

COURT

Minutes

In the Chair:	Dame Frances Cairncross	Date of Meeting: 27 September 2019
Present also:	Ms Tracey Ashworth-Davies Ms Aoife Clarke Professor Patrick Corbett Mr Graeme Dickson Dr Fadi Ghaith Dr Amos Haniff Mr Steve Heathcote Professor Julian Jones Mr Grant Innes Dr Amanda Lyness Ms Morag McNeill	Mr Cameron Millar Mr Roger Murray Professor Máiréad Nic Craith Ms Marta Phillips Dr James Richards Mr Alan Robertson Mr Rahul Singh Ms Dawn Skidmore Ms Jandy Stevenson Mr Mike Tumilty Mr Graham Watson
Officer in attendance:	Ms Sue Collier Ms Ann Marie Dalton-Pillay Professor Gill Hogg Professor Ammar Kaka	Mr Andrew Menzies Dr Gillian Murray Professor Garry Pender
Others in attendance:	Ms Lorna Kirkwood-Smith (minutes)	

M19/67 WELCOME AND ANNOUNCEMENTS

The Chair welcomed Mr Alan Robertson and Mr Mike Tumilty, who were attending their first meeting of the Court since taking up membership from 1 August 2019.

M19/68 APOLOGIES

Apologies were received from Professor Richard Williams and from the following who had been invited to be in attendance: Professor Mushtak Al-Atabi, Professor John Sawkins and Lord Iain Vallance.

The Court approved as accurate records the minutes of the meetings of Court held on 24 June and 24 July 2019 subject to the following changes to be made to the 24 June 2019 minutes:

- minute 51.3, line three to read “estimated at an interest rate of around 2.6 % repayable...” and
- minute 52.2, line four of paragraph two to read: “in order to facilitate...”

M19/69 DECLARATION OF INTERESTS

The Chair of Court invited declarations of interest. No interests were declared.

M19/70 MATTERS ARISING

70.1 Delegation by the Vice-Chancellor

The Secretary of the University reported on delegated responsibilities to the Vice-Principal, the Secretary of the University and to Deputy Principals during the period of the Principal's absence. The Secretary also thanked those members of the Court who had made valuable contributions to the work of the Financial Opportunities Group during the summer period 2019 and to a member who, in the absence of the Principal, had sat in attendance at the recent meeting of the Remuneration Committee.

70.2 Chair of Court Selection Committee

The Secretary of the University reported on Court Interim Business Committee approval of a change to the membership of the Chair of Court Selection Committee as the original member had unfortunately been unable to commit to the full time allotted for formal interviews: Mr Graeme Dickson had replaced Mr Cameron Millar.

70.3 Recent Court case

The Secretary of the University spoke on the recent press reported Court case involving a past member of Heriot-Watt staff. She confirmed that Morag Ross QC had embarked on a consequent review of the matter commissioned by the University. It was anticipated that the resulting report would be completed by the end of the 2019 depending on the rate of progress of the review work. The Court noted that an open door policy had been established to support any student or staff member who wishes to come forward and speak to Morag Ross. The Secretary reported that the QC's report would be framed as widely as possible and would be focus on lessons that could be learned. The Chair of Court requested that Court members be provided with available University published information about the review.

70.4 Appointment to the Court and to the Dubai Non-Executive Advisory Group (Paper Ct6/19/62)

The Court received and approved a recommendation that Dr Richard Armour, who had been interviewed on 26 September 2019 for the existing Court member vacancy, be appointed to the Court for a period of three years and to the Dubai Non-Executive Advisory Group (DNEAG). It was agreed that Dr Armour would be eligible to hold membership of the DNEAG while he remains a member of the Court and while the DNEAG continues to exist. Both appointments would be subject to Dr Armour's willingness and availability to accept the invitation. (*Addendum: Dr Armour confirmed his willingness to accept, becoming a member of both bodies from 27 September 2019*).

M19/71 COURT ACTION LOG

The Court received and noted the Court Action Log which had been updated as of September 2019.

M19/72 REPORT FROM THE ACTING PRINCIPAL (Paper Ct6/19/51)

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

M19/73 OPENING REMARKS FROM THE CHAIR OF COURT (oral report)

The Chair of Court reported on a positive recent meeting of the EBS Advisory Board and the positive energy of staff driving development of the Edinburgh Business School and the Online Strategy.

M19/74 REPORT FROM THE CHAIRS' GROUP (oral report)

The Deputy Chair of Court highlighted the success of the 2019 Annual Stakeholder Meeting held on 25 September 2019. The Secretary agreed with the suggestion that in future years the event should be video-taped with the recording made available on the intranet. Other suggestions to help build up future audience numbers included scheduling the event later in the day and encouraging staff engagement through positive messages drawn from the recent successful event. One Court member suggested that the event programme might be developed to attract the interest of school children.

M19/75 REPORT FROM THE SENATE (Paper Ct6/19/52)

The Court received and noted a summary report from the Senate which related to the meeting of the Senate held on 11 September 2019.

The Court noted the report of the discussion on the relative merit and effectiveness of workload models which would be discussed by the Senate further at future meetings. The Court noted a point raised by a member about workload allowance for staff membership of the Court. The Secretary made the observation that Court and Senate membership roles were not comparable in that Court membership is a trustee role, unlike a work-role based Senate membership position. The Court noted however that the Governance and Nominations Committee (GNC) had considered the University "citizenship principles" that should apply to staff Court membership, having noted that citizenship principles had previously been established in relation to membership of the Senate. The GNC had also suggested an annual work time allowance associated with membership of the Court. This information had been relayed by the GNC to the Global Director of HR for consideration in the context of a workload allocation review project which is under way.

The Court noted in relation to the reported Staff Survey to be conducted in the autumn 2019 that the University had commissioned BMG Research to administer the Survey. The Court noted that a group of

questions to be included in the Survey were ones agreed by the employers, UCEA; generating comparative benchmark data drawn from the results will therefore be possible.

The Deputy Principal (Research & Innovation) advised that he would provide further information to Court members about the 'Festival of Research' event planned for 14 and 15 November 2019 which would incorporate a variety of open drop-by sessions.

M19/76 ANNUAL REPORT FROM THE STUDENT UNION (Paper Ct6/19/53)

The Court received and discussed an annual report from the Student Union (SU) for the year 2018/19. The report focused on continuing partnership working between the SU and the University, particularly through the Student Partnership Agreement, and the overall positive impact on the student experience. The Court noted also the Student Union Strategy 2025 which was appended to the report.

The President of the SU and the Vice-President (Wellbeing) presented the report, and highlighted: developments in the wider sector with which the Student Union had engaged; the key themes of the Student Union strategic plan ending June 2019 which had formed the framework for reporting through the year to the Court; key achievements and challenges of the past year; behind the scenes work which had focused on communications, branding, and futureproofing developments to ensure that the SU remains relevant and adaptive to future needs; and a review of democratic structures to strengthen inclusion and engagement.

The Court noted key features of the SU Strategic Plan 2019-25 from the Purpose: 'Students First, Always', to the Values: Welcoming, Fun, Brave, Empowering and Student Focused, to key goals and strategic themes. The President of the SU concluded with a focus on future facilities and resources. He reported that the Student Life Building would offer many new opportunities, but staff resources would need to be reviewed and reconfigured where necessary to deliver against future SU goals.

A number of key observations and points were raised in the course of the discussion:

- in relation to recorded complaints the SU planned to take a proactive approach with the aim of helping to reduce the future number of these;
- there is potential to utilise alumni members more to add value to the student experience;
- particular new approaches could impact positively on the experience of postgraduate taught-course students, who typically study only for a year;
- the need to structure resources to optimal effect in the light of growing pressure to deliver a good student experience and improvements in student representation and support at all campuses. The Secretary of the University emphasised the progress that could be made through the contributions of the Building Our Commonality initiative;
- the role that the student body could play in helping to achieve more sustainable inter campus travel arrangements;
- the Secretary of the University emphasised the importance of Court's knowledge of and engagement with developing plans for the planned new Student Life Building; and
- it was suggested that the Scottish Borders Campus be considered as a discussion theme for a future Court Dinner Meeting.

The Chair relayed thanks on behalf of the Court to the President and the Vice-President (Wellbeing) for their contributions to the many significant achievements of the Student Union in the past year.

M19/77 THREE-YEAR FINANCIAL PLAN: UPDATE REPORT FROM THE FINANCIAL OPPORTUNITIES GROUP (Paper Ct6/19/54)

The Court noted and discussed a report on the outcomes of work undertaken to date within the efficiency and effectiveness strand of work by the Financial Opportunities Group. The report, which had recently been considered by the Finance Committee, outlined current income forecasts for 2019/20, the intended method for setting individual budget savings and the provisional scale of those savings.

77.1 Introduction from the Chair of the Finance Committee

The Chair of the Finance Committee reminded the Court of the circumstances of the Financial Plan approved by the Court in June 2019 and Court's decision that further work should be undertaken over summer 2019 to consider the underlying challenges further and to provide more detailed evidence that

the targets will be met. The Finance Committee had engaged extensively with this work. The Committee Chair reported that further work will be required, most especially on year three of the Plan, where a rise from the previous year's flat outturn to a challenging £6.5m surplus is planned. He reported that the Committee is comfortable that a sufficient level of work and oversight is going in to these further developments of the Plan and that solid progress being made. He also drew attention to the University's relative financial position in the Scottish sector where performance was highly variable and only three universities owned a position of relatively low financial risk.

77.2 Report from the Vice-Principal

The Vice-Principal reported that the 'Efficiency and Effectiveness' Financial Opportunities work strand was one of four different points of focus in the review. The other three centred on: income generation through student recruitment; the progress and achievements of income generating projects and initiatives; and building cohesion between the strategic and operational plans and target setting and the distribution of contribution between existing and new activities. The Vice-Principal reported that the University Executive had agreed a methodology for sharing the target £5m efficiency savings (these savings represented a moderation of rate of increased spend, not a real terms cut).

The Vice-Principal reported that more up-to-date performance data would become available later in autumn 2019. However, it was not anticipated that this would alter the overall picture being reported and he emphasised the importance of making as early as possible a start on the preparation of next year's Financial Plan given the known challenges. In the forthcoming autumn planning round checks would be undertaken to test the robustness of student number targets and the performance of income generating projects. By Christmas 2019 first cut planning envelopes would be prepared and would be confirmed in the New Year period. This process would be followed by more detailed planning-round meetings in spring 2020 in the lead up to firming up the 2020 Financial Plan.

The Court noted the report of income forecast position for the current year.

A number of key observations and points were raised in the course of the discussion:

- the Director of Finance emphasised that full provision is being made to meet all the repayment terms for the Private Placement Bond loans;
 - different approaches would be adopted at different campuses. In particular, this would involve review and management of cross-cutting issues and variables across the different campuses to ensure that resources are aligned to vital projects in all parts of the University;
 - the Deputy Principal (Research & Innovation) reported that there is an array of embryonic initiatives under development. These had not been included in the report to the Court; and
- **XXX Reserved section (Ref: sections 30, 33 FOI(S)A).**

M19/78 REPORT FROM THE FINANCE COMMITTEE (Paper Ct6/19/55)

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

78.2 The Court noted items which were presented in the report for information.

M19/79 DUBAI CAMPUS VISIT (Oral report)

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

The Court noted that a report of the "reflections" of the visitors would be provided to the Court in due course.

M19/80 REPORT FROM THE REMUNERATION COMMITTEE (Paper Ct6/19/56)

The Court received a summary report of the meeting of the Remuneration Committee held on 3 September 2019. All parts of the report were presented for information and the Court noted the following reported matters in particular:

- the targets that had been set for the Principal and Vice-Chancellor in 2018/19 and the Chair of Court's assessment of his performance against those targets;

- ongoing targets for 2019/20 which had been agreed between the Chair of Court and the Principal and Vice-Chancellor; and
- a summary report of the outcomes of the 2019 senior salaries review process which detailed the number, spread and value of rewards made compared with the previous year.

In response to a question from a Court member, the Deputy Chair of Court confirmed that the 2019/20 targets for the Principal and Vice-Chancellor as described would be developed into SMART targets.

M19/81 DUBAI UPDATE REPORT (Paper Ct6/19/57)

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

M19/82 REPORT FROM THE CHANCELLOR SELECTION COMMITTEE (Paper Ct6/19/58)

The Court received and noted a report on the current status of progress in the search and selection of the next Chancellor of the University to be appointed in 2020.

M19/83 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE (Ct6/19/59)

83.1 Chair of Court Selection Committee

The Court approved:

- the appointment of Lord Penrose as an external assessor member to join the Chair of Court Selection Committee; and
- the appointment of Ms Jandy Stevenson to the Selection Committee in replacement of Ms Marta Phillips, who would be unable to serve on one of the dates allotted to undertake the formal interviews.

83.2 Renewal of a membership place on the Court from 1 August 2020

It was agreed to defer a decision on this matter until the next ordinary meeting of the Court in December 2019.

83.3 Global Student Liaison Committee

The Court agreed that the existing vacancy in the co-opted membership of the Global Student Liaison Committee should be advertised in a fresh recruitment campaign. Members were invited to suggest names of suitably experienced individuals who should be encouraged to apply.

83.4 Staff Committee

The Court agreed that the existing vacancy in the co-opted membership of the Staff Committee should be advertised in a fresh recruitment campaign. Members were invited to suggest names of suitably experienced individuals who should be encouraged to apply.

83.5 Infrastructure Committee

The Court approved the recommendation that the Terms of Reference of the Infrastructure Committee be amended such that a position on the Committee is created for a staff member of the University, nominated by the Secretary of the University, to join the membership. *(Addendum: on 15 November 2019 the Secretary nominated Mr Guilherme De Sousa, Head of Digital Infrastructure & Security, Information Services to the membership.)*

83.6 Audit and Risk Committee

The Court agreed that the existing vacancy in the co-opted membership of the Audit and Risk Committee, should be advertised in a fresh recruitment campaign.

83.7 **Ordinances and Regulations Committee**

The Court approved the appointment of Professor Fiona Waldron to the position of Chair of the Committee from 1 August 2020 until 31 July 2023, subject to her availability and willingness to take up the role.

The Court noted that Professor Angus Macdonald will complete his final term of membership on the Ordinances and Regulations Committee on 31 July 2020. It was agreed that a note of thanks and appreciation for his service should be relayed on behalf of the Court.

83.8 **Modifications to Ordinances**

The Court noted proposed modifications to the following Ordinances on which the Ordinances & Regulations Committee and the Senate were to be consulted: *Ordinance J1: Appointment of the Vice-Principal; Ordinance F2: Appointment of Academic Staff, Professional Services Staff and of the Librarian; and Ordinance H1: Appointment and Appraisal of the Principal.*

The Court noted that the modifications were designed to reduce the numbers of members on the Vice-Principal Selection Committee to a more manageable level (and in closer alignment to the size of other recruitment panels), to enable the Chair of Court to nominate the Chair and to align arrangements with those which apply to the recruitment panel which appoints at professorial level. An opportunity had been taken to remove historical references to “the Librarian” in Ordinance F2.

The Court agreed that the proposals should be forwarded to the Ordinances and Regulations Committee and the Senate for consideration at their next meetings in autumn 2019.

83.9 **Vice-Principal Selection Committee**

The Court approved the appointment of Mr Rahul Singh and Professor Máiréad Nic Craith to the joint Court and Senate committee for the selection of the next Vice-Principal, according to the provisions of the (modified) *Ordinance J1: Appointment of the Vice-Principal.*

83.10 **Court and Senate Effectiveness Review 2018 Action Plan Update Report**

The Court noted that the GNC had considered an update report on actions pertaining to the 2018 Court and Senate Effectiveness Review, and had agreed a number of recommendations as recorded below which were presented by the Committee to the Court:

- 83.10.1 • **Reporting from the Senate and the Court (Appendix 1 to the report)**
The Court approved a proposed format for reporting the business of the Senate and the Court to the wider University community. This development relates to Recommendation 1.1, 3) ‘Mechanisms for reporting in and out of meetings of the Court and the Senate’.
- 83.10.2 • **Court diversity strategy statement (Appendix 2 to the report)**
The Court approved a draft Court equality and diversity strategy statement with the intention that the statement should be included in the Court and Court Committee Membership Policy. This development relates to Recommendation 1.2, 2) ‘Longer term diversity aims’.
- 83.10.3 • **Court members: promoting the University’s values and the role as an ambassador**
The Court noted that the GNC had considered how Court members could better promote the University’s values and act in their roles as ambassadors.

Court members were invited to consider further and following the meeting of the Court on 27 September 2019 to relay any further thoughts to the Secretary of the University.
- 83.10.4 • **Annual reporting to the Court and Court Committees**
The Court approved a list of the all annual reports which should be presented to the Court and / or Court committees. The Court noted that although there is no sustainability strategy report, sustainability formed an integral part of the University’s Strategic Performance Indicators. An initial report on the University’s global sustainability strategy would be made to the Court at its Strategy Day meeting on 1 November 2019.

- 83.10.5**
- **Framework for business cases / project proposals presented to the Court for approval**
The Court received and noted a draft framework which included the elements proposed to be included in all business case and major project proposals papers submitted to the Court for approval.
 - A member proposed that a fundamental summary statement which details the key features of the business case of project proposals should be included as a requirement at the front end of all such papers, i.e. explaining the nature of the project, why it is required, when it will be delivered, and what it will cost. It was agreed that with this addition, the paper should be relayed to the Audit and Risk Committee for further discussion.

83.11 Governance and Nominations Committee Terms of Reference and annual assurance report

The Court approved proposed minor revisions to the Committee's Terms of Reference, which arose from the regular scheduled annual review. The Court also received and noted an annual assurance report from the Committee which described how the GNC had fulfilled its Terms of Reference in the year 2018/19.

83.12 Edinburgh Business School (EBS) Business transfer agreement warranty

The Global Director of Governance & Legal Services drew the attention of the Court to the recent discussion by the GNC about the last minute request that had been made by the former Directors of the EBS Board for a material change to be made to the Business Transfer Agreement in the form of a waiver. The report of the Committee to the Court had noted that the Committee had agreed that the proposal should be rejected and the waiver not be approved as, following investigation, no satisfactory waiver position had been identified. The Director explained that the University's existing insurance policy would not cover the directors' liabilities in the scenario that would have been created by the suggested waiver.

The Court supported the proposal to issue a letter to the former directors of the EBS Board in accordance with the recommendation of the GNC as set out in its report. The Secretary of the University reminded the Court that no risks had been identified in the process of undertaking robust due diligence on EBS's position.

83.13 Court Statement of Primary Responsibilities

The Court approved minor changes proposed to the Court Statement of Primary Responsibilities as a result of the annual review process stipulated in the Scottish Code of Good Higher Education Governance. The Court noted that the changes accord with the new 2019 Charter and reflect different terminology introduced with Strategy 2025.

M19/84 ANNUAL REPORT TO THE SFC ON INSTITUTION-LED QUALITY REVIEW (Paper Ct6/19/60)

The Court received the Annual Report to the Scottish Funding Council (SFC) on Institution-Led Quality Review for 2017/18, which was presented by the Acting Principal. The Court had considered an earlier draft of the report with the opportunity for members to provide comments.

The Court agreed that the Annual Assurance Statement for 2018/19 should be signed by the Chair of Court and submitted with the report to the SFC.

M19/85 ANY OTHER BUSINESS

85.1 Court rolling programme of business (Paper Ct6/19/61)

The Court noted a report of the planned rolling programme of Court forward business, as at September 2019.

85.2 GRID Building

The Chair asked that consideration be given to holding a future Court dinner meeting in the GRID building.

85.3 Court member involvement in projects

The Chair of Court relayed her thanks and appreciation to lay members of the Court who had given their time and effort generously in their contributions to a variety of important projects which had continued in the University over the summer period 2019.

M19/86 REPORTS FOR RECEIPT AND INFORMATION

86.1 Report from the Audit and Risk Committee (Paper Ct6/19/62)

The Court received and noted a report from the Audit and Risk Committee, which related to the meeting of the Committee held on 12 September 2019.

86.2 Report from the Staff Committee (Paper Ct6/19/63)

The Court received and noted a report from the Staff Committee, which related to the meeting of the Committee held on 3 September 2019.

86.3 Report from the Interim Business Committee of Court (Paper Ct6/19/64)

The Court received and noted a report from the Interim Business Committee which related to the following items of business undertaken by the Committee on behalf of the Court since the last ordinary meeting of the Court in June 2019:

- on 4 July 2019, the Committee approved on behalf of the Court the recommendation of the GNC that a revised timeline for the Chair of Court selection process be adopted;
- on 22 July 2019, the Committee approved on behalf of the Court changes to the Edinburgh Business School (EBS) Articles of Association;
- on 21 August 2019 the Committee considered a waiver to the EBS Business Transfer Agreement; and
- on 6 September 2019 the Committee approved an appointment of Dr Brian Murray to the Infrastructure Committee in the category of co-opted lay member for a period of three years until 31 July 2022.

M19/87 DATE OF THE NEXT MEETING

87.1 It was noted that the next scheduled meeting, the Court Strategy Day, will take place on Friday 1 November 2019 in the GRID building.

Date

Signature