

## COURT

## Minutes

In the Chair:	Dame Frances Cairncross	Date of Meeting: 7 October 2016
Present also:	Ms Lucy Conan Professor Patrick Corbett Mr Diarmuid Cowan Ms Trish Gray Mr Amos Haniff Mr Grant Innes Professor Julian Jones Ms Eloise McNeaney Ms Morag McNeill Mr Andrew Milligan	Professor Isabelle Perez Professor John Perkins Ms Dorothy Shepherd Mr Tom Stenhouse Ms Jandy Stevenson Mr Tony Strachan Professor Ian Wall Mr Graham Watson Ms Rio Watt Professor Richard Williams
Officer in attendance:	Ms Sue Collier Professor Bob Craik (via Skype) Ms Ann Marie Dalton-Pillay Professor Ammar Kaka (via Skype)	Mr Andrew Menzies Dr Gillian Murray Professor Garry Pender Professor John Sawkins
Others in attendance:	Dr Shonaig Macpherson (Items Ct1/16/96,97,103) Professor Heather McGregor (Items Ct1/16/96,97,103) Ms Lorna Kirkwood-Smith (minutes)	

### **M16/1 WELCOME**

The Chair of Court welcomed the following:

- Dr Shonaig Macpherson, Interim Chair of the Edinburgh Business School (EBS) Board, who attended for discussion on paper items Ct1/16/96, 97 and 103 (Panmure House item)
- Professor Heather McGregor, Executive Dean of EBS, who attended for discussion on paper items Ct1/16/96, 97 and 103; and
- Professor Garry Pender and Dr Gillian Murray, who were joining their first meeting of the Court as invited attendees since taking up the respective roles of Deputy Principal (Research & Innovation) and Deputy Principal (Business & Enterprise).

### **M16/2 APOLOGIES**

Apologies were received from the following members: Ms Tracey Ashworth-Davies; Ms Pamela Calabrese; and Ms Jane Queenan, and from Professor Gill Hogg (invited to be in attendance).

### **M16/3 MINUTES OF THE PREVIOUS MEETING**

The Court approved as an accurate record the minutes of the meeting of the Court held on 27 June 2016.

### **M16/4 DECLARATION OF INTERESTS**

The Chair of Court invited declarations of interest. A number of colleagues absented themselves from the discussion on certain items due to personal interests. Those actions are recorded in the relevant following minutes.

### **M16/5 MATTERS ARISING**

The following were raised as matters arising:

- the Secretary of the University updated the Court on a planned meeting in October 2016 within the sector involving Court Clerks to share information and issues arising on the technical aspects of implementation of the Higher Education Governance (Scotland) Act 2016;

- the Principal advised members that the annual Hermiston House reception would take place immediately following the EBS AGM meeting on 13 December. An invitation will be forthcoming shortly;
- the Principal encouraged all members of Court to register to attend at least one of the Edinburgh Campus graduation ceremonies which would take place on 17 and 18 November 2016; and
- the Chair of Court asked that as much notice as possible should be provided to Court members on key future events for their diaries.

**M16/6 OPENING REMARKS FROM THE CHAIR OF COURT**

The Chair invited a Court member to relay their impressions of the tenor of the recent Conservative Party Conference they had attended.

**M16/7 REPORT FROM THE PRINCIPAL (Paper Ct16/94)**

The Court noted and discussed a report presented by the Principal who in his oral presentation highlighted key external policy matters of note.

The following reports were made in response to questions and comments arising in the discussion:

- the Director of Campus Services was continuing to liaise with the contractors responsible for delivering the new student residences buildings and working with them to help to resolve remaining building snagging issues. The students who had been inconvenienced as a result of late hand-over of one of the buildings had each been offered by the University a supermarket shopping voucher by way of compensation;
- while the potential risks and difficulties associated with the Brexit vote were actively being discussed both within the University and across the sector, sights should also be trained on any potential financial or other opportunities associated with Brexit developments which might also arise in the future;
- there would be an opportunity for the Court to consider league table performance aims and objectives in more detail at the Court Strategy Day in November 2016; and
- during the recent student recruitment clearing exercise the University had very largely managed to maintain its desired entry grade levels. In terms of its overall student recruitment the University was in a position to select applicants whose level of attainment was above the published minimum entry qualifications for its undergraduate programmes.

**M16/8 REPORT FROM THE STUDENT UNION PRESIDENT AND THE VICE-PRESIDENT (WELLBEING) (Oral Report)**

The President of the Student Union and the Vice-President (Wellbeing) provided an update to the Court on recent and forthcoming activities of the Student Union. These included:

- establishment of two academic representation review working groups to consider Approved Learning Partner /Independent Distance Learner academic representation and engagement, and also review of school officers (undergraduate student representatives) in each discipline;
- a successful Freshers' Week with increases in both student engagement and funds raised;
- continuing work in the area of postgraduate pay and working conditions;
- work undertaken to change approaches to communication and engagement as a result of the 2016 NSS results concerning student views of the Student Union;
- positive feedback had been garnered on students' views of the new 'Learning Commons' study space developed over the summer period in the Hugh Nisbet Building, as well as the new student social area at the Scottish Borders Campus;
- design, delivery and roll out of Consent Talks, as reported at the June 2016 Court meeting;
- five 'liberation groups were up and running led by 'liberation officers, in the areas of LGBT, Women's, International, BAME (Black, Asian and Minority Ethnic) and Disabled;
- development of a programme for 'British Black History Month';
- the imminent start, working with the Black Dog Campaign, of 'Mental Health Awareness Week' developed in conjunction with the Sports Union. The programme would feature the 'elephant in the room' campaign which aims to reduce the stigma around mental health issues; and

- work with the Sports Union on a forthcoming project linked with the 'HeforShe' UN initiative which aims to break down gender stereotypes in sports and academia.

**M16/9 REPORT FROM THE SENATE (Paper Ct1/16/95)**

The Court received and noted a report from the Senate which was presented by the Principal. The report related to an item of business considered by the Senate at its meeting on 5 October 2016 reported below.

**9.1 Chair of the Ordinances & Regulations Committee**

The Court approved the recommendation of the Senate that Professor Angus Macdonald should be reappointed to the Ordinances & Regulations Committee for a further period of three years from 1 August 2017 to 31 July 2020. The Senate had agreed that Professor Macdonald should be invited to retain the position of Chair of the Committee throughout this extended period of membership. The Court noted the valuable contribution to the work of the committee that had been made by Professor Macdonald and the continuity that will be enabled in the continuing review of the University's constitutional documents through the proposed extension of his membership and Chairship of the committee.

**M16/10 EDINBURGH BUSINESS SCHOOL: MEMORANDUM AND ARTICLES OF ASSOCIATION (Paper Ct1/16/96)**

The Court noted and approved a recommendation, presented by the Governance & Nominations Committee, which proposed the following in relation to the Edinburgh Business School (EBS) Articles of Association: a change to Article 16 (B) to remove the specific rights of Professor Keith Lumsden. It was noted that the Articles were unusual in that they granted powers to a named individual. Professor Lumsden had since retired from the position of "managing director", prompting the need for the proposed revision.

The Court noted and discussed a recommendation, presented by the Governance & Nominations Committee and relayed to the Committee by the EBS Board, which would grant powers to the Chair of the Board to appoint the remaining EBS-appointed members of the Board. It was proposed that any such recommended appointments by the Chair would be considered by the Board's Nominating Committee. Following discussion the Court agreed on a compromise position whereby the "endorsement" of the University's Governance & Nominations Committee should be sought as a final step in the process. It was agreed that the incoming new Chair of the Board should be consulted on his view of this proposal. It was also agreed that there should be an expectation that a Skills' Matrix is developed and maintained to support succession planning across the membership of the Board.

The Court noted that the current Memorandum and Articles of Association dated from 1997 and for a number of reasons a substantial review was considered appropriate and timely. This work would be led by the Interim Chair working with the Secretary of the University with a view to the work being completed by the end of the current calendar year. In the meantime a review had been undertaken by the University's Internal Auditor, the report of whom had been considered at recent meetings of the University Executive and the Audit and Risk Committee.

The Court noted that a detailed proposal including further changes to the Memorandum and Articles of Association would be presented at a future meeting of the Court.

**M16/11 EDINBURGH BUSINESS SCHOOL: APPOINTMENTS OF CHAIR AND INTERIM CHAIR (Paper Ct1/16/97)**

**11.1 Appointment of Chair of the Board**

For reasons of personal interest, the Chair of Court withdrew from discussion on this item.

The Court noted and approved a recommendation from the Governance & Nominations Committee (GNC) in relation to an appointment to the position of Chair of the Edinburgh Business School (EBS) Board. The Court received a summary report and recommendation from the appointment panel which had been considered by the GNC, together with biography information relating to the recommended candidate.

The Court approved the recommendation that Lord Vallance of Tummel, FRSA, should be appointed to the position of Chair of the EBS Board for a period of three years from 1 January 2017 until 31 December 2019, noting the immense value of the appointment in terms of wealth of experience, acumen and associations with the business world that Lord Vallance would bring to the role.

The Court also approved the proposed wording of the formal letter of appointment to Lord Vallance; this essentially established the terms and conditions associated with the appointment. It was proposed in this regard that consideration should be given to inclusion of information on the expected commitment of time associated with the role. Such information had been included in role specification material at the time of advertising.

## **11.2 Appointment of Interim Chair of the Board**

The Court approved the recommendation of the Governance & Nominations Committee that the appointment of Dr Shonaig Macpherson, as Interim Chair of the EBS Board, should be extended from 28 October 2016 until 31 December 2016 inclusive.

The Court agreed that its gratitude and deep appreciation of Dr Macpherson's exceptional contribution to EBS while in the role of Interim Chair of the Board should be relayed to her. Her commitment of expertise, time and effort to the role was continuing to deliver positive change.

## **M16/12 NATIONAL STUDENT SURVEY 2016 (Paper Ct1/16/99)**

The Court noted and discussed a report on the University's results in the National Student Survey (NSS) 2016 which was presented by the Deputy Principal (Learning & Teaching). The report highlighted Heriot-Watt's relatively strong position in terms of the student judgement on 'Overall Satisfaction', areas within the results where improvements were evident and others where performance was weaker.

The Deputy Principal explained the role of the Learning & Teaching Board to monitor NSS performance and to approve School, Service and Student Union action plans which were developed annually in response to the results. Following consideration of the action plans by the Board in November 2016, the Board would receive progress reports in March 2017. The overall institutional objective was to secure an NSS position in the top decile of higher education institutions nationally. This correlated with the University's Key Performance Indicator measurement of student satisfaction. The Court noted also the intention that a series of appropriately benchmarked subject-level targets will be introduced by the University in 2017.

The Deputy Principal emphasised the importance of strong NSS results in terms of attracting good students who see the results reflected in university league tables, and in terms of ensuring that a good student experience is being delivered to students through their period of studies at the University. While NSS results feeding into university league tables related to the UK only, it was intended that the University will use its own mirror survey for Dubai and Malaysia campus students and from 2017 report on these alongside the UK NSS results.

In response to a question from a member about whether surveys were taken to determine what factors led student choice in accepting a place at Heriot-Watt, the Deputy Principal confirmed that such surveys were routinely conducted. These did not however include a specific question about the influence of league table positioning and this was a suggestion that could warrant further consideration.

**M16/13 REPORT FROM THE EMERGENCY COMMITTEE OF THE COURT (Paper Ct1/16/102)**

The Court received and noted a report from the Emergency Committee of the Court concerning a matter of business dealt with by the Committee on 1 September 2016. The Court noted that the Committee had, on the recommendation of the Governance & Nominations Committee, approved the appointment of Ms Evelyn Stevenson to the Remuneration Committee with immediate effect with her period of membership to run until 31 July 2019. Ms Stevenson had filled the vacancy left in the co-opted independent lay member position on the Committee.

**M16/14 STUDENT ENROLMENT UPDATE: SEPTEMBER 2016 (Paper Ct1/16/100)**

The Court received and discussed a report on 2016/17 student enrolment which was presented by the Vice-Principal. The Court considered the Five-Year Plan Capital Investments Plan recommendation presented by the Finance Committee (Paper Ct1/6/103), below in the context of the report on student enrolment.

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

The Court was reminded of the University's operational budget planning assumptions which were based on locally agreed stretching targets set against institutional-level budget contingency. In 2015/16 the full level of contingency had been called upon. In 2016/17 the set-aside contingency would not quite cover the income shortfall; however, operational controls had been put in place and there were no concerns about delivery of the financial plan for the current year. The Vice-Principal emphasised the mixture of measures that might ultimately be taken to manage future risks; a variety of strategic short- and medium-term income generating initiatives were being developed and tighter expenditure controls would be in place as required to ensure that the balance of budget contingency is adequate for the level of risk. The focus would very much be on achieving a good balance between pursuing strategic opportunities and meeting operational requirements. The Vice-Principal reported that the University Executive will be giving close consideration in the current teaching programme performance review to ensure that resources are concentrated in areas which will generate appropriate returns.

**M16/15 COURT EFFECTIVENESS REVIEW 2016 REPORT (Paper Ct1/16/101)**

The Court received and discussed a report on the outcomes of the Court and Court committee Effectiveness Review conducted in 2016 which was presented by the Deputy Chair of Court.

The Court noted that a short time had elapsed since the 2015 Interim Effectiveness Review and no major new themes had emerged in the 2016 review, however suggestions for improvements had been forthcoming. The Deputy Chair drew attention to the key themes as reported.

The Court noted that the first five-yearly externally facilitated Effectiveness Review would take place in 2017 with a view to the outcomes of the Review being reported at the June 2017 meeting of the Court. The process of selection of the external facilitator for the Review would take place towards the end of 2016.

The Court agreed that in due course there should be a close-out report detailing achievements/advancements following the 2015 Effectiveness Review.

The Chair of Court proposed that in the future the Court should revisit discussion on potential opportunities for group visits of Court members to the University's other campuses.

The Court endorsed the report and the Chair conveyed thanks on behalf of the Court to the Deputy Chair for managing and reporting on the 2016 Effectiveness Review.

**M16/16 REPORT FROM THE FINANCE COMMITTEE (Paper Ct1/16/103)**

The Court received and discussed a report from the Finance Committee which related to the meeting of the Committee held on 20 September 2016.

The Chair of the Committee drew attention in particular to the Committee's consideration of the Five-Year Financial Plan and, in that context, the Committee's agreement on the imperative to proceed with capital investments supported by procurement of a private placement bond, as discussed by the Court at its meeting in June 2016. There was an opportunity to close the pricing of a private placement bond before the US presidential election. The Court discussion on the Five-Year Financial Plan and associated capital investment plan is recorded in M16.2 below. The Court agreed first to consider the Student Enrolment update report (recorded in M16/14, above).

The President of the Student Union voiced his disagreement with the decision of the Finance Committee in relation to the rises in tuition fees for 2017/18, especially in the light of student recruitment challenges. The Vice-Principal responded that the fees related to Rest of UK (RUK) and non-EU overseas students – all other fees being fixed by the Scottish Government. Following previous increases, the University's tuition fees were now broadly comparable with those of its benchmark institutions – ensuring that the University was appropriately placed in the market for discerning prospective students. The planned rise was also in line with inflation. In respect of RUK, the most important factor was not the level of fee, but the policies on discounts which were in place. The University's wider policy on scholarships and bursaries widened further the opportunity to provide what were essentially course fee discounts. The Court noted that the current lower strength of the pound against other currencies meant that in financial terms UK universities would be relatively more attractive to non-EU overseas students.

### **16.1 Panmure House restoration project**

The Court noted, discussed and approved a recommendation relayed by the Finance Committee in relation to completion of the Panmure House restoration project.

The Court approved the recommendation that approval should be given to increase the draw-down from EBS reserves to enable completion of the restoration project from up to £2,500,000 to up to £2,891,000. The Court noted that since the autumn period of 2015 thoughts had changed in relation to the planned future use of the completed Panmure House. While originally the proposed future of the building had been planned as a joint venture entity owned 50:50 between the University and EBS, marketed for use by third parties with limited use by EBS and the University, it has since been determined that the University should primarily use Panmure House for research and civic purposes with the University taking the lead in its use. This change in intention would have the likely consequence of barring any reclaim of VAT on construction costs. Such a reclaim had been accounted for in the original £2.5 million budget.

The Court noted that the quoted cost for completion of the project did not include any furniture. The Executive Dean of EBS confirmed that no funds would be directed to cover the cost of furniture which had not been raised from external sources.

The Court noted the imperative for a decision to proceed in October 2016. Further delay would necessitate re-tendering for the project, with the likelihood of increased project costs. The Court noted that over the next few months a business plan based on the proposed operational management of the asset will be developed for consideration by the Court.

The Chair of the Campus Committee wished his dissent to be recorded on the matter of the amount of budget release requested and suggested that the costs ought to be significantly reduced. The Court was advised that the funds requested represented the projected maximum spend and where costs can be reduced without jeopardising the current project tender, they would be so.

### **16.2 Capital Investments Plan: 5-Year Financial Plan**

The Court considered and approved a recommendation presented by the Finance Committee that the University should proceed with the 2016 Five-Year Financial Plan and its associated capital investment programme on the basis that had been provisionally approved by the Court in June 2016. The Five-Year Plan included a programme of capital investments, primarily for the Edinburgh Campus over the period of the Plan which totalled £113 million. In June 2016 the Court had approved the Five-Year Plan including the capital investments on the normal basis of approving the budget for the coming year and approving the indicative plans for subsequent years on the understanding that subsequent year's plans would be reviewed and revised on an iterative basis and resubmitted for the consideration of the Court as part of the process of rolling review and budget setting. The Court had agreed with the recommendation of the Finance Committee that in

terms of funding the planned capital investment programme, the University should enter into further discussions with financial intermediaries and investors with a view to considering the options and terms available for a private placement bond. However, the Court had requested reassurance of the necessity to proceed with the investment programme without delay, and confirmation that even if further credible risks were to crystallise, the capital would remain affordable.

The Court received, noted and discussed the paper which had been previously considered by the Committee. This included a number of modelled scenarios. In conclusion, the paper confirmed that Scenario A, i.e. the existing 2016 Five-Year Financial Plan remained in all respects an accurate account of the University's intentions and that, without implementing at least the next phase of capital investments, the expansion that the Plan envisages will not be achievable. It was recommended that the University should proceed with the 2016 Five-Year Plan in its current form, including the capital investment programme and its resourcing, whilst keeping risks and their implications for income and expenditure under vigilant review and taking early corrective action should this be required.

In the context of the above, the Court noted a report from the Director of Finance on the transaction timeline for a debut private placement bond for the University. This would see marketing activities including drafting materials for a transaction launch distributed to potential lenders on 19 October and interaction with potential investors on 21 October, leading to finalisation of principal terms and conditions in the latter part of October and acceptance of bids on a closing date of 31 October. Lender bids could be reviewed on 1 November with subsequent finalisation of documentation and transfer of funds occurring within December 2016. It remained to be determined whether the point at which final agreement required by the Court accorded with the date of the next scheduled ordinary meeting, and when in advance of that stage additional meetings of the Finance Committee and the Court will be required to agree acceptance terms. *(Addendum: Following a meeting with Barclays Bank on 7 October, the Director of Finance confirmed that the Court meeting date of 9 December 2016 was a workable final decision point for final Court approval, while additional meetings of the Finance Committee and the Court would probably be required by 31 October 2016 at the latest.)*

Observations were made that the £60 million borrowing level agreed by the Court in principle did not represent a huge sum of money in terms of capital project costs. There was an onus on the University therefore to ensure that the relevant business plans demonstrate creative use of the funds, targeted towards those areas with clear potential to generate good financial returns.

### **16.3 Sustainable Procurement Policy**

The Court noted and approved a new Sustainable Procurement Policy, noting that the Policy was aligned to a new Procurement Strategy and outlined the University's approach to sustainable procurement. Recent changes introduced by the Procurement Reform (Scotland) Act 2014 placed sustainability at the forefront of public sector procurement via the 'Sustainable Procurement Duty'. The new Policy served to formalise the University's proactive response to this Duty.

### **16.4 Management Accounts 2015/16 (full year)**

The Court received and noted a copy of the Group Financial Summary Dashboard for the full year: August 2015 to July 2016, noting that the detailed full year Management Accounts had been made available to members on the Court SharePoint site.

## **M16/17 REPORT FROM THE AUDIT AND RISK COMMITTEE (Paper Ct1/16/104)**

### **17.1** The Court received and discussed a report from the Audit and Risk Committee relating to the meetings of the Committee held on 25 August and 20 September 2016 which was presented by the Chair of the Committee.

The Chair of the Committee drew attention to the Committee's discussion on the impact of the Brexit vote. [It was noted that the final statement in the section of the report titled 'Legislation' was misleading in the impression it conveyed and would be deleted from the report. \(The Committee intended that in the event of the changes reported careful consideration should be given to the impact on the University's staff and any amelioration which might be required.\)](#) It was noted also in relation to the reference to Erasmus Exchange students that the University had far more students

engaged in this programme than quoted and that the number had been reported in a particular context.

A Court member updated the Court on work being undertaken by the Royal Academy of Engineering on behalf of the engineering professions to provide advice to government in relation to the EU Referendum vote. This included advice the recommendation that intra-company transfers of staff should remain exempt from immigration rules.

The Court noted that the University Executive- / Management-led 'Transformation Projects' reported were initiatives of significant scale. These projects remained at a very early stage and the Court would receive further progress reports in the period ahead.

## **17.2 Financial Regulations**

The Court received and approved updated Financial Regulations of the University which had been approved for onward recommendation to the Court by the Audit & Risk Committee. The Court noted that the Financial Regulations had also previously been considered by the Finance Committee and had been approved by the University Executive.

## **M16/18 REPORT FROM THE GOVERNANCE & NOMINATIONS COMMITTEE (Paper Ct1/16/105)**

The Court received and noted reports from the Governance & Nominations Committee which related to the meeting of the Committee held on 1 September 2016 together with an item of business conducted by correspondence by the Committee on 29 August 2016 and by the Emergency Committee of Court on 1 September 2016.

## **18.1 Higher Education Governance (Scotland) Act 2016: Action Plan**

The Court noted and approved proposals presented by the Committee as to the steps which the University should take towards compliance with the Higher Education Governance (Scotland) Act 2016 (listed in bullet points a) to f) in report section M16/35). It was noted that, subject to Parliamentary timescales, the Act would come into force from late 2016 / early 2017 with provisions on academic freedom in force from day one. Provisions on the membership of the governing body and the composition of the academic board would also come into force straight away - with a four year transition period. From summer 2017 provisions on the senior lay member of the governing body (the Chair) would come into force – with provision to avoid disruption to any recruitment campaign which was already under way.

The Court approved the recommendations set out in bullet points g) to i) in report section M16/35, that the joint Court and Senate Constitutional Review Group should be re-established. The purpose of further meetings of the Group will be to agree for onward recommendation to the relevant University bodies, the necessary Statute and Ordinance changes required to achieve compliance with the Act.

The Court approved the recommendation that Ms Morag McNeill should be invited to Chair the re-established Constitutional Review Group. Ms McNeill had previously confirmed that she would be happy to accept such an invitation. Ms McNeill was absent from the discussion on her appointment.

## **18.2 Constitutional Framework Definitions document**

The Court approved a proposed additions and minor revision to the Constitutional Framework Definitions document recommended by the Committee. The addition included provision for non-academic Regulations incorporating "Financial Regulations" and "Corporate Regulations".

## **18.3 Heriot-Watt Malaysia Shareholder Agreement**

The Court noted and approved a recommendation presented by the Committee for a change to be made to the Heriot-Watt University Malaysia Shareholder Agreement such that members may participate in any board meeting remotely by way of video or audio conferencing and be counted in the quorum. This provision was consistent with the University's agreed approach in relation to meetings of the Court and its committees.

#### **18.4 Ethical Business: Conflict of Interest Policy for Court and Court Committee members**

The Court noted and approved recommended changes to the Ethical Business: Conflict of Interest Policy for Court and Court Committee members which were presented by the Committee.

The main changes proposed were in response to an earlier request of the GNC that a check of the Policy and its accompanying Register of Interests Form be undertaken to ensure that in terms of direct or indirect conflicting interests, the interests of family members were also fully covered. The GNC had requested that an appropriate definition of “family members” should be included in the Policy. Additional minor cosmetic changes to wording in the Policy were approved.

#### **18.5 Court membership**

The Court noted and approved recommendations presented by the Committee in relation to the following:

- the re-appointment of Mr Tony Strachan as Court member and Deputy Chair of Court for a further period of two years from 1 August 2017 until 31 July 2019 (in a third term of membership);
- the re-appointment of Mr Andrew Milligan to the Court for a further period of one year from 1 August 2017 until 31 July 2018 (in a third term of membership);
- the re-appointment of Professor Ian Wall to the Court for a further period of one year from 1 August 2017 until 31 July 2018 (in a third term of membership); and
- the re-appointment of Ms Jandy Stevenson to the Court for a further period of three years from 1 August 2017 until 31 July 2020 (in a second term of membership).

The above members were absent from the meeting during the discussion on their re-appointments.

The Court noted the intention to stagger the lengths of the further terms in such a way as to smooth the turnover and balance of the membership of the Court and its committees, and to maintain the principle that members serving terms up to the maximum permissible nine years ought to be the exception rather than the rule.

The Secretary of the University confirmed that the role of the University Deans was in the process of being agreed within the University. Following agreement, Dean elections could be held and subsequently an election onto the membership of the Court could take place.

#### **18.6 Court committee membership**

The Court noted and approved recommendations presented by the Committee in relation to the following:

- the appointment of Ms Morag McNeill to the membership of the Audit and Risk Committee with immediate effect until 31 July 2017, at which point her continuation for a further year concurrent with her term of membership at Court should be reviewed. Ms McNeill had confirmed that she would be happy to accept such an invitation; and
- the re-appointment of Mr George Morton for a further period of three years from 1 August 2017 until 31 July 2020, subject to his willingness and availability to accept this further term.

#### **18.7 Other items included in the report**

The Court noted other items in the report presented for information. These covered: governor overseas visits; the Communications Focus Group action plan; subsidiary companies; guidance for new Court members on the governance function; the 2015 Court Effectiveness Review report; and the 2015/16 Senate Effectiveness Review.

#### **18.8 Ordinances & Regulations Committee**

The Court noted and approved the recommendations of both the Committee and the Senate (reference Paper Ct1/16/95, above) that the term of membership of the Ordinances & Regulations Committee of Professor Angus Macdonald should be exceptionally extended beyond the maximum period of six years which will be reached by 31 July 2017. The Court approved the recommendation that Professor Macdonald should continue as the appointed Chair of the Committee for the period from 1 August 2017 until 31 July 2020. The Senate had approved the recommendation that

Professor Macdonald should be appointed for the further three year period as a Senate appointed member of the Committee, and that he should retain the position of Chair of the Committee during that period.

**M16/19 Report from the Staff Committee (Paper Ct1/16/106)**

The Court received and discussed a report from the Staff Committee which related to the meeting of the Committee held on 12 September 2016. In the absence of the Chair of the Committee the Deputy Chair of Court presented the report.

The Deputy Chair drew attention in particular to: the Committee's discussion on the University's monitoring of the impact of the Brexit vote; the 'Job Description Simplification Project' for the Professional Services which was part of a wider initiative to help clarify career progression pathways for Professional Service staff; progress of work on the SANE Black Dog Campaign; progress towards submission of the University's Athena SWAN submission in November 2016; and the Equal Pay Statement which would be published in 2017.

**M16/20 Report from the Remuneration Committee (Paper Ct1/16/107)**

The Court received and noted a report from the Remuneration Committee relating to the meeting of the Committee held on 12 September 2016 which was presented by the Deputy Chair of Court. The report set out the 2016 reward decisions which related to the remuneration of the Principal and the Secretary of the University and which provided a summary of the decisions made on the rewards payable in 2016 across all Grade 10 categories of staff. The report confirmed that the appropriate policies and procedures had been followed in relation to decisions on remuneration.

The Court noted a supplementary report from the Chair of Court which set out the objectives against which the Principal's performance was assessed in 2015/16 and the objectives which it is intended should be applied in 2016/17.

All Grade 10 Professional Service Staff whose remuneration was accounted for in the report left the meeting during discussion on this item.

**M16/21 ANY OTHER BUSINESS**

**21.1 Court rolling programme of business (Paper Ct1/16/108)**

The Court received and noted a summary report, as at June 2016, of the Court's rolling programme of business for 2015/16 through until the end of the current calendar year. Members' proposals for additions and changes from members to this live document would be welcomed at any time.

The Chair thanked Court members for the responses to her recent communication seeking their views on the schedule of dinner meeting topics during 2016/17.

**21.2 Obituary**

The Court noted with sadness, notice of the recent death of Emeritus Professor Jack Carr, formerly Professor and Head of Department of Mathematics at the University.

**21.3 Forthcoming events**

The Court noted a report of forthcoming University events of potential interest to Court members which was presented by the Secretary of the University. It was requested that the dates of the June 2017 graduation ceremonies should be notified to Court members as quickly as possible.

**21.4 School of Management & Languages change of title**

The Principal reported to the Court the change of title of the School of Management & Languages to the School of Social Sciences.

**21.5 Lyell Centre**

The Court noted that a first joint academic conference organised between Heriot-Watt and the British Geological Survey had recently taken place.

**M16/22      DATE OF THE NEXT MEETING**

The next meeting of the Court will take place on 11 November 2016 (Strategy Day).

Signed .....

Date .....