary of the University will consider how the new structure should operate in terms of the nomination of the second student representative on the membership of the Court.

M14/15 REPORT FROM THE EMERGENCY COMMITTEE OF THE COURT (Paper Ct1/14/46)

The Court received and noted a report, presented by the Chairman on behalf of the Emergency Committee of the Court, which reported on items of business dealt with on behalf of the Court since its last meeting in June 2014.

15.1 Appointment of Head of the School of Energy, Geoscience, Infrastructure and Society

The Court noted that, on 14 July 2014, the Emergency Committee had approved the appointment of the Professor Garry Pender as Head of the new School of Energy, Geoscience, Infrastructure and Society in terms of *Ordinance 26: Head of School*.

15.2 Schedule of the existing loan facility with Barclays Bank

The Court noted that, on 27 August 2014, the Emergency Committee had approved an amendment to the Schedule of the existing loan facility with Barclays Bank. The Court noted that the Emergency Committee had agreed an extension to the availability period for the current facility with Barclays of three months in order that the bank should have more time to process amended facility documentation.

The Court received and noted the Schedule setting out the variance, Barclays letter of variation and the resolution that the Emergency Committee on behalf of the Court had accepted : i.e:

“There was produced to the meeting a letter of variation (the Letter of Variation) from Barclay’s Bank PLC (the Bank) to the Borrower setting out the amendments to the facility agreement dated 4 July 2007 pursuant to which the Bank has offered the Borrower (as defined in the Letter of Variation), the Facility (as defined in the Letter of Variation).

It was resolved:

1. That the amendments set out in the Letter of Variation are in the interests of and for the benefit of the Borrower and are most likely to promoted the success of the Borrower for the benefit of the members as a whole and that such terms and conditions of the Letter of Variation be and are approved and accepted.
2. That the Chairman of Court and the Secretary of the University are authorised to sign the Letter of Variation on behalf of the Borrower to indicate acceptance of the terms and conditions.
3. That the Bank is authorised to act in all matters concerning the Facility as amended by the Letter of Variation upon instruction from the Borrower, in its capacity as Borrower of the Facility, signed in accordance with the Banks’s mandated for any of the accounts of the Borrower held with the Bank current from time to time.”

M14/16 REPORT FROM THE AUDIT AND RISK COMMITTEE (Paper Ct1/14/47)

The Court received and noted a report from the Audit and Risk Committee, which related to the meeting of the Committee held on 26 September 2014.

The Chair of the Committee drew attention in particular to progress made to achieve resolution of the most severe risks identified in an Internal Audit report following the ‘Internal Infrastructure (Attack and Penetrate) Test’ review. It was evident that the information security issues highlighted in the review were not particular to Heriot-Watt but were ones faced far more widely by organisations.

The Chair drew attention also to the report received by the Committee from the Director of Governance & Legal Services on the positive steps that have been taken since the Home Secretary announcement that the visa refusal rate for retaining Highly Trusted Sponsor (HTS) status will reduce from 20% to 10%. West London College (WLC) was taking positive steps to reduce any future risk of breach. A contingency plan was also being prepared by the University with a view to ensuring continuity of education provision in the event that WLC were to lose HTS status.

M14/17 REPORT FROM THE FINANCE COMMITTEE (Paper Ct1/14/48)

The Court received and noted a report from the Finance Committee which related to the meeting of the Committee held on 30 September 2014. In the absence of the Chair, Professor Ian Wall presented the report.

The Court noted that the only decision required by the Committee at its September meeting had

been to approve the proposed University Tuition Fees for the academic year 2015/16 (as reported).

Professor Wall also drew the attention of the Court to the new form of management reporting in the form of the 'Group Financial Summary Dashboard' report, which was provided for information to the Court.

The Vice-Principal confirmed that Tuition Fee proposals presented to the Finance Committee were accompanied by a summary of the outcomes of benchmarking analyses. In recent years the University's fees were noted to be falling behind those of benchmark competitors, leading to above inflation increases. Heriot-Watt fees were found still to be trailing the median for pre-92 universities and relatively low taking account of Heriot-Watt's position in the sector. The above inflation rise for 2015/16 will place University fees within the right range.

It was suggested that the University's fees strategy would be a worthy topic for consideration at a future Court Away Day.

M14/18 REPORT FROM THE STAFF COMMITTEE (Paper Ct1/14/49)

The Court received and noted a report from the Staff Committee, which related to the meeting of the Committee held on 24 September 2014.

The Chair of the Committee drew attention in particular to: the update report received by the Committee on implementation of the iHR staff system. The HRD Directorate will itself be organised around the new processes introduced by the system; the UCU ballot for strike taking place in October 2014 over possible pension changes; and future consideration of arrangements for consideration of staff skill sets in relation to delivery of the Strategic Plan.

M14/19 REPORT FROM MALAYSIA OVERSIGHT BOARD: MEETINGS HELD ON 16 JUNE AND 8 SEPTEMBER 2014 (Paper Ct1/14/50)

The Court received and noted reports from the Malaysia Oversight Board, which related to the meetings of the Board held on 16 June and 8 September 2014.

The Chair of the Board drew particular attention to the significant milestone that had been reached since the August handover date with the new Malaysia Campus now operational. Congratulations were due to all colleagues involved for this achievement.

The Chair also highlighted recruited student numbers (current numbers and the expectation of further increases in coming period were reported). While recruited undergraduate numbers will not meet target figures, there were many lessons learned in the process that can be drawn on for the future. The Chair emphasised the dependency of student recruitment success on having the right portfolio of student accommodation available; this will be an area of particular focus in the period ahead, led by the Director of Campus Services. The September report confirmed that development of the student accommodation portfolio at the Malaysia Campus will be managed as a discrete project.

M14/20 ANY OTHER BUSINESS

No other business was raised.

M14/21 DATE OF NEXT MEETING

It was noted that the next meeting of the Court will take place on 10 November 2014 (Court Away Day).

Signed

Date

COURT

Minutes

| | | |
|------------------------|--|--|
| In the Chair: | Lord Penrose | Date of Meeting: 15 December 2014 |
| Present also: | Ms Tracey Ashworth-Davies Ms Pamela Calabrese Professor Steve Chapman Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones Mr Colin MacLean Dr Shonaig Macpherson Ms Frances Cairncross (Chair of Court Designate) | Mr Strone Macpherson Ms Miranda Matoshi Mr Iain McLaren Mr Andrew Milligan Ms Jessie Nelmes Ms Jane Queenan Professor James Ritchie Mr David Robinson Ms Jandy Stevenson Professor Ian Wall Professor Peter Woodward |
| Officer in attendance: | Ms Ann Marie Dalton Mr Malcolm Deans (for papers Ct3/14 53 and 54) | Professor Bob Craik (via Skype) Mr Andrew Menzies |
| Others in attendance: | Ms Lorna Kirkwood-Smith (minutes) | |

M14/22 APOLOGIES

Apologies were received from: Councillor Ricky Henderson, Mr Tony Strachan, Ms Sue Collier and Professor Ammar Kaka.

M14/23 APPOINTMENT OF PRINCIPAL AND VICE-CHANCELLOR

(An extra meeting of the Court was held immediately prior to the scheduled meeting on 15 December at which this item was considered. Subsequent items, minuted below, were considered at the ordinary meeting of the Court which followed).

The Court received, noted and discussed the outcome of the selection process undertaken since the summer period of 2014 to identify a suitable candidate for appointment to the position of Principal & Vice-Chancellor in succession to Professor Steve Chapman.

The Court noted and discussed the recommendation of the Appointment Committee that the search for a new Principal & Vice-Chancellor should continue through a further phase in 2015. The search and selection activities undertaken in 2014 had not been successful in identifying a candidate who, in the view of the Appointment Committee, met the key criteria for the role with sufficient strength. It was noted that, in arriving at its recommendation, the Appointment Committee had been mindful of the ambitious nature of the University's Strategic Plan and the University's particular profile as a strongly internationally focused institution, with all of the complexities and challenges that these pose for institutional leadership.

The papers submitted to the Court included the report and recommendation from the joint Court and Senate nominated Appointment Committee, convened in accordance with *Ordinance 27: Appointment of the Principal*. The Court noted that the report had been received and considered by the Senate at an extra meeting convened on 10 December when a suggestion was made that consideration be given to widening the opportunity for future shortlisted candidate visits to Schools. The Senate had accepted the recommendation of the Appointment Committee. The Appointment Committee's report had been considered also by the Governance and Nominations Committee which met on 15 December 2014.

The Chair of Court designate described key steps in and approaches to the search and recruitment process which had culminated in formal interviews for the post held on 9 December 2014 and the decision of the Appointment Committee not to recommend an appointment.

The Court discussed the timing of the appointment and factors which were believed to have had a possible negative impact on the scale of the field of potentially suitable candidates, namely uncertainties over the outcome of the Scottish Referendum and of the REF2014.

The Court accepted the recommendation of the Appointment Committee and agreed the following next steps:

- the search process should be held open by the appointed executive search company for a further period until 1 April 2015;
- in the meantime, the executive search company should meet with the relevant senior colleagues within the University to garner information about potential nominees. Senior colleagues should network with other colleagues within the University in this process;
- should extension of further search prove unsuccessful by 1 April 2015, consideration should be given to re-launch of the search process with a fresh advertisement. In response to a question about delay on re-advertising, it was noted that there were currently a number of Vice-Chancellor roles being advertised; it was judged too early to re-launch the process; and it was thought that the REF2014 results due on 17 December 2014, if these proved strong for the University, could help ignite renewed interest. It was noted also that suitable candidates were far more likely to be identified through active executive search than through an advert.

The Court noted that, as previously approved by the Court, Professor Julian Jones, Vice-Principal, will assume the role of Acting Principal and Vice-Chancellor for the period of the interregnum from the date of departure of Professor Steve Chapman until the start of a new appointee to the role. It was noted that the Vice-Principal will be giving further thought as to the Vice-Principal duties that will need to be covered during his period of acting up.

M14/24 OBITUARIES (Paper Ct1/14/39)

The Court learned with sadness of the reported death of Professor Sir Peter Hall on 30 July 2014. Professor Hall received an Honorary Degree of Doctor of Letters from the University in 2002, in recognition of his distinguished academic career and contribution to planning and public policy.

M14/25 WELCOME / ANNOUNCEMENTS

The Chairman welcomed Mr Malcolm Deans, Director of Campus Services, who attended for paper items Ct3/14/53 and 54.

M14/26 MINUTES OF THE MEETINGS OF THE COURT HELD ON 13 OCTOBER 2014

The Court approved the minutes of the meeting of the Court held on 13 October 2014 with the addition of Mr Colin MacLean's name to the record of those who attended the meeting. In response to a point raised about the record of dissent noted in Minute 14/8, the Chairman responded that, as had been recorded, only one member of the Court requested that their dissent from the collective decision of the Court on the matter for approval be formally recorded.

M14/27 MATTERS ARISING

27.1 Extra meeting of the Court

The Secretary of the University confirmed plans to schedule an extra meeting of the Court in the early part of 2015. Suggested topics for consideration at this meeting included the final report from the Malaysia Oversight Board and the outcomes of REF2014.

Court members were invited to communicate any further suggestions for agenda items to the Secretary of the University.

27.2 USS pension changes: industrial action

The Principal updated the Court on the current status of the University and College Union (UCU) dispute over proposed USS pension changes. The UCU had recently suspended the assessment boycott, following agreement by employers to engage in negotiations with the UCU up to the next scheduled Joint Negotiating Committee on 15 January 2015. There remained potential for resumption of the assessment boycott from 16 January 2015.

27.3 Edinburgh Business School (minute M14/7.10, October 2014 meeting)

The Chairman confirmed that clarification would be sought from Edinburgh Business School (EBS) on succession plans relating to the Chairship of the EBS Board by the incoming new Chair of Court.

M14/28 HIGHER EDUCATION GOVERNANCE BILL CONSULTATION PAPER (Paper Ct3/14/52)

The Court received and discussed the consultation paper released by the Scottish Government on a Higher Education Governance Bill which was supplemented by a presentation given by the Secretary of the University. The Court was provided with an extract from the Universities Scotland (US) web news page which set out an initial response to the consultation paper from the convener of US.

The Court also received and noted a report on the opinions on the proposals which had been confirmed by the Senate and the University Executive following discussions at their scheduled meetings held in December 2014.

28.6 Reserved. The section above is a record of stated 'opinion' rather than 'information' which would be captured by FOI(S)A legislation.

M14/29 NATIONAL PERFORMANCE CENTRE FOR SPORT: STAGE E COST REVIEW (Paper CT3/14/53)

The Court received and noted a presentation and report, presented by the Director of Campus Services, which confirmed an updated cost position for delivery of the National Performance Centre for Sport (NPCS).

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

M14/30 NATIONAL PERFORMANCE CENTRE FOR SPORT: CONDITIONS PRECEDENTS (Paper Ct3/14/54)

The Court received and discussed a paper, presented by the Secretary of the University, which included a summary, prepared by solicitors CMS Cameron McKenna LLP, of conditions precedents relating to the National Performance Centre for Sport. The transactions proposed included:

- a Guarantee by the University in favour of Sportscotland;
- a Guarantee by the University in favour of the City of Edinburgh Council;
- a disposition for the transfer of land by the University in favour of Heriot-Watt Services Ltd (the Court received and noted a campus plan with the designated land area highlighted);
- Granting of a 'floating charge' by Heriot-Watt Services Ltd in favour of the University, securing HWSL's obligations to the University over all the assets of the company; and
- Granting by Heriot-Watt Services Ltd of certain security over its assets in favour of sportscotland

The Court was invited to agree the conditions precedents in order for the legal agreements to proceed and agreed to adopt, as part of the formal minute of Court's approval, the following resolution statement:

“It was unanimously agreed that, in connection with the funding to be made available by the University to Heriot-Watt Services Limited (the **Company**) for the purposes of the construction and operation of the National Performance Centre for Sport (**NPCS**) at Riccarton, Edinburgh (the **Funding Arrangements**), such Funding Arrangements having been previously approved by the University, the Scottish Funding Council and the University’s bankers:

- (i) the terms of, and transactions contemplated by the following draft documents, summarised in a paper provided for the Court by CMS Cameron McKenna LLP, the University’s lawyers for the NPCS project :
 - (a) a floating charge granted by the Company in favour of the University securing the Company’s obligations to the University under the Funding Arrangements (the **Floating Charge**);
 - (b) a ranking agreement between the University, the Company and The Scottish Sports Council trading as sportscotland (**sportscotland**) in terms of which the Floating Charge shall rank second to certain security granted by the Company in favour of sportscotland;
 - (c) a guarantee by the University in favour of sportscotland for all sums due by the Company to sportscotland, limited to the amount of award(s) of funding by sportscotland to the Company in relation to the NPCS and any interest and expenses relating to enforcement of such guarantee, and which shall expire automatically after 25 years from the date of execution;
 - (d) a guarantee by the University in favour of The City of Edinburgh Council for all sums due by the Company to The City of Edinburgh Council, limited to the amount of an award of funding by The City of Edinburgh Council to the Company in relation to the NPCS and any interest and expenses relating to enforcement of such guarantee, and which shall expire automatically after 25 years from the date of execution; and
 - (e) dispositions by the University in favour of the Company in respect of the transfer by the University to the Company of the property at Riccarton, Edinburgh detailed therein and shown shaded red on the plan appended to this resolution;

(together, the **Documents**), together with any related documents, be approved on the terms and conditions stated therein;

- (ii) the University is to execute, deliver and perform its obligations under the Documents and any related documents (to which it is a party);
- (iii) each of the Chair of Court or ___*the Secretary of the University___ be authorised to negotiate and agree any remaining terms and conditions which remain outstanding at his or her sole discretion in relation to the Documents and any related documents;
- (iv) the Chair of Court or ___*the Secretary of the University__ be and are authorised individually to execute the Documents and any other relevant documents required to be executed on behalf of the University in relation to the NPCS; and
- (v) the Secretary of the University or ___*the Chair of Court_be and are authorised, on behalf of the University, to sign and/ or despatch all documents and notices to be signed and/ or despatched by it under or in connection with the Documents.

Certified as a true and accurate excerpt

Appendix to this Extract: Plan of the NPCS showing the area to be transferred by the University to the Company shaded red”

The Chair of Court was authorised to sign and date the resolution.

*Note of annotation: *these authorised designates were agreed outwith the meeting of the Court, and in accordance with the University Financial Regulations.*

M14/31 UNIVERSITY STRATEGIC RISK REGISTER (Paper Ct3/14/55)

The Court received and noted the University Strategic Risk Register and Overview, as reviewed and updated by the Risk and Project Management Strategy Group and the University Executive in September 2014 and presented subsequently to the Audit and Risk Committee. The report was presented to provide relevant information to the Court at the same point as the Annual Report and Accounts are considered for approval.

M14/32 ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS 2013/14 (Paper Ct3/14/56)

The Court received and approved Annual Accounts and Financial Statements for the year ended 31 July 2014 and the Management Representation Letter addressed to the University's External Auditor which had been approved previously by the University Executive and the Finance and the Audit and Risk Committees at their meetings held in November 2014. The Court noted the intention of the External Auditor to sign an unqualified audit opinion.

The Chair of the Finance Committee highlighted that the Committee considered University Management Accounts at each of its meetings and the high level of reconciliation found between the Management Accounts and the Annual Accounts. The Chair of the Committee also commended continuing arrangements to shorten the timetable for preparation of the Annual Accounts. The Committee was content to recommend the Accounts for Court approval.

The Chair of the Audit and Risk Committee confirmed that the Audit and Risk Committee had had an opportunity to consider the draft report both before and after consideration by the Finance Committee, with particular focus on governance aspects including the governance statement and believed that, following their discussion, the statement was now an accurate reflection.

The Court noted the University Strategic Risk Register, which will continue to be presented to the Court alongside the Annual Accounts providing important supporting contextual information to the Accounts.

No further comments were received and the Court approved signing of the Accounts and Financial Statements by the Chairman of Court and the Principal and signing of the Management Representation Letter by the Principal on behalf of the Court.

M14/33 PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWING) POLICY AND PROCEDURES (Paper Ct3/14/57)

The Court received, discussed and approved, subject to minor alterations as noted below, a revised Public Interest Disclosure (Whistleblowing) Policy and Procedures, which were presented by the Secretary of the University for immediate implementation.

The Court noted that, since the Policy had last been approved in 2012, recent changes in the law had prompted review and amendment of the Policy. An opportunity had also been taken to review the Policy against Scottish Code of Good Higher Education Governance advice on whistleblowing. Prior to presentation to the Court, the Policy had been the subject of extensive consultation including with the Audit and Risk Committee, the Combined Joint Negotiating and Consultative Committee and the Heriot-Watt branch and the national office of the UCU (University and College Union).

The following alterations were requested by the Court prior to implementation:

- removal of what appeared to be the Principal's personal contact telephone number from the Policy documentation;
- inclusion of clarification, as confirmed in the course of discussion, that the office of the Secretary of the University provides only a mail-box service for the Chair of Court and will continue to re-direct unopened all mail which is addressed to the Chair of the Court. This addition to the wording was expected to allay any potential concerns about confidentiality of

matters which might be reported to the Chair. It was noted, in any case, that confidential mail ought to be marked as such and, of course, be presented in letter rather than email format; and

- clarification in relation to a reference in the Procedures documentation to the Chair of Court's secretary as the Chair of Court does not have a secretary. The Court wondered whether the reference meant to confirm contact via the Office of the Secretary of the University, as included in the Policy document.

In response to a question from a Court member, the Secretary of the University confirmed that the Policy did not extend to the University's Approved Learning Partners who were expected to have their own whistleblowing policies in operation. However, the scope of the Policy extended to include consideration of disclosure at the University's overseas campuses, paying due regard to non-UK legislation, where applicable, and with a duty, as far as possible, to apply UK requirements where these are higher than local requirements.

M14/34 REPORT FROM THE EMERGENCY COMMITTEE OF COURT (Paper Ct3/14/58)

The Court received and noted a report from the Emergency Committee of Court which confirmed items of business which were considered and approved by the Committee on 29 October 2014:

34.1 Appointment of Principal: Appointment Committee

The Emergency Committee of the Court approved the recommendation that any one of four named individuals may be appointed to the position of independent member of the Appointment Committee convened in accordance with Ordinance 27 to appoint the new Principal & Vice-Chancellor. The candidates were listed in the order that they were to be approached. In accordance with the decision of the Court on 13 October 2014, the group presenting nomination of the above individual comprised the Chair of Court Designate, a member of the Senate (Professor James Ritchie) and the Secretary of the University. Confirmation was subsequently provided to the Court that Professor Muffy Calder, OBE, had been approached and had accepted an invitation to join the Appointment Committee.

34.2 Appointment of the Principal: Ordinance 27

The Court noted that the Emergency Committee had approved alterations to *Ordinance 27: Appointment of the Principal*, which were proposed by the Senate Business Committee (SBC) at its meeting held on 22 October 2014. This followed agreement of the Court, at its meeting on 13 October 2014, that a meeting of the SBC be convened with a view to the committee's agreement being sought on proposed enhancements to Ordinance 27 as approved by the Court. The Court noted the final agreed wording of the revised Ordinance 27.

34.3 Edinburgh Business School: appointment to the Board

The Court noted that the Emergency Committee of the Court had approved the recommendation that Mr Andrew Milligan be appointed to the Board of Edinburgh Business School (EBS) with immediate effect and for the period up to 31 July 2017. At its meeting on 13 October 2014, the Court received a report from the Governance and Nominations Committee confirming that it had invited the Secretary of the University to approach two individuals in turn to ascertain their availability to serve of the EBS Board. Mr Andrew Milligan subsequently confirmed that he would be pleased to accept such an invitation.

M14/35 REPORT FROM THE MALAYSIA OVERSIGHT BOARD: MEETINGS HELD ON 3 NOVEMBER AND 8 DECEMBER 2014 (Paper Ct3/14/59)

The Court received and noted a report from the Malaysia Oversight Board which related to the meeting of the Board held on 3 November 2014.

The Chair of the Board provided a brief oral update on the (last scheduled) meeting of the Board held on 8 December 2014. The Chair advised on the following items of business conducted at the December Board meeting:

- receipt of a report on the project scope confirming transition of HWU Malaysia from project to operational status. This would form part of the final report of the Malaysia Oversight Board to the Court in due course;
- progress of a current review of the assumptions underpinning the HWUM Plan;
- review of marketing plans and student recruitment assumptions;
- continuing planning and review of future student accommodation requirements; and
- receipt of an oral report from the Chair of the Campus Committee on a recent visit to the Malaysia and Dubai campuses (arranged as part of the agreed annual programme of governor visits).

The Chair of the Campus Committee provided the Court with a brief oral update on his visit to the Malaysia Campus highlighting the high quality of the campus building; satisfactory student accommodation arrangements with a range of detailed issues to be resolved; criticality of the ongoing review of the business plan; the requirement to develop library space; staff and student exchanges; governance issues which will come to the fore with a shifting balance in the University student population (i.e. in a small number of years, the number of campus based students in Malaysia and Dubai combined may exceed the number based at Scottish campuses); accessibility of overseas campus students to sports facilities; and the longer term development plan for the Dubai Campus.

The Chair of the Campus Committee advised that he would prepare a full written report of the visit by February 2015. This will be presented to the Court in due course.

In response, the Vice-Principal (Malaysia) confirmed that the review of the HWUM plan, which was taking place in the context of the University's annual planning round would involve challenging decisions to be made in the early part of 2015. In terms of staff transfers from Scotland to Malaysia there was a focus on early or late career individuals. In general, the academic pay/benefits in Malaysia were not sufficiently attractive to many mid-career UK academics. Plans were also underway in relation to a student transfer programme and to determine likely places available for Malaysia to Scotland transfers versus demand, and how best to manage supply and demand.

The Chair of the Campus Committee emphasised his view that facilitating student exchanges (potentially including financial support) should be a high priority, especially given the advantageous terms that may be on offer from the University's competitors. The Vice-Principal advised the Court of the current constraint on science/engineering laboratory space which was filled to capacity. An options appraisal would be undertaken in early spring 2015 to consider space constraints and future opportunities. While there was reasonable capacity within University finances for access bursaries, pressures in this area were expected to grow. The Principal concluded this part of the discussion by highlighting that availability of laboratory space rather than availability of good applicants was a restricting factor, and one which is more strategically far-reaching for the University at this time than the strategy for inter-campus transfers.

It was noted, in relation to item 13 of the 3 November 2014 report of the Board, that identified risks to the student experience through reported under-resources by the HWUM management team, centred around international office, admissions, accommodation and a few other staff members. This area of resourcing was being addressed through the current planning round. It was noted also, in relation to available resources in the Edinburgh Campus Academic Registry to provide support for HWUM functions through service level agreement arrangements, that the Secretary of the University had asked the new Academic Registrar to discuss future needs with the Vice-Principals (Dubai and Malaysia) and to develop a plan which will re-focus and re-shape Academic Registry resources accordingly.

A member of the Court highlighted also potential pressure points and risks around programme approval work, especially where portfolio development plans might be brought forward in the schedule. In response it was emphasised by the Chair of the Oversight Board and the Secretary of the University that the portfolio plans had been agreed in conjunction with Heads of Schools and that a Management Group would be established with responsibility for oversight of the first year of the fully operational phase of the Campus.

The Vice-Principal updated the Court on some of the non-Malaysia Campus challenges to be considered in balancing the full University Five-Year Financial Plan. These would inevitably require

appropriate tensioning of priorities across all campuses, just as within the Scottish campuses the same priority setting will tension short and long-term investment plans.

M14/36 REPORT FROM THE AUDIT AND RISK COMMITTEE: MEETINGS HELD ON 22 OCTOBER AND 27 NOVEMBER 2014 (Paper Ct3/14/61)

The Court received and noted reports from the Audit and Risk Committee which related to the meetings of the Committee held on 22 October and 27 November 2014.

M14/37 ANNUAL REPORT FROM THE AUDIT AND RISK COMMITTEE (Paper Ct3/14/62)

The Court received and noted the Annual Report 2013/14 from the Audit and Risk Committee which covered the period of the Annual Report and Financial Statements and provided opinion on matters falling within the Committee's remit. The Court was invited to consider the report in conjunction with the annual report of the University's Internal Auditors and the 'Audit Highlights Memorandum and Management Report' from the External Auditor. The Internal Audit plan for 2014/15 to 2018/19 agreed in conjunction with the Committee was also provided.

The Chair confirmed appreciation of the Committee for the support that had been provided to the Committee by the Secretary of the University and its clerk, highlighting also the contribution of other staff members who had contributed in support of the Committee's work. The Committee also felt well supported by the appointed Internal Auditors.

In response to a question from a Court member, the Secretary of the University confirmed that recommendations of the Internal Auditor in relation to risks associated with insurance cover at the Dubai Campus had been actioned.

In relation the Audit Highlights Memorandum and Management Report from KPMG, attention was drawn to the reported recommendations and agreed associated management actions confirmed in the report.

The Court endorsed the report for submission to the Scottish Funding Council along with the Annual Report and Financial Statements.

M14/38 REPORT FROM THE FINANCE COMMITTEE: MEETING HELD ON 18 NOVEMBER 2014 (Paper Ct3/14/63)

The Court received and noted a report from the Finance Committee which related to the meeting of the Committee held on 18 November 2014. The Court received and noted also the following, which were appended to the main report:

- Group Financial Summary Dashboard reports for the periods to end September and end October 2014, which were presented for information;
- the report (2012 to 2014) from the University Collections Committee, which was presented for information; and
- a draft Heriot-Watt University Endowments Strategy, which was presented for Court approval.

38.1 Heriot-Watt University Endowments Strategy

The Court received and approved a draft Heriot-Watt University Endowments Strategy, the overall aim of which is to ensure that the University will continue to be able to meet endowment objectives, in accordance with the intentions of donors. It was noted that the strategy included the requirement for annual reporting from the Endowment Committee to the Finance Committee and the Court.

M14/39 REPORT FROM THE STAFF COMMITTEE: MEETING HELD ON 19 NOVEMBER 2014 (Paper Ct3/14/64)

The Court received and noted a report from the Staff Committee which related to the meeting of the

Committee held on 19 November 2014.

The Chair of the Committee drew the attention of the Court in particular to the following:

- the continuing successful roll-out of the iHR system;
- the planned repeat of the Employee Engagement Survey in spring 2015;
- progress being made against the Athena SWAN Action Plan;
- the Annual Report of the University Health and Safety Committee which was appended to the Committee's report for the information of Court; and
- the Committee's discussion on arrangements for PhD students who did not fall within HRD's remit and the division between the staff strategy and Senate governance to capture this group.

A staff member of the Court highlighted the need to ensure that Health and Safety is embedded in a University PhD training programme which is under development.

39.1 Health and Safety Policy Statement and Policy

The Court received and approved an updated Health and Safety Policy Statement and Policy which was presented in the context of the annual programme of review and update of both documents. It was noted that the Policy had been subject to minor amendment since the version received by the Court in December 2013. Changes made to the Policy had incorporated recommendations made by the Court at that time.

M14/40 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman advised the Court that he will pass responsibility for further communications with Edinburgh Business School on its Board succession plans to the incoming new Chair of Court.

In the context of the current governance environment for Scottish Higher Education and current dialogue within the sector, the Chairman relayed the view that the Scottish Code of Good Higher Education Governance provided the best base upon which future governance changes may be built.

M14/41 COMMUNICATIONS FROM THE PRINCIPAL / UNIVERSITY EXECUTIVE (Paper Ct3/14/65)

The Court received and discussed a report from the Principal and The University Executive on a range of news topics or current interest and involvement of the University. The Court received and noted also the current Heriot-Watt Strategic Projects Register and a summary annual report for 2013/14 of complaints received, both of which were appended to the main report.

The attention of the Court was drawn to the following in particular:

- REF2014:- institutional results would be known on 17 December 2014 with sector-wide results to be released on the following day. Press releases relating to joint submissions with the University of Edinburgh (UoE) will need to be agreed jointly with UoE;
- the update report provided to the Court on plans for the creation of a Centre of Excellence for High Speed Rail; and
- recent signing of a memorandum of understanding with the University of Sharjah for institutional co-operation and collaboration in research, education and training.

The Vice-Principal emphasised the changing nature of research funding with ever greater weight towards funding for larger interdisciplinary collaborative initiatives. Consequently there was a need to ensure capacity in uncommitted funds for up-front investment in such initiatives, as and when good opportunities might arise.

M14/42 COMMUNICATIONS FROM THE PRESIDENT OF THE STUDENT UNION (Oral report)

The President of the Student Union updated the Court on:

- implementation of a new governance structure within the Student Union leading to redefinition of Officer roles;
- work to be undertaken in conjunction with the Dubai Campus in the current academic year with the aim of increasing alignment in student support and representation between the Edinburgh and Dubai campuses;
- work being taken forward to address student social space requirements at the Scottish Borders Campus;
- Student Union involvement in work to expand available study space at the Edinburgh Campus in the coming new semester. Library study space was reported to be operating at capacity; and
- a Student Union led survey of students' needs and expectations of the services provided by the Student Union, to support tailoring of future provision.

In relation to the Library, the Secretary of the University confirmed that Library services were being addressed in the developing Estate Master Plan. The Principal confirmed also that reported issues associated with Library facilities were awarded high priority in terms of speed of response. In the current year, significant investment was being made in new air conditioning.

M14/43 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE (Oral report)

The Court received a report from the Governance and Nominations Committee, which related to the meeting of the Committee held on 15 December 2014. The first item in the report: Appointment of Principal & Vice-Chancellor was dealt with separately and is referred to above (Minute M14/23).

43.1 Senior Executive succession planning

The Court noted that the Committee had considered succession arrangements in relation to senior executive appointments. In addition to the vacancy that will be created with the departure of the current Principal, other vacancies include:

- Deputy Principal (Research & KT) – following retirement of Professor Alan Miller at the end of December 2014;
- Head of School of Life Sciences – currently vacant; and
- Head of School of Mathematical & Computer Sciences – currently vacant.

In each case active searches for successors were underway. It was expected that it would be a number of months before appointments were made in the three vacancies above; however suitably experienced individuals had been appointed in a temporary acting up capacity.

The Vice-Principal advised that detailed consideration will be given to delegation of responsibilities associated with the role of Vice-Principal during the period that he will be appointed as Acting Principal. The Vice-Principal role carried a range of ex-officio duties, but in addition to that he carried responsibilities in relation to strategy and resources. Key options would include a temporary increase in middle management capacity to free up time resources for individuals capable of taking on additional responsibility, or making a new temporary senior executive level appointment.

43.2 Appointment to the EBS Board

The Court approved a recommendation from the Committee for the establishment of an independent member place on the Board of Edinburgh Business School (EBS) and appointment of Professor Nicholas Beadle to this position. Professor Beadle had confirmed that he would be happy to accept such an invitation.

It was noted that, following Court approval, both recommendations – for the establishment of the

additional Board place and the individual to be appointed would be presented as recommendations to the EBS Board Nominations Committee.

M14/44 COMMUNICATIONS FROM THE SENATE (Paper Ct3/14/66)

The Court received and noted a report, presented by the Principal, which related to the meeting of the Senate held on 3 December 2014. All items in the report were presented for information with the outputs of the Senate discussion on the Higher Education Governance Bill consultation reported separately (Paper Ct/14/52 above).

M14/45 ANY OTHER BUSINESS

Chairman of Court

The Secretary of the University relayed thanks and appreciation, on behalf of the Court, to Lord Penrose who was presiding at his last meeting of the Court following a long period of exceptional and highly valued service to the University, latterly for two full terms as Chair of the Court.

M14/46 DATE OF NEXT MEETING

It was noted that the next scheduled meeting will take place on 9 March 2015 with an extra meeting to be scheduled in January or February 2015.

Signed

Date

COURT**Minutes**

| | | |
|------------------------|---|---|
| In the Chair: | Ms Frances Cairncross | Date of Meeting: 4 February 2015 |
| Present also: | Ms Tracey Ashworth-Davies (up to Minute item M14/49) Professor Steve Chapman Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones | Mr Colin MacLean Ms Miranda Matoshi Ms Jane Queenan Mr Tony Strachan Professor Ian Wall Professor Peter Woodward |
| Officer in attendance: | Ms Ann Marie Dalton Ms Sue Collier | Mr Andrew Menzies |
| Others in attendance: | Mr Richard McGookin (up to Minute item M15/52) | Ms Lorna Kirkwood-Smith (minutes) |

M15/46 APOLOGIES

Apologies were received from: Ms Pamela Calabrese, Dr Jock Clear, Councillor Ricky Henderson, Ms Shonaig Macpherson, Mr Strone Macpherson, Mr Iain McLaren, Mr Andrew Milligan, Ms Jessie Nelmes, Professor James Ritchie, Mr David Robinson, Ms Jandy Stevenson, Professor Bob Craik (attende) and Professor Ammar Kaka (attende).

M15/47 WELCOME AND ANNOUNCEMENTS

The Chair of Court welcomed Court members to the additional February meeting of the Court.

The Chair welcomed Mr Richard McGookin, Director of Planning, who attended up to Paper item Ct4/14/02).

M14/48 MATTERS ARISING**48.1 Universities Superannuation Scheme (USS) Pension dispute**

The Principal provided an oral update on the USS pension dispute including the positive outcome of a University and College Union (UCU) ballot of its members on 26 January 2015 following suspension of the assessment boycott to allow a period of negotiation between the UCU on revision to the proposals. Some 67% of the voting membership had accepted the revised proposals, thereby ending the dispute. The Principal highlighted that it remained to be seen whether the proposed Scheme changes will be accepted; the USS, via the employers, will undertake consultation with all members of the Scheme with new terms implemented following approval by the USS Trustees.

48.2 Charter and Statutes

The Secretary of the University provided an oral update on the current status of arrangements to secure approval for the University's revised Charter and Statutes. The process was reaching its final stages. Clean copies of the Charter and Statutes had been submitted to the Scottish Government Legal Department (SGLD) in January 2015 incorporating all minor changes and discussed with the appointed lawyers and the Scottish Government since submission of the Court approved versions. Through the process to date additional documentation had been provided by the University as supporting evidence.

The SGLD had since confirmed that any final comments will be provided to the University in the

week commencing 2 February 2015. The sequential concluding processes had also been confirmed:

- formal submission of the Charter and Statutes to the Privy Council for approval;
- the Privy Council requests formal recommendation;
- the SGLD then submits to the First Minister and Lord Advocate; and
- approval by the Privy Council. The Privy Council had been involved in the process to date, therefore the final stage of Privy Council approval was not expected to be a lengthy one.

The Secretary of the University highlighted the request from the Audit and Risk Committee for an assurance mapping exercise to be undertaken in due course. This would take account of not only the revised Charter and Statutes, but also external requirements, such as the revised Scottish Funding Council Financial Memorandum.

The Secretary also highlighted that a full statement of the University's compliance with the Scottish Code of Good Higher Education Governance would be included in the University's next published Annual Accounts and Financial Statements later in the year.

48.3 Higher Education Governance Bill consultation

The Chair reported orally on dialogue within the sector (e.g. via Universities Scotland and the Committee of University Chairs) on the Higher Education Governance Bill consultation. The Committee of University Chairs had steered something of a middle line in its response, but; nevertheless, concerns had been reported in relation to each area under consultation. **XXX Reserved section.**

The Principal confirmed that a copy of the recently published Universities Scotland response to the consultation had been distributed to Court members on 4 February 2015. A strongly worded response to the consultation from the Royal Society of Edinburgh had also recently been released. The Principal highlighted the future challenge to secure the engagement of senior SNP figures with the matters of concern to the sector.

48.4 Appointment of Principal & Vice-Chancellor

The Chair provided an oral update to the Court on continuing work towards an appointment to the role of Principal & Vice-Chancellor. The appointed executive search company remained active in continuation of the search. As agreed by the Court in December, search activities would continue for a further two months. The Chair reported on the intention to hold interviews for shortlisted candidates in April 2014 and, should this period of search prove unsuccessful, a fresh re-launch will be undertaken in the new academic year. In the meantime there was reason for optimism following both the publication of the University's strong REF2014 performance and ending of the period of considerable uncertainty which existed around the time of the Scottish Referendum.

The Court noted that the Appointment Committee had met in late January 2015 when the agreed criteria for the role had been reviewed and, within those, the uppermost priority skills, experience and candidate attributes considered. The following had been identified as of particular importance: experience and a personal track record of excellence in a discipline in accord with the University's profile, an appreciation of the University's international and research missions, understanding and appreciation of the importance of the student experience, excellent leadership and management capabilities, personality fit as measured against the University's expectations of the role-holder.

M15/49 NATIONAL PERFORMANCE CENTRE FOR SPORT (Oral report)

The Principal provided an oral update on the National Performance Centre for Sport project, summarising developments up until the Stage E cost review and identified increased costs, as reported to the Court at its meeting held in December 2014. The Principal reported on the recent work of the Director of Campus Services, who was leading work with the contractor to reach agreement on a Guaranteed Maximum Price.

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

M15/50 REF2014 RESULTS (Paper Ct4/15/01)

The Court received and noted a detailed report and supporting presentation on the University's REF2014 results which were presented by the Principal. These highlighted Heriot-Watt's improved performance across all relevant Units of Assessment between RAE2008 and REF 2014 and movement in the University's ranked position in the UK in terms of grade point average from 45th to 33rd.

The following were highlighted in the course of the presentation and following discussion:

- the need for continued focus on growth in the academic base through Global Platform appointments. In response to a question from another Court member the Principal highlighted that Global Platform had evolved to create a "mixed economy" and opportunities should continue to be taken to develop new areas of strength. As long as exceptional individuals in their field can be attracted to join the University, there will be significant potential for others to follow;
- the prominence of the joint submissions with the University of Edinburgh, with over 50% of Heriot-Watt staff submitted involved in a joint submission, and the mutual benefits for both institutions through complementary joining of their submissions. It will be important in the future to continue to develop the relationship between the University of Edinburgh and Heriot-Watt and, as part of a wider strategy, to ensure that the University acts to meet the expectations of policy makers and funders for genuine inter-institutional collaborations and partnerships. This was an area for further discussion in the future;
- the prominence of the General Engineering submission which contributed to a large part of the University's Quality Research grant funding;
- prospects of a further strengthened position in the area of earth sciences enabled by the partnership between the University and the British Geological Survey;
- the appreciation of the Court for the tremendous amount of work involved by academic and Professional Service staff to have secured a strong REF2014 result. The efforts of Professor Alan Miller, retired Deputy Principal (Research & KT) and the Research & Enterprise Services team were especially acknowledged.

The Chair of Court advised that she would communicate on behalf of the Court to convey thanks and appreciation to Professor Alan Miller for his leadership of the REF2014, and more widely to University staff.

The Principal advised that a suggestion that the University's REF2014 success should be communicated to the University's students would be followed up.

M15/51 HERIOT-WATT UNIVERSITY / SCOTTISH FUNDING COUNCIL OUTCOME AGREEMENT (Paper Ct4/15/02)

The Court received and discussed an annual update to the University's Outcome Agreement (2015/16) document negotiated with the Scottish Funding Council which was presented by the Principal for Court approval.

The Principal emphasised the University's positive engagement with Outcome Agreement development and delivery and confirmed that the Outcome Agreement aligns with, and is used to advance, Heriot-Watt's own strategic goals. Outcome Agreement targets also accorded with the University's strategy, for example, wider access targets. The University had been successful in securing significant additional funded places as a result of meeting wider access targets.

The Court approved the Outcome Agreement 2015/16 document, subject to further consideration of issues highlighted in relation to the 2015/16 document including a suggestion that the section of the

document covering SIMD20/40 could be augmented and typing error will be fixed.

Key comments and observations arising in the course of discussion included:

- in relation to SFC-eligible undergraduates in STEM with re-balancing in favour of Scottish-domiciled entrants, the Principal confirmed that this aim accorded with permissible contextualised admissions policy. The Chair of Court advised that careful consideration should be given to the phrasing in this section of the report to avoid any interpretation of wrongful discrimination;
- in response to a question from a member about whether the University was being sufficiently ambitious in its target for SIMD1-20 students, the Principal confirmed that the University wished to be ambitious in its target setting, but recognised also the requirement to consolidate and maintain target numbers into the future. SIMD20 student numbers had doubled over a three year period and the University wished to ensure that it is delivering a good quality of student experience to this group before making any commitment to further growth. It was noted that individuals in this group will often not be identifiable and neither would the University wish to seek identification, therefore home postcode may be the only indicator. It was suggested by a member that this signalled the requirement to ensure that support extends to meet the needs of all students;
- while SIMD1-20 was a strong indicator of deprivation, SIMD21-40 was less so. The metrics were undergoing refinement;
- in relation to access for care leavers, it was noted that the University was able to identify and provide proactive support to a very small number of such applicants and entrants received each year. In response to a question from a member about whether the University would wish to do more, it was highlighted that the University's approach was consistent with the best practice expectations of the Buttle UK Trust, the University publicised opportunities and also operated a positive discrimination policy. The SCHOLAR Unit was also active in the area of support for this group;
- a staff member of the Court highlighted the need to ensure that additional resources are deployed in the University support services that are required to ensure that wider access students are well supported. The Principal advised that additional resources were being deployed. It had been noted that SIMD20 group as a whole had a retention rate slightly below the University average, but both averages were on an upward trajectory. It was recommended by a member that the section of the document covering SIMD20/40 might be augmented with information about additional resources and retention rate improvements;
- institutional sustainability required further thought in the future. The Director of Planning responded that the SFC had introduced a range of financial sustainability metrics last year but had since withdrawn these as they were not considered to be appropriate. However, the Council was expected to push for environmental sustainability measures. The University had not formulated objectives in this area but acknowledged that it would need to do so over the period ahead;
- the Principal highlighted the potential for developments which stray into the area of terms and conditions of employment for staff; such developments were unlikely to be supported by the sector; and
- the gender balance figures for Court membership were current January 2015 figures, therefore there was a typing error to be fixed in the document.

M15/52 SCOTTISH FUNDING COUNCIL (SFC) MAIN GRANTS ANNOUNCEMENT 2015/16 (Paper Ct4/15/03)

The Court received and noted a report drawn from the SFC's indicative teaching grant announcement for academic year 2015/16 made on 27 January 2015, which was presented by the Principal and the Director of Planning.

It was noted that, as advised by the SFC, the figures were indicative only and cannot be finalised until the budget bill has been agreed by the Scottish Parliament and the Council has finalised and agreed universities' Outcome Agreements in April 2015. The purpose of providing indicative figures is to assist institutions to plan provision and for the Council to move towards finalisation of 2015/16

Outcome Agreements.

The Court noted that the indicative allocation to Heriot-Watt of just under £27 million represented a 5.3% increase on the current year and the largest rate of growth among established non-specialist Scottish institutions. The increase reflected the University's successful delivery against its Outcome Agreement targets.

M15/53 CHANGE TO HOME OFFICE REGULATIONS – PARTNERSHIPS (WEST LONDON COLLEGE) (Paper Ct4/15/04)

The Court received and discussed a report, presented by the Secretary of the University, which updated the Court on proposed changes to Home Office Regulations which will have implications for the University and its partnership with West London College (WLC). The Court was invited to note and comment on an action plan which set out the specific conditions, mapped to specific actions to be undertaken by the University. The Director of Governance & Legal Services highlighted the onerous nature of certain proposals, e.g. requirements to register student work placement 'partners', and the rather less practical requirement to register 'partner' institutions who accept students undertaking off-site research for longer than two weeks.

It was noted that the University had had an opportunity to feedback on the consultation by the end of January 2015 and that the University Executive had also considered a report on the proposed changes at its meeting on 30 January 2015. The University Executive had agreed on the necessity to undertake an options appraisal as quickly as possible.

The Court noted that a further meeting between the Home Office and the sector will take place in February 2015. A Sites and Partnership Form, which sets out how the Tier 4 sponsor will comply with the conditions by 1 October 2015, must be returned to the Home Office by 1 April 2015.

It was noted that it was as yet unknown how the relationship between the University and WLC might be interpreted under the new regulations. Potential options were signalled by the most recent draft of the Guidance (draft 3) which appeared to reduce further the options that might be open to the University and WLC since earlier drafts under consultation. The Director of Governance & Legal Services emphasised that it will be critical for the purposes of options appraisal to know what options the Home Office will sanction. If in the final analysis, for example, the only option remaining for WLC is to be classed as "wholly-owned" then an options appraisal exercise would be relatively simple.

The Director of Governance & Legal Services confirmed that it will be important for both bodies to seek a meeting with the policy arm of the Home Office in advance of the regulation changes to discuss their particular circumstances and the requirement for a workable transition period.

The Secretary of the University highlighted the requirement to undertake financial due diligence and to develop a business case for the future relationship for future presentation to the Finance Committee and the Court. In the meantime, academic provision at WLC sits entirely within the University's quality assurance framework; therefore, academic due diligence was a lighter requirement.

M15/54 REPORT FROM THE COMMUNICATIONS FOCUS GROUP (Paper Ct4/15/05)

The Court received and discussed a report which was presented by the Deputy Chair of Court on behalf of the short-life Communications Focus Group. The report included the outcomes of three meetings of the Group established in November 2014 to review aspects of engagement both within the Court itself (Court and Court committees) and between the Court and the wider community. The outcomes were presented as a series of recommendations which the Court was invited to consider and comment on, in advance of further consideration by the Chair of the Court and, in due course, the new Principal & Vice-Chancellor.

In relation to the recommendations of the Group, the Deputy Chair of Court drew attention to the

following in particular:

- enhanced opportunities for informal type communications including, for example, Court dinners scheduled in the evening before Court meeting dates. The Chair of Court emphasised that consultation will need to take place with Court members on the preferred day of the week for Court meetings, with the evening commitment in mind, and with the expectation of members' attendance at the dinner meeting;
- the opportunity to establish an internet site for use by Court members to access information between meetings of the Court, and to gain early access to meeting papers;
- enhancements to induction arrangements and Court members' development in their role;
- enhanced visibility and interaction enabled through governor visits to different parts of the University; and
- the review and recommendations, when implemented, will be a useful precursor to the Court Effectiveness Review.

The following observations and comments arose in the course of discussion:

- the value of further information provided at Court induction events on additional roles and engagement of members, for example, expectations around attendance at graduation ceremonies and other events;
- opportunities for members to engage with the Student Union;
- the Chair of Court recommended that Court meetings should be scheduled to start at 9.00 am; and
- in relation to recommendation 3.3 (j), the Chair of Court raised uncertainty as to whether the proposed group of attendees could be included around the table at all times or whether some flexibility would be more desirable. It was noted however that practical arrangements would be put in place to facilitate the required total number of attendees at future meetings of the Court.

The Court agreed that some of the recommendations were straight forward examples of common sense and good practice and could therefore be implemented quickly. As originally intended, other recommendations should be given further consideration, including by the new Principal & Vice-Chancellor. The Secretary of the University advised that an action plan will be developed accordingly.

The Deputy Chair of Court, expressed thanks to those who had contributed to the report of the Communications Focus Group and advised that arrangements should be reviewed after one year.

M15/55 ANY OTHER BUSINESS

55.1 Malaysia Campus students

In response to a question about how well students were doing at the Malaysia Campus, the Principal confirmed that signs were very positive. A Head of a Scottish campus School had recently reported very positively on the comparative high quality of students studying in the same subject area at the Malaysia Campus.

55.2 Dubai and Malaysia Campus visits

The Chair drew the attention of the Court to the forthcoming visits to overseas campuses by the Principal, the Vice-Principal and the Chair of Court. There would be an opportunity, at a forthcoming meeting of the Court, to feedback to the Court on those visits, in addition to the report from the Chair of the Campus Committee on his recent trip to the Dubai and Malaysia campuses.

M15/56 DATE OF NEXT MEETING

It was noted that the next scheduled meeting will take place on 9 March 2015.

Signed

Date

COURT

Minutes

| | | |
|------------------------|--|--|
| In the Chair: | Ms Frances Cairncross | Date of Meeting: 9 March 2015 |
| Present also: | Ms Tracey Ashworth-Davies Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones Mr Colin MacLean Dr Shonaig Macpherson Ms Miranda Matoshi | Mr Iain McLaren Mr Andrew Milligan Ms Jessie Nelmes Ms Jane Queenan Professor James Ritchie Mr David Robinson Ms Jandy Stevenson Professor Ian Wall Professor Peter Woodward |
| Officer in attendance: | Ms Sue Collier Ms Ann Marie Dalton | Professor Bob Craik (via Skype) Mr Andrew Menzies |
| Others in attendance: | Ms Lorna Kirkwood-Smith (minutes) | |

M15/57 APOLOGIES

Apologies were received from: Ms Pamela Calabrese, Professor Steve Chapman, Dr Jock Clear, Councillor Ricky Henderson, Mr Strone Macpherson and Professor Ammar Kaka.

M15/58 MINUTES OF THE MEETINGS OF THE COURT HELD ON 15 DECEMBER 2014 AND 4 FEBRUARY 2015

The Court approved the minutes of the meetings of the Court held on 15 December 2014 and 4 February 2015.

M15/59 MATTERS ARISING

59.1 Appointment of Principal & Vice-Chancellor

The Secretary of the University updated the Court on arrangements relating to the appointment of Principal & Vice-Chancellor. Interviews were scheduled to be held on 9 March 2015. The Senate would consider the recommendation of the Appointment Committee at a special meeting on 11 March 2015, following which the Governance and Nominations Committee and the Court would receive and consider the recommendation along with the view of the Senate at special meetings to be held on 13 March 2015.

59.2 Charter and Statutes

The Director of Governance & Legal Services updated the Court on the status quo and proposed next steps in relation to external approval of the University's revised Charter and Statutes. A meeting of the Constitutional Review Group (CRG) would take place on 18 March 2015. It was expected that by then the Scottish Government Legal Department will have confirmed agreement of the further revised drafts. Copies of these, along with a report of all further modifications made to the Charter and Statutes since the Court approved versions in June 2014, will be available for consideration by the CRG at its March meeting. A full report of all modifications made will be reported to the Senate and the Court in due course.

The Court noted that, following consideration by the CRG and final agreement on the revised versions, the Scottish Government will forward copies of the Charter and Statutes to the First Minister and Lord Advocate prior to formal presentation to the Privy Council for approval.

59.3 Home Office Regulations

In relation to M15/53 (4 February 2015 meeting), the Director of Governance & Legal Services confirmed that the Home Office had since published new guidance. The higher education sector was expected to be working to achieve full compliance with the guidelines, while some allowance will be made for transitional arrangements. Around 900 students at West London College would continue under the existing arrangements until the end of September 2015 with a new structure to be in place from 1 October 2015. It was not yet known what the change will mean for Heriot-Watt as the University does not fit into any of the models proposed in the guidance. The University was seeking a meeting as soon as possible with the relevant personnel in the Home Office to discuss options.

The Secretary of the University confirmed that any proposed future changes to the nature of the relationship between the University and West London College would be presented to the Court for consideration and approval as appropriate. In response to a question about the scale of activity represented by the West London College Associate Campus, the Secretary of the University confirmed that activities represented a significant proportion of the overall portfolio of the Edinburgh Business School.

The Chair of Court suggested that a fuller discussion on West London College could be included on the agenda for the May 2015 Court Away Day.

M15/60 NATIONAL PERFORMANCE CENTRE FOR SPORT: CITY OF EDINBURGH COUNCIL HERIOT-WATT UNIVERSITY GUARANTEE (Paper Ct5/15/18)

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

M15/61 GOVERNOR REPORT ON THE VISIT TO DUBAI AND MALAYSIA CAMPUSES: NOVEMBER/DECEMBER 2014 (Paper Ct5/15/06)

The Court received and noted a preliminary report including recommendations following a recent governor visit to the Dubai and Malaysia Campuses by the Chair of the Campus Committee.

It was noted that the full report (including management responses to each of the recommendations contained within the report), would be considered by the Court at its Away Day meeting in May 2015 alongside the final report on the Malaysia Project from the Malaysia Oversight Board.

In the meantime the attention of the Court was drawn to the preliminary report which highlighted a number of recommendations considered by the Chair of the Campus Committee to be worthy of more urgent attention. The Chair described the development required on the two major international projects, the Dubai and Malaysia Campuses. In each case in his view decisions were required in summer 2015 which would determine future pathways. In the case of Dubai, a key factor was future contractual changes with the current contract due to end in 2020. In the case of Malaysia there was an imperative to make a timely decision in relation to delivery of phase II Campus developments.

The Vice-Principal highlighted pertinent information reported to the Court within the briefing from the Principal and the University Executive. This related to recommendations from the International Strategy Board which were discussed and approved by the University Executive at its meeting in February 2015. The recommendations set out the planning and review processes required to help inform decisions on next steps in relation to both campuses including, inter alia, those associated with the development of academic portfolios and research and knowledge exchange strategies. In the case of the Malaysia Campus it had been agreed that a full briefing paper incorporating recommendations should be presented to the UE in late May 2015 for consideration and approval.

The Vice-Principal agreed that the full paper considered by the University Executive at its February 2015 meeting would be circulated to the Court for information (*Addendum: the paper was circulated to Court members on 13 March 2015.*)

The Chair of Court emphasised the importance of engaging the Principal Designate in the required early decision-making processes.

M15/62 REPORT FROM THE EMERGENCY COMMITTEE OF COURT: FEBRUARY 2015 (Paper Ct5/15/07)

The Court received and noted a report from the Emergency Committee of Court which confirmed that, on 16 February 2015, the Committee had approved recommendations which had been presented by the Director of Campus Services.

The Committee had approved required amendments to legal documentation which was previously agreed by the Court in December 2014 in relation to the National Performance Centre for Sport. The Court noted the reported amendments to the legal documentation as below.

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

**(Addendum: this clause was superseded in a further decision by the Court on 9 March 2015 and recorded in minute section M15/60 above).*

M15/63 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE: MEETING HELD ON 17 FEBRUARY 2015 (Paper Ct5/15/08)

The Court received and discussed a report from the Governance and Nominations Committee which related to a meeting of the Committee held on 17 February 2015. A range of items were presented for the approval of the Court. The Court noted other items presented.

63.1 Court succession planning

In relation to succession planning for membership of the Court, the Court approved the recommendation of the Committee that, subject to approval of the revised Charter and Statutes, one of the newly created independent lay member places on the Court should be held for the appointment of a member who will also take up the position as Chair of the Finance Committee. It was intended to run an advert to fill this new position which will be one of two new independent lay member places created on the Court, replacing those currently occupied by electees of the Edinburgh City Council and the Watt Club.

The Secretary of the University advised that she would consult with all members of the Court to garner information on potential candidates who might be encouraged to apply.

63.2 Audit and Risk Committee succession planning

The Court approved the following recommendations in relation to future membership of the Audit and Risk Committee:

- the re-appointment of Ms Rio Watt to the membership of the Audit and Risk Committee in the independent Court member category (transferring from the co-opted member category). Her membership term should run concurrently with her membership of the Court, from 1 August 2015 to 31 July 2018;
- the appointment of Ms Trish Gray to the Audit and Risk Committee in the independent Court member category with immediate effect until the expiry of her membership of the Court on 31 July 2017 (Ms Trish Gray was absent from the discussion on this item);
- subject to availability and willingness to accept such an invitation, the appointment of Mr Allan Thomson or Mr Grant Innes to the membership of the Committee in the co-opted lay member category, their term of office to run for three years until 31 July 2018. It was noted that this vacancy will arise following the retirement from the Committee of Mr Will Dick. The Committee had agreed that either candidate could bring valuable experience to the Audit and Risk Committee and requested that the Secretary of the University should discuss both opportunities with both candidates; and

- the renewal of the membership of Ms Susan O'Brien, QC, in the co-opted lay member category for a further two years until 31 July 2017.

It was noted that the two vacancies above in the independent Court member category will arise due to the retirement from the Committee of Mr David Robinson and Mr Tony Strachan.

63.3 Emergency Committee of the Court succession planning

The Court noted that a vacancy will be created upon the retirement of Professor Peter Woodward after 31 July 2015 and that the Governance and Nominations Committee will review potential candidates to fill this vacancy following staff and Senate member elections to be held in Spring 2015.

63.4 Finance Committee succession planning

The Court approved the following recommendations in relation to future membership of the Finance Committee:

- an open advertisement should be placed in March 2015 to attract a suitable candidate for the position of Chair of the Finance Committee; and
- any of Dr Stephen Houston, Professor Philip John or Professor James Ritchie be approached with an invitation to serve on the remainder of the Finance Committee's meetings until the end of the current 2014/15 session.

63.5 Governance and Nominations Committee succession planning

The Court noted that a vacancy will be created upon the retirement of Professor James Ritchie after 31 July 2015 and that the Governance and Nominations Committee will review potential candidates to fill this vacancy following staff and Senate member elections to be held in Spring 2015.

63.6 Ordinances and Regulations Committee succession planning

The Court noted that a vacancy will be created following the end of Professor Woodward's term of membership on 31 July 2015. The Governance and Nominations had invited the Secretary of the University to ascertain the availability of a potential candidate to recommend for filling of the forthcoming vacancy.

The Court noted that it was the intention of the Chair of Court to attend meetings of the Ordinances and Regulations Committee, retaining the Chair of Court ex officio place.

63.7 Remuneration Committee succession planning

The Court noted that no vacancies will arise in the membership of the Remuneration Committee in 2015.

63.8 Staff Committee succession planning

The Court approved the following recommendations in relation to future membership of the Staff Committee:

- conditional on her appointment to the Court, Ms Lucy Conan be appointed to the membership of the Committee in the independent Court member category, her term of office to run concurrently with her membership of the Court, from 1 August 2015 to 31 July 2018; and
- subject to availability and willingness to accept such an invitation, any of Mr Grant Innes, Mr Allan Thomson or Mr George Morton be invited to join the membership of the Staff Committee, in the co-opted member category, the term of office to run from 1 August 2015 until 31 July 2018.

63.9 Campus Committee succession planning

The Court approved the following recommendation in relation to future membership of the Campus

Committee:

- an open advertisement should be placed in March 2015 to attract appropriately experienced candidates for co-opted lay member positions in accordance with the future skills requirements of the Committee. The Court noted that the terms of office of co-opted lay members Mr David Maxwell and Mr Ken Wright would end after 31 July 2015.

The Court noted that a vacancy will arise in the membership of the Committee following the retirement of Professor Peter Woodward on 31 July 2015. The Governance and Nominations Committee will review potential candidates following staff and Senate elections to be held in spring 2015.

The Court noted that the Chair and the Deputy Chair of Court were yet to have a discussion to agree whether either one should continue to be included in the membership of the Campus Committee.

63.10 Edinburgh Business School Board succession planning

The Court approved the following recommendation in relation to future membership of the Edinburgh Business School Board:

- appointment of Mr Hugh Mitchell to the Board; and
- appointment of Professor Julian Jones to the Board to fill the vacancy that will arise following Professor Andy Walker's term of membership. Professor Jones' membership should run for three years from his date of appointment.

The Court noted that further discussion will be required with EBS in relation to succession planning for the position of Chair to the Board and that it should continue to be emphasised that the position should be publicly advertised within an open and transparent process.

63.11 Endowment Committee succession planning

The Court approved the recommendation of the Committee that, when appointed, the new Chair of the Finance Committee be appointed to the membership of the Endowment Committee, the term of membership to run concurrently with that individual's membership of the Court.

63.12 Skills' Matrix

In relation to the report of the Committee on work under way to develop the Governor Skills' Matrix, it was noted that the Court would also have an opportunity to consider the proposed updated Matrix report.

63.13 Lead Governor Scheme

The Court approved the recommendation of the Committee to postpone implementation of the trial Lead Governor Scheme. It was agreed, for the time-being, to concentrate on implementation of the recommendations of the Communications Focus Group, as a number of these might support the same improvements as had been hoped for through the Lead Governor scheme.

63.14 Charter and Statutes

The Court noted and discussed the update report provided by the Committee on recent developments and next steps associated with the revised Charter and Statutes.

It was noted that the Constitutional Review Group was scheduled to meet on 18 March 2015 to review updates to the Charter and Statutes, including necessary changes that had been made throughout the process of consultation with the Scottish Government Legal Department. It was confirmed by the Chair of the Constitutional review Group and the Secretary of the University that none of the further changes made to the Charter and Statutes had been material.

It was noted that the final revised Charter and Statutes would be presented to the Senate and the Court following consideration by the Constitutional Review Group.

63.15 Governor Overseas visits

The Court approved the proposal that governor overseas visits in 2015/16 should be undertaken by the new Principal & Vice-Chancellor and the Deputy Chair of Court.

A staff member of the Court requested that future consideration be given to the inclusion of staff Court members in forward plans for governor overseas campus visits.

63.16 Communications Focus Group recommendations: Action Plan

The Court received and noted a copy of the Action Plan relating to the recommendations of the Communications Focus Group which had been approved by the Governance and Nominations Committee.

In relation to interactions with the Senate, a member of the Court recommended that lay members of the Court should be encouraged to sit as an observer at a meeting of the Senate at least once each year.

The Court supported this proposal and agreed that it should be added to the recommendations listed in the report. It was agreed that future Senate meeting dates should be notified to Court members.

M15/64 REPORT FROM THE STAFF COMMITTEE: MEETING HELD ON 2 FEBRUARY 2015 (Paper Ct5/15/09)

The Court received and noted a report from the Staff Committee which related to the meeting of the Committee held on 2 February 2015.

In relation to the Staff Engagement Survey, a staff member of the Court suggested that it would be helpful if free-text submission elements of the survey were interpreted and reported on by the HR department. The Secretary of the University agreed that a check would be taken to ascertain whether free-text will be a feature of the 2015 Survey.

The same member of the Court highlighted the need for clarity around any bargaining rights the UCU might have around Grade 10 staff pay. The member disagreed with wording of a minute in the report which reported the view that no such bargaining rights existed. The Secretary of the University highlighted that this was an area of conflicting opinion currently.

M15/65 REPORT FROM THE AUDIT AND RISK COMMITTEE: MEETING HELD ON 5 FEBRUARY 2015 (Paper Ct5/15/10)

The Court received and noted a report from the Audit and Risk Committee which related to the meeting of the Committee held on 5 February 2015.

The Chair of the Committee drew particular attention to plans to discuss the draft Risk Policy and Appetite Statement at the Court Away Day in May, following which the final draft will be presented to the Court for formal approval at its June 2015 meeting. The Chair also highlighted that the Audit and Risk Committee would shortly receive a report from the panel convened to consider the appointment of External Auditor following the end of the current contract in 2015.

M15/66 REPORT FROM THE FINANCE COMMITTEE: MEETING HELD ON 17 FEBRUARY 2015 (Paper Ct5/15/11a)

The Court received and noted a report from the Finance Committee which related to the meeting of the Committee held on 17 February 2015. The Court also received and noted the recently updated Museum and Archive Collections Development Policy which was appended to the Committee's report for information.

The Chair of the Committee drew attention to the Committee's review of the Group Financial Summary Dashboard report for the period to 31 December 2104. A more recent Dashboard

Summary (for the period ended 31 January 2015) had been provided to the Court under separate cover (Paper Ct5/15/11b below). The Chair of the Committee advised that suggestions from Court members as to ways in which the Dashboard Summary report might be further improved would be welcomed.

M15/67 MANAGEMENT ACCOUNTS AND GROUP FINANCIAL SUMMARY DASHBOARD (Paper Ct5/15/11b)

The Court received and noted the following reports which were presented by the Director of Finance:

- Management Accounts for the period ending 31 December 2014 (period 5); and
- Group Financial Summary Dashboard report for the period ending 31 January 2015 (mid-year).

The Director of Finance drew attention to the reported group position in the mid-Year Financial Summary Dashboard, highlighting the current positive variance in projected surplus versus budget. The Court noted the contributing factors, both negative and positive variations against budget.

XXX (reserved section: ref section 30, FOI(S)A).

M15/68 COMMUNICATIONS FROM THE CHAIR OF COURT

There were no communications from the Chair of Court other than those captured elsewhere in the agenda.

M15/69 COMMUNICATIONS FROM THE PRINCIPAL / UNIVERSITY EXECUTIVE (Paper Ct5/15/12)

The Court received and noted a report from the Principal and The University Executive on a range of news topics of current interest and involvement of the University.

M15/70 COMMUNICATIONS FROM THE SENATE: MEETING HELD ON 11 FEBRUARY 2015 (Paper Ct5/15/13)

The Court received and noted a report, presented by the Vice-Principal, which related to the meeting of the Senate held on 11 February 2015. One item in the report was presented for approval; all other items were reported for information.

70.1 Regulation 31: Authority of Heads of Schools and Examiners in Exceptional Circumstances

The Court approved recommendations of the Senate for modifications to *Regulation 31: Authority of Heads of Schools and Examiners in Exceptional Circumstances*.

It was noted that the modifications, which had been proposed to the Senate by the Ordinances & Regulations Committee, would permit Head of School nominees to be approved for the purpose of the Regulation by the Senate Business Committee, instead of having to be appointed by the Court under Ordinance 26. The change would also bring the Regulation into accord with the most recent revision to the Student Appeals procedures, ensuring that any students affected by the circumstances in which Regulation 31 will apply shall have recourse to a two-stage appeals process.

70.2 Other items reported for information

The Court noted other matters which were reported by the Senate for information.

70.3 Observers at meetings of the Senate

It was agreed that the Principal's invitation to Court members to sit in on occasional meetings of the Senate as observers should be refreshed. Court members were reminded of this opportunity and it

was agreed that future dates of Senate meetings would be distributed to the Court membership.

M15/71 COMMUNICATIONS FROM THE PRESIDENT OF THE STUDENT UNION (Oral)

The Court received and noted an oral news update from the President of the Student Union. The President highlighted:

- voting was open in the 2015 Student Union elections. The President advised that the results of the Student Union election would be circulated to the Court;
- following a visit to the Dubai Campus in February 2015 a range of recommendations was being developed in a consultation paper focused on student support and representation in Dubai and covering the short, medium and longer term;
- support under way to encourage a high level of response in the 2015 National Student Survey; and
- work under way to identify as many new opportunities to increase student study spaces at the Edinburgh Campus as possible.

The Vice-Principal confirmed the view that student study space was a high priority to meet a surge in demand for study space. In the very short term, more space could be made available, e.g. in the James Watt Centre and by advertising where all the available study spaces are in the University; however, longer-term solutions were required as a matter of priority to meet growing demand.

In response to a question about the National Student Survey and the potential impact of West London College (WLC) student view on the whole University results, the Secretary of the University emphasised that the University treated the NSS results seriously and acted to resolve any issues arising from the survey. WLC was attentive in this area and engaged appropriately with work led by the University to resolve any issues arising out of the NSS.

The Chair of Court reported that, on her recent visit to the Dubai Campus and the Malaysia Campus, she had had the opportunity to speak with students. They were keen to maintain good contact with academic representation at the Edinburgh campus. She urged the Student Union to continue its efforts to support that contact.

M15/72 FIVE YEAR FINANCIAL PLAN: DEVELOPMENT UPDATE (Paper Ct5/15/15)

The Court received and discussed a report and supporting presentation on development of the 2015 Five-Year Financial Plan which was presented by the Vice-Principal.

It was noted that the financial envelopes for the 2015 version of the Five-Year Plan had been agreed and planning meetings with budget holders were under way. The Vice-Principal highlighted the key features of the developing Plan

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

The Vice-Principal highlighted the large number of competing capital projects which will have a call on future investment capacity in the Plan. There will be an opportunity at the Court Away Day in May 2015 to consider these fully; the draft Plan included uncommitted capital investment funds of £25 and £30 million respectively in the last two years of the Plan.

The Vice-Principal provided examples of priorities for spend against capital investment capacity across the thematic areas of international strategy (Dubai and Malaysia); capacity for academic recruitment (research infrastructure); learning spaces; specialist teaching space (for growth and international transfers); new research centres (the imperative to ensure that investment fund are available to support emerging opportunity projects); and student residences. In relation to Dubai and Malaysia, the issues to be considered largely concerned balance - growth of research activity, balance of UG and PGT provision, balance in terms of campus transfers and 2+2 arrangements.

In the course of the wider discussion the following comments and observations were made:

- the potentially growing risk to RUK recruited numbers in Scotland when the cap on places in England is removed completely in 2015/16. This would add to the potential risk to income arising from a reduction in tuition fees in England;
- an increased level of contingency had been built into the 2015 draft Five Year Plan; whether this will be sufficient in the light of assessment of all risks remains for further review;
- the creation of new student learning spaces was an example of an area for investment which was both important and urgent. There was also imperative to act swiftly to create the building modifications necessary to accommodate academic work arising from new Global Platform appointments;
- revenue earning capacity of the various infrastructure investments should be included alongside capital costs of projects;
- desired adherence to the principle that no academic section of the University should be cross-subsidised over the long term by another section. Business plans should demonstrate clearly the ability for a new activity to be or become self-supporting;
- the above principle should apply to new student residences. While it was recognised that this meant the rents were comparatively expensive, there were safety and security advantages which made student residences a first choice for many students;
- experience shows that technological support for teaching should not be viewed as a replacement for traditional style face-to face tuition, but rather an addition to it. Future costs of teaching support should be based on mixed mode delivery via traditional and new means, with the assurance of a highly performing and reliable underpinning IT systems;
- large variation in the cost of providing laboratory space depending on the required level of kit-out;
- the importance of the timing of the decision to proceed with Phase II preparation work in relation to the Malaysia Campus, based on confidence in delivery against the HWUM Plan and capacity to manage all relevant additional future HWUM costs; and
- the continuing challenge within Heriot-Watt and nationally to achieve a good gender balance in science and engineering.

The Court noted that there would be an opportunity at the Court Away Day in May 2015 to focus on the order of priorities for investment in the Five-Year Financial Plan.

M15/73 ANY OTHER BUSINESS

73.1 Obituaries

The Court learned with sadness of the deaths of the following:

- Mr Alastair Crawford, former Security Supervisor in the University, who died on 12 January 2015; and
- Mr Norman Loch, former lecturer in Mechanical Engineering at the University for 34 years until his retirement in 2003.

73.2 Extra meeting of the Court

Court members were reminded that there would be an extra meeting of the Court held on 13 March 2015 to receive the recommendation of the joint Court and Senate appointment committee for the appointment of a new Principal & Vice-Chancellor.

Signed

Date

COURT

Minutes

| | | |
|------------------------|---|---|
| In the Chair: | Ms Frances Cairncross | Date of Meeting: 13 March 2015 |
| Present also: | Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones Mr Colin MacLean Dr Shonaig Macpherson | Mr Strone Macpherson Mr Andrew Milligan (by conference phone) Professor James Ritchie Ms Jandy Stevenson Mr Tony Strachan Professor Ian Wall Professor Peter Woodward |
| Officer in attendance: | Ms Sue Collier | Ms Ann Marie Dalton |
| Others in attendance: | Ms Lorna Kirkwood-Smith (minutes) | |

M15/74 APOLOGIES

Apologies were received from: Ms Tracey Ashworth Davies, Ms Pamela Calabrese, Professor Steve Chapman, Dr Jock Clear, Councillor Ricky Henderson, Ms Miranda Matoshi, Mr Iain McLaren, Ms Jessie Nelmes, Ms Jayne Queenan and Mr David Robinson.

M14/75 APPOINTMENT OF PRINCIPAL AND VICE CHANCELLOR

The Court received and discussed a report presented by the joint Appointment Committee convened in terms of *Ordinance 27: Appointment of the Principal*.

The Court noted that, following interviews held on 9 March 2015, the Appointment Committee had agreed to recommend that the following individual be appointed as Principal & Vice Chancellor from *1 September 2015 (*date yet to be formally agreed):

- Professor Richard Andrew Williams, OBE

The Court considered and approved the recommended appointment of Professor Richard Williams, noting the report of the meeting of the Senate on 11 March 2015 at which the recommendation was presented to the Senate. The Chair of Court confirmed that there had been universal agreement across the Appointment Committee membership in choosing to recommend Professor Williams and confirmed that the Governance and Nominations Committee, which met on 13 March 2015, was unanimous in its recommendation to the Court to approve the appointment. The Chair of Court reported that the process of obtaining references and undertaking other preliminary pre-appointment arrangements was underway.

The Court received and noted a copy of the Professor Williams' CV and noted views of members of the Appointment Committee highlighting a range of strengths, positive attributes and relevant experience that Professor Williams had demonstrated in areas which had been previously agreed as of uppermost priority in the selection process. Professor Williams had demonstrated, for example, that he would be an effective leader, collegiate in style, that he had a clear appreciation of and support for the University's international strategy, a strong emphasis on the student experience, considerable knowledge and experience of the research and funding policy environment, and had relevant institutional development and fundraising experience.

The Court noted that the joint Senate and Court Appointment Committee, with the addition of a University Dean, met the criteria for a committee appointed in accordance with *Ordinance 16: Appointment of Academic Staff, Professional Services Staff and of the Librarian*. The Senate had endorsed the arrangements in respect of the requirements of Ordinance 16 and noted that the Committee had agreed that the title of 'Professor' should be bestowed upon Richard Andrew Williams from the date of his appointment. The Senior Dean had confirmed his agreement during

the meeting of the Senate on 11 March 2015.

The Chair of the Court, expressed thanks and appreciation on behalf of the Court to the Senate, the Appointment Committee and the organisers and participants of candidate visit and interview days for their respective contributions to the process of selecting a new Principal & Vice-Chancellor.

M15/76 ANY OTHER BUSINESS

76.1 Acting Vice-Principal

The Chair of Court confirmed that from 14 March 2015, Professor Julian Jones will assume the role of Acting Principal for the period until the new Principal starts on 1 September 2015. An appointment would need to be made to an Acting Vice-Principal role.

The Court approved the recommendation that Professor Gill Hogg be appointed to the position of Acting Vice-Principal from 14 March 2015 until 31 August 2015.

Signed

Date

COURT

Minutes: Court Away Day

| | | |
|------------------------|--|--|
| In the Chair: | Ms Frances Cairncross | Date of Meeting: 11 May 2015 |
| Present also: | Ms Tracey Ashworth-Davies Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones Mr Colin MacLean Dr Shonaig Macpherson Ms Miranda Matoshi | Ms Pamela Calabrese Mr Andrew Milligan Ms Jessie Nelmes Ms Jane Queenan Professor James Ritchie Mr David Robinson Ms Jandy Stevenson Professor Ian Wall Professor Peter Woodward Mr Strone Macpherson Professor Bob Craik (via Skype) Mr Andrew Menzies |
| Officer in attendance: | Ms Sue Collier Ms Ann Marie Dalton | |
| Others in attendance: | Ms Lorna Kirkwood-Smith (minutes) | |

M15/77 APOLOGIES

Apologies were received from: Dr Jock Clear, Councillor Ricky Henderson, Mr Iain McLaren, Mr Tony Strachan and Professor Ammar Kaka.

M15/78 WELCOME AND INTRODUCTIONS

On behalf of the Court, the Chair welcomed Court Committee members and University Executive members, who were joining all discussions at the Court Away Day. Welcome was extended also to Ms Hannah Frances, the newly elected President of the Student Union, who will join the Court from 1 August 2015, and to Mr Malcolm Deans, Director of Campus Services and Mr David Wright, Head of projects, who were attending to lead the discussion on the Edinburgh Campus Strategic Masterplan, Space Optimisation Plan and Estate Strategy.

The Chair welcomed the Principal & Vice-Chancellor Designate, Professor Richard Williams, who was attending for the morning discussions relating to the Edinburgh Campus Strategic Masterplan, Space Optimisation Plan and Estate Strategy and capital planning.

The Principal Designate reported that he looked forward to building a good working relationship with the Court from September 2015, when he will take up his position. The Principal Designate outlined his reflections on the environment in which the University operates. This was characterised by constant challenges such as Government immigration controls and substantially increased competition for Research Council funding. The challenges would have to be met through a highly focused and nimble approach, and by ensuring that the University is able to attract and recruit high quality staff. The Principal Designate ended by thanking Professor Julian Jones for his stewardship of the University in the interregnum.

M15/79 CAPITAL PLANNING: INTRODUCTION

The Acting Principal provided a scene-setting introduction to the main discussion topic of the Away Day. The aim of the Estate Strategy and associated capital planning was to establish the capital resources for delivery of strategic research and learning and teaching aims. The five year operational planning period envisaged an increase in student numbers of some 1,500 but the University did not currently have the infrastructure in place to support that growth.

Meanwhile, there is insufficient physical space to accommodate the required growth of academic staff. The University aimed to increase the number of academic staff, partly to improve the staff-

student ratio, but also to support the research intensification strategy. Current Research Council policy calls for teams of research active staff as opposed to individual researchers. The Lyell Centre represented an example of investment in research space to house a large team, but was a lone example of such provision in recent years. It was proposed that the year-on-year capital plan should include provision for several million pounds of investment to enable the University to take up research infrastructure development opportunities, as and when these might arise. It was recognised that most of the available funding for such projects would be expected to be external; however, the University will need to be in a position to take advantage of this kind of strategic investment by making a contribution of its own.

The Acting Principal provided an overview of the morning's programme which included the Estates Masterplan as the structure and context for development of estates projects; the Space Optimisation Plan and Options Appraisal, which was expected to address some 50-60% of the shortfall of space; the detailed proposals and infrastructure requirements; investment capacity; and risks and options. The key next step was to agree priorities and actions required to develop a practical plan for future approval by both the University Executive and the Court.

The Acting Principal set out the financial context, comparing the University's position relative to other UK universities in terms of surplus, reserves and gearing/borrowing, and the financial prospects terms of income and surplus growth.

M15/80 EDINBURGH CAMPUS STRATEGIC MASTERPLAN (Paper CtAD May15)

The Court received and discussed a final draft of the Edinburgh Campus Strategic Masterplan for internal review, which was presented by the Director of Campus Services and the Head of Projects.

The Court noted that the draft Masterplan set out the guiding rules and principles for future development of the Edinburgh Campus, and established the long term framework within which the Estates Strategy can be delivered. Key features of the Masterplan were integration of the research park with the core University Edinburgh campus, zoning of the campus site, and an approach to development underpinned by coherence and consistency. The Director of Campus Services explained that there would be broad consultation on the Masterplan and encouraged Court members to provide him with feedback.

M15/81 SPACE OPTIMISATION STAGE 2 REPORT, ESTATE STRATEGY AND CAPITAL PLAN

The Court received and discussed reports on the following: Stage 2 Space Optimisation; Estate Strategy; and Capital Planning. The reports were presented jointly by the Acting Principal, the Directors of Planning and Estates and the Head of Projects. The Court noted that the University Executive had considered each of the above at its Away Day meeting held on 23 April 2015 and had agreed on the recommendations for onward presentation and discussion at the May Court Away Day.

The Court noted that the Stage 1 Space Optimisation Project had been commissioned by the University to collect and analyse data in relation to the University's use of space, and options had emerged in the resulting report. The subsequent Stage 2 Space Optimisation Report proposed that the scope of work relative to that recommended in the Stage 1 Report had increased significantly. The Stage 1 report had offered three options which the University Executive had endorsed for further development. However changes in growth projections, coupled with difficulties identified in the Stage 1 options, meant that none of the three was now expected to provide the required solution.

The scope of the Stage 2 of the project had been extended to include outcomes from the Learning and Teaching Strategy 2013-18. In parallel, other feasibility and options appraisal work had been undertaken. These included: Library Options Appraisal, Library Interim Strategy and Student Union Options Appraisal. In addition, a general survey of opportunities to develop teaching and study space had been carried out. An extensive process of consultation had been undertaken to evaluate future requirements. This work had enabled the University to quantify the imminent future requirement for increased high quality space capacity including learning and teaching spaces (also encompassing specialist teaching space, e.g. laboratories), study spaces, and space to

accommodate growth in academic staff and their research activity, all consistent with the 2013-18 Strategic Plan.

At the University Executive Away Day, and through discussion at the Court Away Day, three scenarios had been considered for scale and pace of the required infrastructure investments. The University Executive recommended Scenario 3 (the 'compromise' scenario, explained in 81.1, below), as the option which would provide for growth consistent with the Strategic Plan and which was acceptable in terms of the financial capacity and risk; therefore the Court was asked at its meeting whether it would recommend that this Scenario be adopted as the basis for the developing Five-Year Financial Plan.

The Court noted that the outputs of the Stage 2 Space Optimisation Project had been discussed by the University Executive at its Away Day, against the background of refined assumptions for teaching and research space and emerging investment capacity, and against the background of the Five-Year Financial Plan. In consequence, the following infrastructure investment priorities had emerged. These fell mainly into three categories: teaching space; common learning space; and academic space including research space. The University Executive had agreed that the capital plan must give priority to student-centred projects, and in particular to learning and teaching and study spaces. Other projects reported within the capital plan included "enabling" and more general projects, such as, a main University entrance re-design, replacement car parking (required because of spaces lost in other developments), general long term maintenance upgrades, IT projects, and pre-build investments to support progress of design work.

- **Teaching space**

Teaching space investments were proposed primarily to deal with issues of capacity. These investments were consistent with student numbers in the plan for the foreseeable future. The investments included:

- re-purposing of James Watt Centre II;
- comprehensive refurbishment of existing space (including, for example, re-purposing of levels 2 and 3 of the Postgraduate Centre); and
- the development of a new building to accommodate highly specialised space for engineering and science which could not be achieved from existing building stock (also to include research laboratory space). It was noted that many of the current academic buildings had originally been custom built and were therefore difficult to adapt to meet future needs.

- **Common learning space**

Common learning space provision requirements would be addressed through:

- refurbishment and re-purposing of common space within the James Watt Centre and throughout academic schools;
- immediate refurbishment of the Library and, towards the end of the five year period, construction of a new Library;
- conversion of 'Elements' Cafe space to study space; and
- College Lounge and Postgraduate Centre (levels 2 and 3) conversions.

The above formed part of wider aims in relation to the student experience, which included a wider range of student facilities, notably upgraded student residences, Student Union building and catering developments.

- **Academic Space including research space**

Academic space requirements, including research space, would be addressed through:

- provision for investment in new research centre space (e.g., projects similar to the Lyell Centre);
- a project to return the Scott Russell Building to its original academic purpose;
- conversion of the Lord Balerno Building from administrative to academic space and the consequent re-location of Professional Service staff to the Aptuit Building. The Aptuit

building was previously owned by a Research Park tenant, but had been gifted to the University; however, it requires refurbishment (potentially costing roughly £4M) to make it suitable for purpose; and

- building and laboratory upgrades and workspace optimisation developments.

81.1 Scenarios for Capital Plans

At the Away Day meeting two extreme scenarios were considered for the capital plan: one where all capital investments, as reported, would be completed “at full speed” within five years, and one where plans were entirely funded through surpluses without additional borrowing. The “full speed scenario required borrowing well outside of the University’s existing arrangements and would place the University within the top decile for borrowing levels within the sector, posing excessive risk. The alternative slowest scenario was inconsistent with the current plan for rate of growth of staff and student numbers.

Therefore a “compromise” scenario was suggested which envisaged the University increasing its borrowing by £40 million at a rate of £10 million per annum. It was demonstrated that this scenario would provide a rate of growth consistent with the plan for staff and student growth in almost all respects and, on the basis of preliminary calculations, was within the University’s capacity and within the bounds of acceptable risk. The Court noted that there was £20 million available for use within the University’s existing revolving credit facility.

The proposed pace of development corresponded to the compromise scenario and involved: immediate refurbishments to take place over the summer period, with associated expenditure of £1 million in readiness for the start of the 2015/16 academic year; in the first two years to re-purpose James Watt Centre space; to undertake an extensive programme of common learning space developments across Schools; to commence refurbishment of the Library; and other projects which were focused on the student experience. These developments would be followed in years two and three by commencement of refurbishment of the Aptuit building for Professional Service staff, and the re-purposing of the Scott Russell Building and the Lord Balerno Building for academic use. In years four and five, the main priorities would be to construct the new specialist teaching and research building and begin construction of the new Library.

The Court noted that the proposed Capital Plan was consistent with the Five-Year-Financial Planning constraints but remained to be further developed. Further Estates planning work will also be required to check the feasibility of the proposed pace and phasing of the projects. The Acting Principal and the Director of Finance wished to check the capital plan investment figures against the financial model and the Five-Year Financial plan to ensure that the consequent cash flows are acceptable and within the banking covenants of the current borrowing arrangements.

81.2 Additional Risks

The Director of Planning presented a number of areas of possible exceptional risks to delivery of the University’s academic plan. The Court noted that it was normal within the Five-Year Financial Plan to include an element of contingency against realistic shortfalls in teaching and research income. For the purposes of long term capital planning it was important to consider other potential material risks. Such identified risks were set out in the Director of Planning’s presentation. These potential risks were estimated to total between £25.6 million (worst case) and £2.5 million (best case) adverse over the period of the Five-Year Plan, with a prudent estimate of £14.1 million. It was important, therefore, in assuming the capital expenditure capacity in the forthcoming Five-Year Financial Plan, to allow include an estimate of risk of £14.1 million, with the intention that should the overall risk crystallise at a higher level it will be possible to defer capital expenditure plans.

The Court noted that the identifiable risks ranged considerably in terms of timing; some might materialise in the immediate future, while some would remain uncertain for a considerable length of time.

81.3 Court discussion on the Space Optimisation Stage 2 Report, Estate Strategy and Capital Plan and conclusion

In the course of discussion the following further comments were made and points of clarification provided in response to questions:

- a) new student residential accommodation was not factored into the first five years of the suggested capital plan, but was included in the 10-year horizon. The proportion of the overall Edinburgh student population residing in student accommodation had been decreasing, although the overall student population rises;
- b) it will be appropriate to review all of the external 'horizon scan' risks at University and Court autumn Away Days;
- c) neither the Dubai or the Malaysia Campus required substantial capital expenditure and, in the case of Malaysia, any required investments were embedded in the separate Malaysia business plan;
- d) the compromise scenario assumed no income from fundraising although it was hoped that this will be possible;
- e) the Director of Campus Services confirmed that there was capacity in terms of staff time and project management capacity to deliver the indicated projects earmarked in the coming financial year. Preparation work was already under way and immediate release of funds would be forthcoming for the relevant projects to progress to the design stage. All costs estimates presented to the Court for infrastructure projects include sufficient and suitable provision for project management;
- f) there was an immediate imperative to start to resolve the matter of shortage of student study spaces for small tutorial groups as well as individual students. 'Quick win' solutions were being pursued, but these could address only part of the problem which had clear potential to impact on the student experience. The Deputy Principal (Learning & Teaching) highlighted the need for investment in space for learning, teaching and study, and in Library provision;
- g) separately, the University will continue to carry out annual benchmarking exercises for presentation to the Court;
- h) options for student transfers to other campuses were constricted by SFC funding policy and the fact that not all courses offered at the Edinburgh Campus are available at the University's overseas campuses;
- i) there was potential to utilise IT to enhance learning and teaching across all campuses. This could include, for example, multi-centre use of recorded lectures;
- j) learning and teaching and research should not be considered as separate entities. They were synergistic, with excellence in both expected from appointed academic staff. The President of the Student Union echoed this point, emphasising the important of research-led teaching which expanded learning beyond the textbook;
- k) all the University's new building projects would meet BREEAM environmental standards and the University would seek to apply best practice in terms of sustainability and energy saving; and
- l) the suggested plan was ambitious in terms of the significant range of projects, but allowed for a great deal of flexibility.

In conclusion, the Court agreed that that the University should proceed to prepare its Five-Year Financial Plan on the basis of the compromise scenario and the proposed scale and pace of capital investment plans with a view to this being finalised for presentation to the University Executive, the Finance Committee and the Court at their meetings in May and June 2015.

M15/82 2014/15 ANNUAL REPORT FROM THE STUDENT UNION (Paper CtADMAY/15/01)

The Court received and discussed the Annual Report of the Student Union for 2014/15 and congratulated the Student Union team on their evident successful year.

The Court was also introduced to each of the incoming 2015/16 Sabbatical Office Bearers: Hannah Frances (President), Miranda Matoshi (continuing in role of Vice-President (Community)); Sahara Choudhury (Vice-President (Wellbeing)); and Peter Gilchrist (Scottish Borders Campus).

The attention of the Court was drawn in particular to confirmation in the report on:

- work in the year to combine and strengthen student representation arrangements at the Dubai and Malaysia Campuses;
- the focus in the year on the Union Volunteer Scheme and Volunteer Awards;
- particular efforts aimed at supporting the strong postgraduate student representation;
- the student study space campaign;

- the combined 'Big Student Elections' initiative that HWUSU joined forces with other Scottish universities on;
- the 67 strong collection of HWU student societies and physical space issues arising; and
- the high participation rate of eligible students in the 2015 National Student Survey. The results will be known in August.

In the course of wider discussion, the President reported on Student Union work to promote understanding across the student community of equality and diversity and cultural differences. The University Chaplaincy also played a key role in promoting integration and understanding, acting as meeting hub for students from many different cultures.

In response to a question on support for graduate employability, the President highlighted initiatives in support of this included the Volunteer Scheme; if more funding was available, more could be achieved, e.g. through workshop events or being able to support students who wish to achieve a Duke of Edinburgh Award; there was also a view that lecturers could do more in advising students on the skills that employers seek. A member of the Court observed that perhaps there might be an opportunity to tap into the knowledge of Edinburgh Business School staff.

The Secretary of the University highlighted joint working between the Student Union and the Professional Services of the University, in particular the Careers Service and Student Counselling Services. An opportunity was being considered to co-locate the Student Counselling Service with the Student Union.

In response to a question, the President confirmed that students of the West London College, while having a different student representative structure, were included in the Student Union membership and could vote in elections. In the coming year a West London College student would take up the International Officer role in the Student Union.

M15/83 STUDENT LIAISON COMMITTEE

The Court noted and approved a proposal presented by the Secretary of the University for the development of a Student Liaison Committee of the Court. It was intended that, within its terms of reference, such a committee should support the student experience and student representation at all campuses of the University. The Secretary proposed that the committee membership of around eight to ten members should comprise strong student representation as well as staff members who have particular responsibilities in the relevant areas, for example, the Deputy Principal (Learning & Teaching).

The Court endorsed the proposal that the Secretary of the University should prepare draft terms of reference for the committee, for consideration by the GNC and consideration and approval of the Court at its meeting in June 2015.

M15/84 FINAL REPORT FROM THE MALAYSIA OVERSIGHT BOARD: HWUM PROJECT (Paper CtAD May 15)

The Court received and discussed the 'Final Report on the Heriot-Watt Malaysia (HWUM) Project from the Oversight Board, which was presented by the Chair of the former Board. The report provided an overview of the Project, from the development approval of the University's International Strategy in 2010/11 to the opening of the HWUM Campus in Putrajaya in September 2014, as a wholly owned subsidiary company of the University. The report documented the management and governance arrangements which had been applied to the project, major milestones achieved, and the transition of the project to operational status. The Court noted also the identified and reported key lessons learned from the project. The University Executive had received and considered the report at its meeting in February 2015 and had endorsed the lessons learned which will be adopted in future practice.

The Chair of the Oversight Board noted the four year duration of the project and the importance of the report therefore to a Court membership that had changed since inception of the project, most especially the lessons learned. The Chair of the Board also highlighted the peculiarities of the project, in that it arose from an international competition to establish a new university presence in

Putrajaya. This factor had impacted on the both the pace and the particular terms which applied to the project. The challenges had helped drive a step-change in project management practice.

The Chair of the Board highlighted the positive development of the establishment of a Transitional Management Support Group to support the first year of full operation of HWUM. The Chair of the Board also highlighted the business planning changes that had taken place over the course of the project, which had been informed in part by growing understanding of the market-place. A significant amount of work had been carried out with Schools on the timetable for course approvals and accreditations in the light of experience to date. Ongoing strategic developments included, inter alia, securing a suitable portfolio of student accommodation (for the time-being good third-party provision was in place), and planning for Phase II of the Campus, which would require a great deal of further consideration.

In the course of discussion it was noted that the governor visit to the campus in 2013 had revealed something of a disconnect between the Edinburgh and the Malaysia Campus in terms of incorporating Malaysian campus into decision-making and recognising the Campus's differing needs. The Vice-Principal (Malaysia) and the Secretary of the University both reported the view that things were moving in a positive direction. While there was still much to be done, through re-engineered operational processes and closer engagement, there was a great deal of goodwill on all sides to achieve those aims.

In response to an invitation from the Chair of Court, the Vice-Principal (Malaysia) and the Deputy Principal (External Relations) provided their view on the project. The included positive reflections on the governance of the project and the importance of embedding lessons learned in future practice. The Vice-Principal (Malaysia) highlighted that the governance and the operation of HWUM appeared to be ahead of other universities in comparable situations in the region and was viewed positively by the Ministry of Education as a successful development.

In response to a question by a member of the Court, the Chair of the Board confirmed that the relevant legal advice in relation to the project had been satisfactory. This covered, for example, tax advice, in-country legal advice and contractual advice. The University's own solicitor formed part of the range of legal advice drawn on in the course of the project.

In response to a question by a member of the Court it was confirmed that temporary student transfers between HWUM and the Edinburgh Campus were supported and going forward will be encouraged and facilitated through development of the University's policy on student transfers.

The Court discussion also touched on the highly positive recent QAA Review of the University's Transnational Education provision in Dubai. However there was a good deal of planning and contractual work required ahead of the 2020 end of contract date in relation to the Dubai Campus infrastructure provision and to secure suitable and sustainable campus infrastructure to accommodate future growth. **XXX Reserved section: Ref sections 30/33 FOI(S)A**. It was noted that Dubai would host the 2020 World Expo and this would have an unpredictable impact on construction costs in coming years.

In response to a question from the Court member, the executive confirmed that both the Malaysia and the Dubai Campus were expected to make a positive financial contribution to the University. The Vice-Principal noted the need to invest in the Dubai Campus to ensure that the quality of the student experience in particular in popular subject areas is on par with Scottish Campus provision.

**M15/85 GOVERNOR REPORT ON THE VISIT TO DUBAI AND MALAYSIA CAMPUSES:
NOVEMBER/DECEMBER 2014 (Paper CtADMay/15/02)**

The Court received and discussed a full report, presented by the Chair of the Campus Committee (CC), on his visit to the Dubai and Malaysia Campuses in November/December 2014. The report, which had been presented at the March 2015 meeting of the Court, now included management responses to each of the recommendations included in the report. Recommendations 2, 6, 7, 8, 9, 10 and 11 within the report had been highlighted as areas which in the view of the CC Chair, merited early attention.

The Chair of the Campus Committee (CC) relayed his positive assessment of what he had found on

this trip to both campuses, in terms of shared sense of vision, quality, aspiration and student experience. He drew attention to the emerging recommendations of the report, which he viewed being categorised thus:

- the relationship between the Edinburgh Campus and the Malaysia Campus, in terms of administrative processes and required changes in those, and the relationship in terms of movement of people, shared experience and shared understanding;
- planning and delivery of practical infrastructure solutions, the most significant of which was Phase II of the Malaysia Project. The CC Chair emphasised that, even if delivery of phase II is to be delayed by one year, planning should needs to be put under way as soon as possible;
- governance arrangements: the Chair had included the recommendation in his report for meetings of the Court to take place in Dubai and Malaysia, at least once each year (alternate years for each campus). The CC Chair emphasised his view of the value of such an arrangement in terms of on-the-ground experience gained and engagement – both with staff and students and with external stakeholders bodies including, alumni bodies, funders, government bodies etc.

The following comments and observations were raised in the course of discussion:

- Edinburgh was likely to remain the central hub of the University in the longer term, although strengths in the other Campuses would emerge. The Deputy Principal (Learning & Teaching) emphasised the aim of identical standards which was being met across all campus locations. This did not mean that there were not issues to address at each campus. The hub and spoke notion of the University was therefore not relevant from an academic perspective;
- the importance of delivering high quality research on all campuses;
- the importance of infrastructure developments being academic-led and grounded in academic objectives;
- one Court member suggested periodic meetings of the Court in Dubai and Malaysia, while the President of the Student Union expressed the view that governor visits to the campuses were potentially a more effective way of helping governors to develop an understanding of the issues. The Secretary of the University highlighted the cost of such visits and expressed doubt about whether decision-making would be improved through scheduled meetings in Dubai and Malaysia, as opposed to visits to the campuses by a couple of governors each year, thereby establishing a continuing linkage between the campuses and the Court;
- it was proposed that a potential middle-ground solution to the above would be biennial meetings of the Audit and Risk Committee held in each of the two overseas campuses as part of a revolving programme. The focus on risk would be of particular relevance;
- the Chair of the Campus Committee spoke of the importance of regular reporting on the HWUM Business Plan. It was noted that the appropriate route for the continuing scrutiny was via the Finance Committee which, it was noted, received regular management reports for each of the Dubai and Malaysia Campuses. Further development was needed of the Malaysia reports; and
- the Secretary of the University highlighted governance arrangements in relation to both campuses. There was not a constitutional construct which included a governing board in Dubai, but there might be in the future. Meanwhile, it was intended to augment the HWUM Board with Court representation.

M15/86 RISK APPETITE

The Court received and discussed a presentation, given by the Chair of the Audit and Risk Committee (ARC), which outlined an approach to risk appetite, i.e. “the amount of risk that an organisation is willing to seek or accept in the pursuit of its long term objectives”.

The Chair highlighted the considerable progress that had been made by the University in terms of its risk management. Risk could be viewed as falling into two main types: external risks, i.e. risks beyond the institution’s control which impact on the institution and the risks that the institution might take and determine its appetite for. In the case of the latter, there were three possible responses to the risk: to avoid; to reduce its likelihood; or reduce its impact. Each response might be valid in its own way, but decisions should be guided by a determination of risk appetite. Scenarios for low and medium level risk appetite were highlighted.

The ARC Chair proposed a method to 0-10 scale method of calculating risk appetite and highlighted the instances when risk appetite should be considered: as part of the decision-making process where decisions could have a major impact; and as part of the process of ensuring that risks are managed effectively. Risk levels would dictate whether plans were stopped (risks to high); risks may need to be accepted to achieve results; or whether risk is reduced to such an extent that positive benefits cannot be generated.

The ARC Chair illustrated a risk appetite approach and how this might be applied to individual major projects, to the key strategic objectives of the University and to illustrative fictional projects. Break out groups were invited to discuss and to report back on discussions on two fictional projects: a new overseas campus project; and research with a global organisation which carries out research involving animals.

The outputs of group discussions highlighted observations which highlighted that the agreed strategy would be the initial driver for decision-making determined by the contribution that would be made by the project in delivering the strategy. Many of the questions asked would therefore be the ones which would potentially arise after the decision had been taken to proceed. A further observation was that understanding the level of reward will be important when considering risk appetite. It was observed also that detailed knowledge of the subject will be important when determining risk appetite. In relation to the overseas campus project, the area of political risk is a measure which should be incorporated as a measure.

The Acting Principal summed up the discussion by asking the Court whether the type of questions and risk assessment measures, as illustrated, were the ones which the Court would wish to see addressed when it is asked to consider business proposals.

The Court endorsed the general approach proposed to develop the University's Risk Appetite assessments, noting that a paper will be presented to the Court for further consideration at its meeting in June 2015.

M15/87 CONCLUSION

The Chair thanked all participating colleagues for contributing to a number of useful discussions at the Court Away Day. The positive atmosphere was one which she hoped would be generated also at the planned pre-Court meeting dinners from autumn 2015.

M15/88 ANY OTHER BUSINESS

88.1 Panmure House

The Secretary of the University confirmed that a draft business case had been received from Edinburgh Business School in relation to Panmure House. Further work was required on this, in particular the financial costs; the Secretary therefore proposed to establish a small working group to review the case in consultation with Edinburgh Business School. It was intended to present the business case for consideration and approval by the Court at its meeting in June 2015.

88.2 Court dinners

The Court agreed in principle that non-members of the Court should be invited to participate in the pre-Court meeting dinners which will be scheduled to take place on the evening before Court meetings.

Signed

Date

COURT

Minutes

| | | |
|------------------------|---|--|
| In the Chair: | Dame Frances Cairncross | Date of Meeting: 29 June 2015 |
| Present also: | Ms Pamela Calabrese Mr Allan Gray Ms Trish Gray Dr Stephen Houston Professor Phillip John Professor Julian Jones Mr Colin MacLean | Mr Iain McLaren(Excl Papers 25,26 and 30-36) Mr Andrew Milligan Professor James Ritchie Mr David Robinson Ms Jandy Stevenson Professor Ian Wall Professor Peter Woodward |
| Officer in attendance: | Ms Sue Collier Ms Ann Marie Dalton | Professor Bob Craik (via Skype) |
| Others in attendance: | Ms Rio Watt (observer) Ms Lorna Kirkwood-Smith (minutes) | |

M15/89 APOLOGIES

Apologies were received from: Ms Tracey Ashworth-Davies, Dr Jock Clear, Councillor Ricky Henderson, Dr Shonaig Macpherson, Mr Strone Macpherson, Ms Miranda Matoshi, Ms Jane Queenan, Mr Tony Strachan, Mr Andrew Menzies (attendee), Professor Ammar Kaka (attendee) and Ms Hannah Frances (observer).

M15/90 WELCOME AND INTRODUCTIONS

The Chair welcomed the following:

- Ms Rio Watt, who attended the meeting as an observer prior to taking up membership of the Court from 1 August 2015;
- Professor Keith Lumsden, Director of Edinburgh Business School and Mr Alick Kitchin, Joint Head of Edinburgh Business School, who attended to participate in discussion on paper item Ct7/15/22; and
- Professor John Sawkins, Deputy Principal (Learning & Teaching), who attended to present paper item Ct7/15/30.

M15/91 ANNOUNCEMENTS

The Court noted that the June 2015 meeting of the Court was the last to be attended by the following members whose terms of membership will end on 31 July 2015:

- Mr Iain McLaren (independent lay member);
- Mr David Robinson (independent lay member);
- Dr Shonaig Macpherson (independent lay member) (absent from the meeting);
- Mr Allan Gray (staff member);
- Professor Peter Woodward (staff member);
- Dr Stephen Houston (staff member); and
- Professor Jim Ritchie (staff member).

The Chair expressed thanks and appreciation on behalf of the Court to all departing members after 31 July 2015 for their valuable contributions to the work of the Court and its committees.

The Secretary of the University advised the Court that, as in previous years, there will be an autumn evening event, hosted by the new Principal at Hermiston House, for new members of the Court and its committees and those who will have recently completed their terms of membership.

M15/92 MINUTES OF PREVIOUS MEETINGS

The Court approved the minutes of the meetings held on 9 and 13 March 2015 and the Away Day meeting held on 11 May 2015.

As the minutes of the Away Day meeting were issued late, the Chair provided members with the opportunity to feed back any comments following the meeting on points of accuracy within the minutes. (*Addendum: no such comments were received*).

M15/93 MATTERS ARISING

93.1 Rail Systems Advanced Research Centre (RSARC)

The Court received and noted an oral report, provided by the Acting Principal, on the development of a business case for a Rail Systems Advanced Research Centre (RSARC), based at Heriot-Watt.

The Court noted that this multi-partner project remained at a dynamic stage presently, but should reach a point very soon when a business case bid to Scottish Enterprise (SE) will need to be ready and a Court decision on the capital elements of the proposal might be required quickly, perhaps within the summer recess period. The Acting Principal reported that there will be a brief window of opportunity, aligned to the SE calendar, in which to place a bid, once the supporting information for the business case from all partners is consolidated. The University, with the major involvement of Professor Peter Woodward, had worked in close liaison with a group of major industry bodies who were supportive of such a centre being established at Heriot-Watt and would make contributions in terms of start-up capital and research. The Court noted that the work of the Centre was expected to attract international interest and engagement.

The project will require initial capital resources and ongoing support for direct and indirect project costs. The project costs will be met in the same way as for other research projects in the University, by a combination of contributions from industry and business and grant funding based on peer-reviewed proposals to e.g. the Research Councils.

The Court noted that the capital cost of the project (excluding a £1 million contribution from industry partners) will be in the region of £11 million. The University expected that its required contribution would amount to £2 million with the remaining £9 million the subject of a funding bid to be made to Scottish Enterprise. (The University would also need to finance a small number of Global Platform appointments which were already accounted for in the Five-Year Financial Plan). The Centre, incorporating a full-scale rail test rig, an associated building and office space, would be wholly owned by the University. The Acting Principal reminded the Court that, as part of the Capital Expenditure Plan discussed at recent University Executive and Court Away Days, £3 million had been proposed in 2015/16, for just this kind of infrastructure investment to support research. This sum had been included in the Five-Year Financial Plan which the Court was being asked to approve at its meeting in June 2015.

The Court noted that the planned Centre was not directly linked to the national Highspeed Rail 2 project.

93.2 Higher Education Governance Bill

The Secretary of the University reported to the Court on the Scottish Parliament Education and Culture Committee's call for evidence on the Higher Education Governance (Scotland) Bill. Written responses had been invited by Friday 4 September 2015. A paper tabled at the meeting by the Secretary of the University showed which points in the proposed Bill clashed with points in the Scottish Code of Good Higher Education Governance, and which might therefore require changes in the University's Charter and Statutes.

The Court noted that the University may opt to make a submission both on an institutional basis and as a contribution to a consolidated sector response, under the auspices of Universities Scotland. The Secretary advised the Court on a plan to involve the University Senate in consultation on relevant proposals in the Bill during the summer period; this may involve scheduling an extra meeting of the Senate.

The Court discussed the potential impact of Bill proposals on the Court noting, in particular, the powers proposed for Scottish Ministers to make supplementary regulations (not included in the earlier consultation exercise), and proposals for Trade Union representation within the membership. The latter would potentially give rise to a conflict between the role and responsibilities of a governing body trustee – who was obliged to consider only the best interests of the University - and those associated with representing a Trade Union. The Acting Principal noted that the Bill's proposals were already adversely affecting international views of the level of constitutional independence of Scottish higher education.

The Court agreed that the University's response should give careful consideration to these issues, and agreed also that the view of the Office of the Scottish Charity Regulator should be sought on the Bill proposals. The Secretary of the University advised that the University would prepare a document to support internal consultation with the Court. It remained to be determined whether an extra meeting of the Court in the summer recess will be required.

93.3 Court observers at Senate meetings

The Chair reminded members of the open invitation to Court members to attend meetings of the Senate as observers.

93.4 Summer graduation ceremonies

The Chair of Court thanked those Court members who had participated in one or more of the graduation ceremonies which had taken place between 19 and 26 of June 2015. Court members were encouraged to attend future ceremonies and it was agreed that the Secretary of the University should provide a note of the dates of the November 2015 ceremonies. All members were encouraged in particular to attend, if they are able, the 19 November 2015 (10.00 am) ceremony at which Lord Penrose, former Chair of Court, will receive an honorary degree.

M15/93.5 ANNUAL REPORT TO THE SCOTTISH FUNDING COUNCIL ON INSTITUTION-LED QUALITY REVIEW (Paper Ct7/15/30)

The Court received and discussed a draft annual report to the Scottish Funding Council (SFC) on Institutional-Led Quality Review for the year 2014/15, which was presented by the Deputy Principal (Learning & Teaching). The report met the Council's requirements in terms of provision of assurance on the effective management and delivery against quality assurance and enhancement objectives, reporting on review outcomes and actions, and dissemination of good practice.

The Court was reminded of the SFC requirement that it endorse the University's report on quality, and that the Chair sign off on the accompanying annual statement of assurance. The schedule of meetings means that it will not be possible for the Court to confirm endorsement of the report prior to its submission to the SFC on 30 September 2015; but the SFC has agreed that the endorsement and statement of assurance can follow the submission to the Council. The report will therefore be presented for endorsement and sign off by the Court at its meeting in October 2015. At this stage the Court was asked to note and comment on the draft report, on the basis that the comments will be taken into account in the finalised report.

In response to a question from a Court member, in relation to point 3.4 of the report, concerning accreditation from the Accreditation Council of Trinidad and Tobago (ACTT), the Deputy Principal (Learning & Teaching) confirmed, that the University expected to receive confirmation from the ACTT before the report is finalised for submission to the SFC.

The Chair of Court thanked the Deputy Principal (Learning & Teaching) for the comprehensive and useful report. The Chair also noted the reassurance gained by the Audit and Risk Committee, through occasional presentations by the Deputy Principal at its meetings.

M15/94 PANMURE HOUSE (Paper Ct7/15/22)

The Court received and discussed a report, which was presented by Mr David Robinson, Chair of the Panmure House Working Group. It noted that the Working Group had been established as a temporary

committee to consider a request by Edinburgh Business School (EBS), which bought Panmure House in 2008, for consent to spend up to £2.5 million of the School's reserves to complete the development of the property as a centre for economic and business learning, and as a 'living memorial' to Adam Smith who had lived there in the latter part of his life.

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

M15/95 FIVE-YEAR OPERATIONAL PLAN (Paper Ct7/15/19)

The Court received, discussed and approved a final draft Five Year Operational Plan covering the period 2015 to 2020, which was presented by the Acting Principal.

The Court noted the report that the Five-Year Plan satisfied the University's Strategic Plan. The agreed Strategic Plan Key Performance Indicators continued to provide the benchmarks for the financial achievements established in the Five-Year Plan. The Acting Principal emphasised that the Court was expected to approve year 2015/16 of the Plan as the budget for the coming year, and to approve the subsequent four years as indicative plans at present, each of these years, in due course, to be reviewed and revised through an iterative planning process. The Court noted that the Five-Year Plan had been approved, for onward presentation to the Court, by the University Executive and the Finance Committee at their meetings held in May and June 2015 respectively.

The Acting Principal drew attention in particular to:

- the consolidated income and expenditure account, which confirmed planned income from all sources. Income earned from Schools for teaching and research was central to this and, through the planning round process, best-case, worst-case and stretched central-case scenarios had been considered, with the outputs of that process used to inform the level of contingency allowance set within each year of the Plan. The Plan confirmed continuation of a strong and improving income and expenditure performance;
- staff costs were determined from the outputs of a review of staff numbers over the period of the Plan, making due allowance for pay spine increments and promotions etc.;
- the capital investment programme to implement the new Estate Strategy for the Edinburgh Campus formed a very significant element of the Plan. In accordance with proposals approved by the Court at its meeting in May 2015, the Plan incorporated utilisation of the University's remaining £20 million borrowing facilities and the requirement for £20 million of further borrowing over the full period of the Plan. This established the scale, pace and balance of the provisionally scheduled £225 million of capital investments with the majority of that spend within the next five-year period and the remainder in the five years thereafter. The cash-flow figures underpinning the proposed pace of implementation had all been checked to ensure that the University will continue to operate within existing bank covenants;
- the analysis by operating unit provided in the report's Table 12 which explained the movements in the main operational blocks of the University as well as interest costs;
- the broader range of strategic risks discussed at the May 2015 meeting of the Court, i.e. those risks which lay beyond those for which specific contingency is built into the University Five-Year Plan. The Five-Year Plan had been formulated on a prudent case assumption; however, this still left a sustainable bottom line in each year of the Plan with flexibility to defer expenditure if required. The Acting Principal confirmed that some of the identified risks will have crystallised by autumn 2015 and the Plan will be reviewed again at that point; if it is considered at that stage that the Plan must be moderated, proposals will be reported to the Court. It was noted in particular that autumn will be a critical point at which the outcomes of the main summer/autumn recruitment to the Malaysia Campus for 2015/16 will be known.

In relation to the five-year income and expenditure account for the Malaysia Campus (provided in Table 16), the Vice-Principal (Malaysia) argued that some figures were incorrect. The Acting Principal reported that discrepancies arose because of exchange rate differences underpinning the figures and the method of reporting the charges made to HWUM for central services, but that they had no impact on the bottom-

line figures. (*Addendum: Following the meeting this was confirmed by the Director of Finance who provided the Vice-Principal (Malaysia) with a reconciliation of the figures.*)

The following answers were provided by the Acting Principal in relation to questions raised by members of the Court:

- consideration will be given to the nature and timing of the work to re-purpose the James Watt Centre in a way which provides the best balance between the future needs of students, for whose benefit the work is intended, and income to the Conference Centre. A timetable remains to be agreed. A detailed plan for the first phase of the overall capital investment programme will now be developed, for approval by the University Executive. If, for practical reasons, there is a need for material variations between the phasing and prioritisation of the plan relative to that agreed at the Court's Away-day, or any significant financial variations relative to the Five-Year Plan, then these will be presented to the Court for approval;
- the University was confident that it can proceed to make commitments in relation to 2015/16 capital expenditure. For subsequent years the Plan is as robust as can be achieved at this stage, with acknowledgement of the risks, as discussed recently with the Court. The adoption of a flexible and phased approach means that the University will be able to revise its plans at any point in the future;
- the University's largest area of strategic risk remains the delivery of research grants and contracts income, which were projected to double in value over the five year period of the Plan. The university should seek to remain above a benchmark threshold in terms of Research Excellence Framework recognition and capability to succeed within a climate of changing Research Council policy. Failure to do so would have wide implications as research reputation is core to the University's ability to attract high quality, staff to maintain future research activity, and also has a bearing on the level of tuition fees that the University can charge internationally. The annual amount for investment in research centres provided in the Five-Year Plan is crucial in supporting the University to meet its growth targets for research income;
- the Principal & Vice-Chancellor designate had been kept abreast of the development of the Five-Year Plan. The strategy for research and teaching had much in common with other universities; the key differences tended to centre around the desired balance between those two activities and the pace of any change. In terms of strategic priorities, the Acting Principal confirmed his understanding that research intensification will continue to be a key area of strategic intent, supported by recruitment of high quality academic staff.

The Chair of the Finance Committee encouraged the Court to consider the Plan in terms of its gradation from a conservatively drawn up budget for the coming year, to the latter part of the Plan which is genuinely aspirational. This indicated, therefore, that the focus must be on meeting growth targets, monitoring performance, and adjusting investment plans accordingly.

M15/96 WEST LONDON COLLEGE (Paper Ct7/15/20)

The Court received and discussed a report, presented by the Acting Vice-Principal, which described the University's partnership with West London College (WLC) and the respective roles and responsibilities of both partners. The report also explained recent changes made to UK Visas and Immigration (UKVI) regulations, and issues that will need to be addressed by the University and WLC through changes to their current partnership arrangement. The Court noted that the University will require continuing liaison with UKVI to determine what structural and operational changes will need to be made in order to achieve compliance with new sites and partnerships guidance, in order to continue with the WLC partnership. Both the University and WLC were keen to reach a solution soon.

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

M15/97 RISK POLICY AND STRATEGIC RISK APPETITE STATEMENT (Paper Ct7/15/23)

The Court received and approved a draft Risk Policy and Strategic Risk Appetite Statement which was presented by the Chair of the Audit and Risk Committee (ARC). The Committee had approved the Policy and the Statement for onward presentation to the Court at its meeting held on 4 June 2015.

The Court was reminded that there had been an opportunity to discuss the proposed Policy and Statement at its Away Day meeting in May 2015 and, in the interim, further work had been undertaken to provide for greater clarity on Risk Appetite assessment and its place within risk management and decision-making processes. The Chair of ARC highlighted the recent adjustments made in the light of Court feedback.

The Court agreed with the proposal that the Risk Policy and Strategic Risk Appetite Statement should be reviewed in summer 2016 in the light of experience of its use.

The Secretary of the University said that Risk Appetite diagnoses should be included in papers presented to the Court as a matter of routine. The Secretary also believed that, while the Audit and Risk Committee will keep Risk Appetite reports under regular review throughout the year, the Court should receive those reports biannually.

M15/98 BARCLAYS BANK LOAN AGREEMENT (Paper Ct7/15/24)

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

M15/99 REPORTS FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE: MEETING HELD ON 16 JUNE AND CORRESPONDENCE ITEM OF 30 MARCH 2015 (Paper Ct7/15/25)

The Court received and discussed reports presented by the Secretary of the University on behalf of the Governance and Nominations Committee. The reports related to the meeting of the Committee held on 16 June 2015, and a subsequent item of business agreed by correspondence on 24 June 2015. The reports included items both for information and for approval.

99.1 Independent lay members: Court

The Court approved the following recommended appointments to independent lay member places on the Court which shall be conditional on Privy Council approval of the Charter and Statutes from 1 September 2015. Both appointments shall be for a period of three years from 1 September 2015 until 31 July 2018:

- Ms Morag McNeill (Court member with legal expertise); and
- Mr Graham Watson (Court member with financial expertise)

Reserved section: Ref Section 38, FOI(S)A

The Court noted that each of the above appointments had been recommended by the Governance and Nominations Committee following open advertisement of Court and Campus Committee positions in April/May 2015.

99.2 Court Committee succession plans

The Court approved the following recommendations in relation to Committees of the Court:

- **Campus Committee**

The appointment of the following, individuals, in the co-opted lay member category, for a period of three years from 1 August 2015 until 31 July 2018:

- Mr Norrie Westbrook;
- Ms Vicki Stott; and
- the appointment of Mr Tom Stenhouse in the Court member category, for a period of three years from 1 August 2015 until 31 July 2018, his membership to run concurrently with his membership of the Court. The Secretary of the University reported that Mr Stenhouse had confirmed his willingness to accept the invitation.

- **Emergency Committee of the Court**

- the appointment of Professor Patrick Corbett, for a period of three years from 1 August 2015 until 31 July 2018, to run concurrently with his membership of the Court. The Secretary of the University reported that Professor Corbett had confirmed his willingness to accept the invitation.

- **Finance Committee**

- the appointment of Ms Marta Phillips, OBE, in the independent lay member category for a period of three years from 1 August 2015 until 31 July 2018; and
- the appointment of Professor Patrick Corbett, for a period of three years from 1 August 2015 until 31 July 2018, his membership to run concurrently with his membership of the Court. The Secretary of the University reported that Professor Corbett had confirmed his willingness to accept the invitation.

On the recommendation of the Committee, the Court agreed to increase the Court member category of membership of the Committee by one place to accommodate the appointment of a staff Court member (Professor Corbett's appointment, above).

- **Governance and Nominations Committee**

- the appointment of Professor Isabelle Perez, for a period of three years from 1 August 2015 until 31 July 2018 to run concurrently with her membership of the Court. The Secretary of the University reported that Professor Perez had confirmed her willingness to accept the invitation.

- **Staff Committee**

The appointments of the following, both for a period of three years from 1 August 2015 until 31 July 2018, to run concurrently with their membership of the Court:

- Mr Amos Haniff; and
- Ms Jane Queenan

The Secretary of the University reported that Mr Amos Haniff and Ms Jane Queenan had both confirmed their willingness to accept the invitation.

- **Other Court committee appointments:**

Reserved section: Ref Section 38, FOI(S)A.

99.3 Heriot-Watt Malaysia (HWUM) Board

The Court approved the following recommendation of the Committee:

- **Reserved section: Ref Section 38, FOI(S)A.**

It was noted also that, while this member was not a member of the Court, the Court might create an opportunity for him to be invited to contribute to the required annual report from HWUM to the Court and be present at the particular Court meeting at which the report is presented. The Committee noted that this appointment, if made, would impact on the balance of the Directorships attending the Board. The wider membership would therefore need to be considered.

99.4 Dubai "Advisory Board"

The Court noted that, while there was not a current construct which required a Dubai governing board, a recommendation following the 2013 governor trip to the Dubai Campus had been that consideration be given to establishing an Advisory Board as potential precursor to any governing board that might be required in the future.

The Court asked that further consideration be given to the recommendation at a future meeting of the Governance and Nominations Committee.

99.5 Chair and Deputy Chair of Court: distribution of committee membership and attendance

The Court received and noted a summary report of the agreed patterns of membership and attendance of each of the Chair of Court and Deputy Chair at meetings of Committees of the Court.

99.6 Heriot-Watt Global Student Liaison Committee

The Court received and approved Terms of Reference for a Heriot-Watt Global Student Liaison Committee as a Committee of the Court to be established from autumn 2015. It was noted that the Terms of Reference had been drafted in accordance with agreement of the Court, at its Away Day meeting in May 2015, and that these be prepared by the Secretary of the University for consideration and approval by the Governance and Nominations Committee in the first instance. The Court approved the proposed membership of the Committee as set out in the Terms of Reference, noting that some appointments had yet to be confirmed.

The Court approved the recommendation that Ms Rio Watt be invited to Chair the Committee.

The Court noted that the primary purpose of the Committee, through its oversight role, will be to advance excellence in the student experience. The Committee would provide a means for the Court to consider the effectiveness of the University's global mechanisms and processes to review, monitor and enhance the student experience, and to encourage appropriate levels of student feedback and representation within the University, in accordance with best practice.

Reserved section: Ref Section 38, FOI(S)A.

99.7 Ordinances and Regulations Committee

The Court noted a recommendation from the Governance and Nominations Committee on the appointment of a member of the Ordinances and Regulations Committee to fill a vacancy arising from 1 August 2015 remained outstanding and will be presented to the Court shortly.

The Court approved the appointment of Dr Shonaig Macpherson to the membership of the Ordinances and Regulations Committee (ref minute item M15/99.8 below).

99.8 Ordinances and Regulations Committee: Terms of Reference

The Court received, noted and approved recommendations in relation to membership and quoracy requirements of the Ordinances and Regulations Committee, which were presented by the Secretary of the University. The following recommended changes to the Committee's Terms of Reference were approved:

- that the composition of the Committee be increased from three Court appointments to four and three Senate appointments to four;
- that Dr Shonaig Macpherson be appointed to the fourth Court appointed place, as a full member of the Committee for a period of three years from 1 August 2015; and
- that an amendment should be made to the quoracy requirements associated with the Committee on the proviso that the Ordinance governing the Joint Committees of Court and Senate is modified accordingly, and presented to Court and Senate for approval as soon as possible following approval of the Charter and Statutes. The agreed change will mean that the Committee shall be quorate as long as one member appointed to the Committee by the Court and one member appointed to the Committee by the Senate are present. All such appointed members of the Court and the Senate will have voting rights as well as counting towards meeting quoracy. It was noted that the current requirement is that quoracy is met through at least one member of the Court and one member of the Senate being present.

The Court noted that the Senate had agreed to consider the agreed revised Terms of Reference and the required revised supporting Ordinance before recommending a fourth Senate appointed member to the membership of the Committee.

99.9 Court and Court Committee Skills' Register

The Court received and approved a revised Court and Court Committee Skills' Register Form, which was presented by the Secretary of the University on behalf of the Governance and Nominations Committee. The Court noted that the Form was intended for use by appointed Court and Court Committee members, and as the foundation of a revised Court and Court Committee Skills' Register which will hold information about the knowledge and experience of individuals appointed to the Court and its Committees at a higher level of detail than currently.

99.10 Court dinner meetings

The Court noted a report from the Committee on suggestions that had been made with regard to a developing programme of discussion topics for Court evening dinners. The Court noted the intention to consult the Court on an order of priority for discussions in advance of the start of the new 2015/16 session.

The Court discussed the equality and diversity agenda, and attendant responsibilities of the University and the Court, in relation to both staff and students. It was proposed that a review of the Athena SWAN and equality and diversity agenda might best be cast as part of a much more widely based discussion.

M15/100 APPOINTMENT OF THE EXTERNAL AUDITOR (Paper Ct7/15/27)

The Court received, noted and approved a recommendation, presented by the Chair of the Audit and Risk Committee, for the appointment of KPMG as the University's continuing External Auditor for the initial period of 1 August 2015 until 31 December 2018.

The Court noted that KPMG had been contracted by the University as its external auditor until 31 July 2015. The Court noted that there were no restrictions on appointing an incumbent auditor for more than two consecutive terms - providing the Senior Auditor Partner rotation requirements are met; it was reported that they would be in this case.

The Court received and noted an accompanying report on the tendering process and on the criteria used to select the external auditor, and a report from the Audit and Risk Committee which confirmed the Committee's decision to recommend the appointment to the Court.

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

M15/101 APPOINTMENT OF HONORARY CHAPLAINS (Paper Ct7/15/28)

The Court noted and approved recommendations, presented by the Secretary of the University, for the appointment as Honorary Chaplains of the University of the following:

- Fr Stefan Park: appointment as Honorary Roman Catholic Chaplain (Edinburgh Campus); and
- Rev Leon Keller (minister from South Africa who was inducted to Old Parish and St Paul's Church: appointment to Scottish Borders Campus.

M15/102 COURT MEETING DATES AND TIMES (Paper Ct7/15/29)

The Court noted and approved the proposed schedule of Court and Court Committee meeting dates in session 2015/16, which was presented by the Secretary of the University. The Court noted that dates for 2016/17 will be proposed by the Secretary in due course. The Court also agreed the schedule of Court dinners, which will normally be scheduled on the evening before meeting dates with the exception of the June meeting when the dinner will take place on the same date. The following Court dates were agreed with a normal meeting start time of 9.00 am: 9 October 2015; 13 November 2015 (Away Day); 11 December 2015; 4 March 2016; 6 May 2016 (Away Day); and 27 June 2016.

The Chair of Court emphasised that the dinner discussions were not intended to pre-empt any discussions which should rightly take place within scheduled meetings of the Court; rather the dinner discussions should serve to broaden Court members' knowledge and understanding. The Court noted that it was intended that a programme of dinner discussions be developed with input from the Court membership (Ref M15/99.9, above).

M15/103 REPORT FROM THE EMERGENCY COMMITTEE OF COURT (Paper Ct7/15/31)

The Court received and noted a report from the Emergency Committee of the Court, which was presented by the Chair of Court.

The Court noted that the items of business which were approved by the Committee on 16 April 2015 related to recommendations of the Governance and Nominations Committee (GNC). The GNC had recommended that:

- one of two vacancies arising on Court in 2015 should be reserved for a member with legal experience. This membership place was one of two vacancies which would arise on the Court, conditional on Privy Council approval of the revised Charter and Statutes, from 1 September 2015. The Court had agreed at its meeting in March 2015 that a member with financial expertise should be appointed to fill the other vacancy; and
- the selection panels for the above new appointments should include the Chair of Court, the Deputy Chair of Court, the Secretary of the University and one or more other members of the Court with background experience which is relevant to the appointment in each case.

The Court noted and approved the subsequent recommendations of the Governance and Nominations Committee for the appointments of Mr Graham Watson and Ms Morag McNeil to the Court, as recorded in Minute item 99.1, above.)

M15/104 REPORT FROM THE FINANCE COMMITTEE: MEETING HELD ON 16 JUNE 2015 (Paper Ct7/15/32)

The Court received and noted a report from the Finance Committee which related to the meeting of the Committee held on 16 June 2015. Two items were presented for approval: the Five-Year Plan; and the terms under which the loan agreement with Barclays Bank should be extended. Those items were dealt with in other areas of the agenda of business (ref: Paper items Ct7/15/19 and Ct7/15/24). The Court noted other items in the report which were presented for information.

M15/105 REPORT FROM THE REMUNERATION COMMITTEE: MEETING HELD ON 18 MAY 2015 (Paper Ct7/15/33)

The Court received and discussed a report from the Remuneration Committee, which related to the meeting of the Committee held on 18 May 2015. In the absence of the Chair of the Committee, the Chair of Court presented the report.

The Chair of Court highlighted in particular the Committee's discussion on tax changes affecting pensions. These included specifically the potential impact of Lifetime Allowances and Annual Allowances on individuals in the University Pension Schemes. The Committee had considered and approved a set of principles governing the nature and extent of support that the University can provide in such circumstances, whilst acknowledging; nonetheless, that the responsibility for such tax matters remains with the relevant individual members of staff. It was estimated that around 30 to 40 staff may be affected by the changes.

The Court noted the six principles relating to be adopted in relation to the pension tax changes which the Remuneration Committee had approved at its meeting on 18 May. These included principle 4, below:

4. In cases where the employee reaches the anticipated USS cap on lifetime allowance, the University will pay to the member of staff the equivalent of the employer contribution to USS

(currently 16%) less any consequential increases in employer's costs, as part of their total reward package to allow the employee to use the sum how they wish.

This is subject to:

- a) The employee remaining in USS as a deferred member;
- b) The total reward package of the employee not exceeding the total sum the University would have paid to the individual had the contributions continued to be made to the USS; and
- c) The employee's confirmation that they have taken independent financial advice before ceasing accruals to USS;

It had been reported to the Committee by the Director of HR that there would be no additional cost to the University through the adoption of any of the key principles.

The Court discussed the support arrangements provided for staff in considering their pension arrangements. The Secretary of the University pointed out that staff were strongly encouraged to take professional independent advice and the University assisted, at its own expense, to facilitate access to this, without assuming any direct responsibility as such an adviser itself.

The Court noted the report of the Committee that a future paper on global reward and remuneration will be presented to the Court in the 2015/16 session.

M15/106 REPORT FROM THE STAFF COMMITTEE: MEETING HELD ON 18 MAY 2015 (Paper Ct7/15/34)

The Court received and noted a report from the meeting of Staff Committee held on 18 May 2015. In the absence of the Committee Chair, the Chair of Court presented the report.

The Chair of Court drew attention to key items discussed at the meeting. These included: discussion on 'pursuit of one culture', what a common culture would look like, and the features of all campuses across the University that would need to be considered, such as local laws; the recent Equal Pay Audit carried out in the University; and an Equality and Diversity update report.

In response to questions raised by a member of the Court, the Secretary of the University confirmed that 'exit interviews' were conducted with departing members of staff as a matter of routine, and provided useful information. Staff turnover ran at a higher rate at the Malaysia campus than on the Edinburgh Campus, but this reflected local factors; Heriot-Watt Malaysia Campus statistics were in broad accord with the Malaysian norm. The Secretary of the University advised also, in relation to the reported position of the Student Union in section 7 of the report, that the Union was a separate legal entity; however, this was an issue on which the University was continuing to engage with the Union, with the aim that the Union will achieve parity with University policy at some point in the future.

M15/107 REPORTS FROM THE AUDIT AND RISK COMMITTEE: MEETINGS HELD ON 30 APRIL AND 4 JUNE 2015 (Paper Ct7/15/35)

The Court received and noted reports from the Audit and Risk Committee, which related to the meetings of the Committee held on 30 April and 4 June 2015. The proposed Risk Policy and Strategic Risk Appetite Statement, referred to in the 4 June report, was dealt with as a separate item (Paper Ct7/15/23).

The Chair of the Committee drew attention in particular to the Internal Audit 'Reputation (Social Media) Review' which had been encouraged by the former Chair of the Committee. The resulting report was nearing completion and would be considered by the Committee over the summer period 2015.

A question was raised in relation to the last bullet point of item 12 of the 4 June 2015 report; however, it was established that the revised minute reported in that section was factually correct.

M15/108 COMMUNICATIONS FROM THE CHAIR OF COURT (Oral report)

The Chair of Court updated the Court on the recent appointment of Ms Nuala Boyle, as Assistant Principal (Development). She would shortly join Heriot-Watt from the University of the Highlands and

Islands, where she is currently Director of Development, having gained many years of experience in the field.

The Chair led the Court in thanking Cara McCoy, Senior Development Executive, who had provided excellent leadership over an extended period while planning and recruitment activities for a new Assistant Principal appointment had been undertaken.

M15/109 REPORT FROM THE SENATE (Paper Ct7/15/26)

The Court received and noted a report from the Senate, presented by the Acting Principal, which related to the meeting of the Senate held on 13 May 2015. All items in the report were presented for information.

M15/110 COMMUNICATIONS FROM THE ACTING PRINCIPAL / UE (Paper Ct7/15/36)

The Court received and noted a report from the Acting Principal and The University Executive on a range of news topics of current interest and involvement of the University.

The Acting Principal drew attention in particular to the report to the Court on the 2015/16 pay round; research grants and contracts income thus far in the year; and undergraduate student recruitment for 2015/16 entry at the Scottish Campuses. In both research grants income and student recruitment performance, whilst performance at the level of the University is generally good, individual School performance was reported to be highly variable. The Acting Principal drew attention also to the reports on strategic developments at both the Malaysia and Dubai campuses. In relation to the latter, the Chair of the Campus Committee emphasised the importance of the planned timeline to support a seamless transition into new contractual arrangements in 2020.

The Acting Principal reported that the significant decision on the timing of progress with Phase 2 developments at the Malaysia Campus would be taken in November 2015 when the outcome of the main 2015 autumn student recruitment round will be known. In relation to future development of research activity at both the Malaysia and Dubai Campuses, the University Executive will discuss approaches to the overseas campus research strategy at its forthcoming meeting to be held on 3 July 2015.

In response to a question from the Court member, the Acting Principal confirmed that the planned student numbers for the Dubai Campus assumed the same pattern of three year Ordinary Degree studies as currently; there was no simple answer to the question of how best to encourage students to opt for a fourth Honours year of study. The Court noted also, in relation to overseas student recruitment to Scottish campuses, particular factors which affected student recruitment more than others, for example, late applications and “no shows” following acceptance of offers. There was evidence of reducing numbers of overseas student number across the UK sector and, in this respect, Heriot-Watt was not in an unusual position, although highly ranked universities tended to be more successful than others in attracting overseas students. International university league tables influenced international student choices and the rankings were driven strongly by institutions’ research performance.

M15/111 ANY OTHER BUSINESS

111.1 Acting Principal and Vice-Principal.

The Court conveyed its thanks and appreciation to Professor Julian Jones for his excellent stewardship of the University during the interregnum between Principal & Vice-Chancellor appointments. Professor Richard Williams will have taken up his appointment by the time that the Court next meets in the new session 2015/16.

The Court conveyed its thanks and appreciation also to Professor Gill Hogg for her valued support during this period in the role of Acting Vice-Principal.

111.2 Counter Terrorism and Security Act 2015: guidance

The Secretary of the University advised the Court of recent publication of a new guidance document 'Counter-Terrorism and Security Act 2015 Good Practice Guide for Scottish higher education institutions' by the Higher Education Prevent Working Group (established by and reporting to the Scottish University Secretaries Group).

The Court agreed with the recommendation that space should be created in the agenda for the October 2015 meeting of the Court for discussion on the Counter-Terrorism and Security Act 2015 and the responsibilities of the University and the Court under the terms of the Act. The Secretary advised that, whilst the Act does not apply to the University's overseas campuses; nevertheless, the University should consider potential associated risks at these locations and ensure that it has appropriate measures in place to manage those risks and to respond appropriately to any potential incident arising.

M15/112 DATE OF NEXT MEETING

The Court noted that the next ordinary meeting of the Court will take place on Friday 9 October 2015 with a dinner to take place on the evening of Thursday 8 October 2015.

Signed

Date