

**COURT**

**Minutes**

In the Chair: Lord Penrose

Date of Meeting: 4 October 2010

Present also: Principal, Professor Steve Chapman  
Dr Alex Bell  
Mr Gregor Colville  
Professor Dugald Duncan  
Mr Malcolm Durie  
Mr Simon Eltringham  
Mr Neil Fraser  
Mr Allan Gray  
Dr Jennie Hansen

Mr Murray Hope  
Professor Julian Jones  
Ms Shonaigh Macpherson  
Dr Judith McClure  
Mr Iain McLaren  
Dr Alan Parsley  
Ms Jane Queenan  
Professor Brian Robertson  
Mr David Robinson

In attendance: Ms Shirley Campbell  
Professor Bob Craik  
Ms Ann Marie Dalton  
Professor Philip John  
Mr Peter Kerr  
Professor Doug Greenhalgh  
Professor Gill Hogg  
Mr Phil McNaull  
Mr Richard McGookin

Professor Alan Miller  
Mrs Kathy Patterson  
Professor Alan Prior  
Professor John Sawkins  
Professor Andy Walker  
Mr Peter Wilson  
Mr Stewart Smith, Deputy Registrar was in attendance during discussion on item 6.  
Ms Lorna Kirkwood-Smith (clerk)

**1 APOLOGIES**

Apologies were received from: Baroness Susan Greenfield, Mr Andrew Muirhead, Councillor Tim McKay and Professor James Ritchie.

**2 OBITUARY (Paper Ct1/10/00)**

The Chairman announced that the University had learned with sadness of the death, on 21 September 2010, of Iain Anderson, formerly of the Estates Office.

**3 NEW MEMBERS**

The Chairman welcomed on behalf of the Court the following new members:

- Professor Julian Jones, who was attending his first meeting since taking up the appointment of Vice-Principal; and
- Professor Brian Robertson, who was attending his first meeting as a member appointed by the Senate.

The Chairman confirmed that Mr Andrew Muirhead had rejoined the membership of the Court in 2010/11 but had tendered his apologies for the meeting.

**4 MINUTES OF THE PREVIOUS MEETING**

Approved the minutes of the meeting of the Court held on 28 June 2010.

**5 MATTERS ARISING**

REVIEW OF THE CHARTER & STATUTES (Minute 269 of 28 June 2010 meeting)

In relation to the action on the Secretary of the University to report back to the Court with clarification as to whether Senate would nominate members from among the wider academic community or whether nominations would be restricted to members of the Senate only, the Secretary confirmed the intention in the revised Charter & Statutes that nominations will be restricted to members of the Senate only.

## 6 REVIEW OF CHARTER & STATUTES (Paper Ct1/10/01)

Received and approved, in terms of Articles 24 to 26 of the Charter, proposed revisions to the University Charter and Statutes presented by the Secretary of the University and the Deputy Registrar subject to amendments noted below. Noted, within the terms of the relevant Articles, that the Resolution should be reconfirmed at the meeting of Court on 13 December 2010, with any consequential changes to the Ordinances presented for approval at the same meeting. Noted also that the Office of the Scottish Charity Regulator would be required to approve the proposed changes prior to reconfirmation by the Court.

To support, and as background to discussion, the Court was presented with:

- a) the Consultation Paper, endorsed by the Court at its meeting on 28 June 2010, which detailed the areas in which it was proposed that Privy Council control should be retained and where it should be removed. Noted that extensive consultation had been undertaken over the past three months. Noted also that positive feedback had been received from the Privy Council on a preliminary draft of the proposals with informal approval confirmed by the Office of the Scottish Charity Regulator. Court noted that consultation with the University's trade unions had closed on 29 September 2010. Court received tabled papers (papers 1 – 4) including a draft response (paper 4) from the Heriot-Watt University and Colleges Union (HWUCU) on the proposals;
- b) a summary of responses to the Consultation Paper from all individuals and constituencies invited to submit comments, including a report on the outcomes of consultation with the Senate (Appendix A);
- c) a paper detailing the proposed amendments to Statute XXV: Academic Staff (Appendix B);
- d) the proposed Charter and Statutes highlighting the changes (Appendix C); and
- e) a report outlining the proposed consequential changes to Ordinances resulting from the changes to the Charter & Statutes (Appendix D).

The Deputy Registrar summarised the proposed key areas of change to the provisions of the Charter and Statutes, as outlined in the Consultation Paper.

The attention of the Court was drawn to areas of proposed change which the Senate had recommended that the Court should consider in particular:

1. appointment of Senior Officers: the appointment of the Chancellor, the Principal and the Secretary of the University should each involve joint committees comprising members of the Senate and the Court making recommendations which are subsequently notified to the Senate and conveyed via the Senate to the Court. The appointment of the Vice-Principal by the Court should be made, as currently, on a "nomination", rather than a "recommendation" from the Senate. The detail of these procedures should be set out in the relevant Ordinances;
2. the Deans: the office of Dean should continue to be prescribed in the Charter & Statutes;
3. the Senate should continue to have an involvement in procedures for the appointment of academic staff with Senate's involvement set out in the relevant Ordinances. It was noted that the proposed Statute III stated that "the Court may from time to time appoint, in accordance with such procedures as may be established after consultation with the Senate, such members of the Academic Staff as may be required for the service of the University." Following further discussion, the Court concluded that no further amendments were required, those that were raised at the meeting being addressed adequately through the provisions of the proposed Statute III;
4. academic staff employment: concern being expressed over the revised Statute XXV and the removal of the Ordinances for procedures applicable to academic staff in respect of discipline, appeals and grievance. It was suggested that to retain the involvement of the Senate, consultation and approval procedures for policies and procedures currently included in Statute XXV includes a clause indicating that consultation and approval procedures will be prescribed in an Ordinance; and
5. approval of consequential changes to the Ordinances: the Senate recommended to the Court that the Senate should have an opportunity to see the proposed Ordinances alongside the proposed Charter and Statutes prior to final approval of the Charter and Statutes being granted by the Court.

The Deputy Registrar drew attention to tabled papers which confirmed adaptations to the proposals in response to the concerns raised by the Senate:

- in relation to point 1 above, proposed revision under a revised Statute III in relation to the appointments such that Chancellor and Secretary appointments as well as the that of the Principal will be through appointment by the Court "on the recommendation of a Joint Committee of the Senate and the Court", and that the Vice-Principal shall be appointed by the Court on the "nomination" of the Senate (ref: tabled paper 2);

- in relation to point 2 above, reinstatement of a provision in the Charter and in the Statutes (Statute III) (ref: tabled papers 1 and 2);
- in relation to point 3 above, attention was drawn to Article 3 of the revised statute which confirmed Court's power to appoint in accordance with such procedure as may be established after consultation with the Senate;
- in relation to point 4 above, proposed revision to Statute XXV(ref: tabled paper 3), which confirmed that procedures would be approved in a manner prescribed in the Ordinances and when they apply to academic staff, shall involve consultation with the Senate. The Senate would retain powers in relation to the procedures enabled through the Ordinances, including through its representation in the Ordinances & Regulations Committee. Following discussion, which focused on interpretation of the reference to "consultation" with the Senate, it was agreed to amend the amended article to read simply "Such procedures shall be approved in a manner prescribed in the Ordinances when they apply to academic staff."
- in relation to point 5 above, the Chairman of Court emphasised that the Special Resolution which would be considered again at the December meeting of Court would relate to the Charter & Statutes only, and that review of the supporting Ordinances & Regulations would be progressed through the appropriate established procedures of consideration by the Senate of a recommendation of the Ordinances & Regulations Committee first, followed by the Court. It therefore appeared procedurally unnecessary and inappropriate to delay or to make contingent on the approval timescale for revision to the relevant Ordinances & Regulations, the required progress on revision to the Charter & Statutes.

The Court noted feedback on the consultation from the HWUCU, as set out in the draft response (tabled paper 4), noting in particular points a) to e) which HWUCU had requested that the Court consider. Agreed that point a) had been addressed in Court's discussion and that University Management should consider and respond to HWUCU on the other points raised.

Agreed that the proposed Statute XII, Article 11 (5) should be amended to state explicitly the exclusion of the Chairman of Court and the Principal from the membership of the Audit Committee.

Agreed that the Secretary of the University, subject to the amendments agreed by the Court, should make arrangements to present the revised Charter & Statutes to the Privy Council. The Secretary of the University invited the Court to approve the proposed draft with agreed amendments as of 4 October 2010 by way of Special Resolution, conditional on subsequent Privy Council approval of the revised Charter & Statutes. Court confirmed its approval with a view to the Special Resolution being reconfirmed at the meeting of Court on 13 December 2010.

**7 ANNUAL INSTITUTIONAL STATEMENT ON QUALITY ASSURANCE AND INTERNAL SUBJECT REVIEW (Paper Ct1/10/02)**

Received and endorsed an 'Annual Institutional Statement on Quality Assurance and Internal Subject Review' for the academic year 2009/10 which was presented by the Deputy Principal (Learning & Teaching). Noted that the report had been previously approved by the Planning & Management Executive and the Senate and would be forwarded to the Scottish Funding Council as an element of the required annual institutional reporting to the Council.

**8 BUSINESS CONDUCTED SINCE THE LAST MEETING: REPORT FROM THE EMERGENCY COMMITTEE (Ct1/10/03)**

Received a report from the Emergency Committee of Court and noted approval by the Committee on 19 July 2010 of the following item of business:

- the promotion to Professor, from 1 July 2010, of Professor Dimitri Val, School of the Built Environment. Approval had been given on the recommendation of the Senate Business Committee acting on behalf of the Senate in terms of Regulation 40.

**9 FACILITIES LETTER: BARCLAYS BANK (Paper Ct1/10/10)**

Received and approved proposed amendments to the overdraft facility agreement with Barclays Bank PLC. Court agreed the following minute of this item as set out below, to be presented to the Barclays with certification of the record by the Chairman of Court and the Secretary of the University:

There was produced to the meeting an amending letter amending the terms and conditions of a facility letter dated 14 July 2008 where Barclays Bank PLC agreed to provide an overdraft facility to Heriot-Watt University and certain of its Group Companies named therein.

It was resolved:

1. That the amended terms and conditions of the overdraft facility as set out in the amending letter are hereby approved and accepted.
2. That Peter Wilson and Phil McNaull are authorised to sign on behalf of Heriot-Watt University as agent under the overdraft facility, the copy of the said amending letter to indicate acceptance of the amended terms and conditions.

Court noted an explanation of the proposed changes presented by the Director of Finance & IS/IT. None of the changes were considered to be to the University's disadvantage or to change the risk associated with the bank lending agreement.

## **10 COURT MEMBER VACANCIES: ADVERT UPDATE**

The Secretary of the University confirmed that that an advert to fill lay member vacancies on the Court in 2010/11 and 2011/12 was live and would remain open until 11 October 2010. To date 39 notes of interest with accompanying CVs had been submitted.

The Convener of the Audit Committee drew the attention of the Court in particular to the need to expand the membership of the Audit Committee. Court noted that this could be achieved through lay appointments to the Committee as well as through Court member appointments.

## **11 COMMUNICATIONS FROM THE CHAIRMAN OF COURT**

### **REMUNERATION COMMITTEE**

The Chairman highlighted prospects for a more highly prescribed approach to the management of Remuneration Committee business by the CUC, with emphases on transparency, the policy framework for decision-making and benchmarking practice. In future, the Court should expect to have more involvement in the work of the Remuneration Committee; now a recognised Committee of the Court.

## **12 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (Paper Ct1/10/04)**

Received and noted a report from the Principal and the Planning & Management Executive on a range of news topics of current interest and involvement of the University. In addition to the information included in the report the Principal highlighted:

- in relation to the national budget and future funding for higher education, the Principal's involvement in dialogue within the context of Universities UK and Universities Scotland (US) activities, and directly with Scottish Government bodies. The Principal confirmed that the Universities Scotland Funding Policy Committee, of which he was chair, was preparing a paper setting out the case for the future of higher education funding and how this might be supported. It was hoped that the US submission would influence the Scottish Government green paper on higher education funding due to be published in December 2010. The Principal highlighted the likelihood of significant higher education funding cuts which could be of the order of 16% in 2011/12 and growing to as much as 25% by 2014/15. This level would be beyond what could be achieved through efficiency savings, indicating the prospect of real cuts in Scottish higher education provision. The Principal emphasised the need to control costs, principally control of pay costs, and the importance of managing performance across the University. Court noted the elective pay freeze agreed by members of the University's senior management in 2010.
- in relation to student recruitment the Principal confirmed that while it was still too soon to report final matriculated numbers there were indications that there would be a shortfall against target in Scottish Campus numbers with target shortfalls in overseas and postgraduate numbers contributing potentially to a financial shortfall against budget of approaching £1 m. Court was reminded of the £2 m contingency fund built into the budget for the current year. The evident likely shortfall against target in relation to HEU undergraduate student numbers would have the effect of smoothing the drop in this part of the student population between 2010/11 to 2011/12 in the context of the University's planned phased

reduction in numbers over two years to meet the SFC's downward revised funded numbers cap. Current indications were that the Dubai Campus would exceed its target numbers.

The Vice-Principal confirmed that he would present an update to the Court at a future meeting on recovery planning progress made following three years' of academic performance review.

Noted the potential impact of immigration control legislation on international student and staff recruitment. While there were no significant problems being experienced currently, the level of future risk remained unclear.

**13 5-YEAR PLAN STRATEGY UPDATE (Paper Ct1/10/10)**

Received and noted and report, presented by the Vice-Principal, which provided an update on the 5-Year Plan with particular reference to academic staff recruitment and research income. The Vice-Principal highlighted in particular: the increasing prospect of polarisation across the UK university sector; the benchmark target for scale of annual research income; the appointment, since the creation of the Academic Search Co-ordination Group, of 22 new high quality academic staff with capacity in the 5-Year Plan to recruit a further 20 each year; and the increasingly adverse external financial environment.

In response to a question about the competitiveness of the market place in relation to academic salary offers, Court noted that the UK in general was in a relatively strong position in relation to the wider European market, although the scene might change in a few years as the UK moves closer to REF. The current international climate in relation to academic pay appeared one of general restraint. The University had also strengthened its staff development capacity in recent times and this would help to support academic staff retention and decisions on appropriate rewarding of academic staff.

**14 REPORT FROM THE STAFFING STRATEGY COMMITTEE: 24 AUGUST MEETING (Paper Ct1/10/06)**

Received and noted a report from the Staffing Strategy Committee relating to the meeting of the Committee held on 24 August 2010. All items in the report were presented for information.

The Convener highlighted the development of a range of staff development and performance initiatives which would benefit from further work in the period ahead to join up the activities.

In response to a question raised, Court noted that more work remained to be done by People & Organisational Development in relation to the development of staff group Role Profiles. Court noted also the intention, through changes to the promotion process for grades 1 to 7, to create more fluidity in movement of staff to promoted positions across the University.

**15 REPORT FROM THE ESTATE STRATEGY COMMITTEE: 25 AUGUST MEETING (Paper Ct1/10/07)**

Received and noted a report from the Estate Strategy Committee relating to the meeting of the Committee held on 25 August 2010. All items in the report were presented for information.

The Convener of the Committee invited questions. None were raised.

**16 ANNUAL REPORT OF THE ESTATE OFFICE 2009/10 (Paper Ct1/10/08)**

Received and noted the Annual Report of the Estates Office 2009/10 presented by the Estate Strategy Committee. The report highlighted the scope of the estates and facilities, main achievements in the year and projects for 2010/11, most notably the Residences Project. Attention was drawn also to performance indicators based on the most current Management Statistics Data set against a peer group of universities.

In response to a question about a project manager for the Residences Project the Director of Finance & IS/IT confirmed that an interim project manager was in place and the University was actively seeking to recruit a project manager who would be appointed to a refocused role.

**17 COURT SCHEDULE OF BUSINESS: KEY REPORTS IN 2010/11 (Paper Ct1/10/09)**

Noted and approved the proposed annual forward schedule of Court business dealing with key reports in 2010/11 as a live document which may be subject to necessary change and refinement over the course of the year.

**18 ANY OTHER COMPETENT BUSINESS**

**MODERATOR OF APPEALS**

The Secretary of the University confirmed that, following the departure from the Court membership of Mr Ed Weeple who had acted in the additional capacity as Moderator of Appeals, Dr Judith McClure had volunteered to undertake this role. A recommendation would be presented for consideration by the Nominating & Review Committee at its meeting in November 2010.

**DONATION TO THE UNIVERSITY**

The Secretary of the University reported an item of recent positive news involving a substantial donation to the University of £1.3m by Heriot-Watt University alumni member Robert Buchan. The donation will fund a Chair in Sustainable Energy Engineering.

**19 DATE OF NEXT MEETING**

The next meeting will take place on Monday 15 November 2010.

**COURT**

**Minutes**

In the Chair:	Principal, Professor Steve Chapman	Date of Meeting: 15 November 2010
Present also:	Dr Alex Bell Mr Gregor Colville Professor Dugald Duncan Mr Neil Fraser Mr Allan Gray Dr Jennie Hansen	Ms Shonaig Macpherson Dr Alan Parsley Professor James Ritchie Professor Brian Robertson Mr David Robinson
In attendance:	Ms Shirley Campbell Professor Bob Craik Ms Ann Marie Dalton Professor Doug Greenhalgh Professor Gill Hogg Professor Philip John Mr Peter Kerr Mr Richard McGookin	Mr Phil McNaull Ms Theresa Merrick Mrs Kathy Patterson Professor Gary Pender Professor John Sawkins Professor Andy Walker Mr Peter Wilson Ms Lorna Kirkwood-Smith (clerk)

**20 APOLOGIES**

Apologies were received from: Baroness Susan Greenfield, Mr Malcolm Durie, Mr Simon Eltringham, Mr Murray Hope, Professor Julian Jones, Dr Judith McClure, Councillor Tim McKay, Mr Iain McLaren, Mr Andrew Muirhead, Ms Jane Queenan and Lord Penrose

**21 MINUTES OF THE PREVIOUS MEETING**

Approved the minutes of the meeting held on 4 October 2010, with the addition in the penultimate paragraph under 6, of "Chairman of Court" in the stated exclusions from membership of the Audit Committee. The Chairman also drew attention to a minor correction to be made in the second bullet point on page 3, where the reference to "Article 13" should be changed to "Article 3".

**22 MATTERS ARISING**

REVIEW OF THE CHARTER OF STATUTES (Minute 6 of 4 October 2010 meeting)

Clarification was sought from a member of the Court in relation to bullet points 4 and 5 with regard to the power of the Senate vis-à-vis new Ordinances, where these apply to academic staff, and with regard to the planned process for approval of the revised Ordinances.

The Secretary of the University confirmed that draft revised Ordinances would be presented to the Court at its meeting on 13 December 2010, having been first considered by the Ordinances & Regulations Committee and, subsequently, by the Senate at its meeting on 8 December 2010. In accordance with the relevant revised Statutes, there will be consultation with the Senate, with the recommendations of the Senate subsequently relayed to the Court as the approving body.

There were no other matters arising.

**23 BUSINESS CONDUCTED SINCE THE LAST MEETING: REPORT FROM THE EMERGENCY COMMITTEE (Paper Ct2/10/11)**

Received a report from the Emergency Committee of Court and noted approval by the Committee on 11 October 2010 on the following item of business in relation to membership of the Ordinances & Regulations Committee in terms of Regulation 28:

- Dr J Bryce, School of Life Sciences, who is currently the Senate appointed member of the Committee, to be appointed as Chair of the Committee for three years from 1 October 2010;
- Professor J Ritchie, School of Engineering & Physical Sciences, to be appointed as a Court nominated

member of the Committee for three years from 1 August 2010.

**24 COURT MEMBER VACANCIES: RECRUITMENT UPDATE**

The Secretary of the University provided an oral update on progress made in relation to filling Court lay member vacancies, confirming that 69 applications had been received by the closing date. Through the recruitment panel's selection process, agreement had been reached to meet 24 short-listed applicants in two phases. An initial group of 10 would meet with the panel before Christmas and would be considered in relation to immediate and forthcoming vacancies within the membership of the Court and the Audit Committee, with a second group meeting with the panel in the New Year when they would be considered in relation to future Court vacancies and other lay member vacancies within Court committees.

**25 AUDIT COMMITTEE: REVISED TERMS OF REFERENCE (Paper Ct2/10/18)**

Received and approved revised Terms of Reference presented by the Audit Committee including a recommendation that the name of the Committee be changed to 'Audit and Risk Committee'. Noted that this change would be in accord with external growing practice and guidance and would more accurately reflect the remit of the Committee.

Noted that the revisions to the Committee's Terms of Reference were relatively minor, representing interim measures ahead of further fuller review of all Court Committees' Terms of Reference in the early part of 2011. It had been agreed by the Committee not to recommend revision to the agreed composition of the Committee in the meantime.

The Secretary of the University Designate confirmed that the forthcoming review of Committees' Terms of Reference would be concurrent with a review of Court effectiveness; the last such review having taken place in 2006.

**26 INDIVIDUALS AUTHORISED TO ENTER INTO AGREEMENTS WITH BARCLAYS BANK (Paper Ct2/10/20)**

Approved proposed changes to the current group of individuals who are authorised to enter into agreements with the Bank (including facility agreements and indemnities) which they consider to be in the interest of the University relating to the banking facilities of Barclays Bank plc. Agreed to adopt the following record by way of a formal minute of the agreement of Court, the statement to be signed by the Principal, in his role as Chair of the 15 November meeting, and the Secretary of the University:-

At a meeting of the University Court of Heriot-Watt University held on 15 November 2010 it was resolved that the University Court hereby authorise any two of the following individuals:

Peter Wilson until 31 December 2010; Anne Marie Dalton from 1 January 2011; Phil McNaull; Julian Jones (with the removal of Andrew Walker immediately) to enter into any agreements with the Bank (including facility agreements and indemnities), which they consider to be in the interest of the University relating to the banking facilities of Barclays Bank plc until such time as one of the individuals change or notification is given to Barclays Bank plc to cancel this resolution.

**27 CHANGE OF BANKING FACILITIES FOR EDINBURGH CONFERENCE CENTRE (Paper Ct2/10/21)**

Approved a recommendation to authorise an Indemnity for Collection of Third party Cheques regarding changes to the Edinburgh Conference Centre agreements with the Bank (including facility agreements and Indemnities), which they consider to be in the interest of the University relating to the banking facilities of Barclay's Bank plc. Noted that the authorisation would permit third party cheques payable to either Edinburgh Conference Centre or Edinburgh Conference Centre Ltd are accepted into the University's bank account, and the Secretary of the University is authorised to sign the Indemnity for Collection Letter. Agreed to adopt the following record by way of a formal minute of the agreement of Court, the statement to be signed by the Secretary of the University:-

Resolved that: (i) the Facility offered by Barclays Bank plc be accepted on the terms and conditions stated therein: (ii) the Secretary, whom failing another member of Court, be authorised to sign and return to the Bank the Indemnity for Collection of third Party Cheques: (iii) the Vice-Principal, Secretary and/or Finance Director be authorised to execute any other relevant Finance Documents on behalf of the University as required by Barclays Bank plc.

**28 COMMUNICATIONS FROM THE CHAIR**

**SCOTTISH BUDGET AND HE FUNDING**

The Principal updated Court on latest indications in relation to the forthcoming Scottish Budget announcement and the potential impact on higher education funding. The Principal highlighted also the potential future model of funding in Scotland including recovery of costs through graduate contributions.

**29 TRANSPARENT APPROACH TO COSTING (TRAC) (Paper Ct2/10/12)**

Noted a presentation and paper provided by the Deputy Principal which provided information on Transparent Approach to Costing (TRAC) methodology and full economic costing including comparative data for Heriot-Watt University, benchmarks and full sector.

Noted the increasing requirement for governance oversight of TRAC monitoring/reporting processes and the intention to establish a regular timetable for Court to receive reports on TRAC processes and outputs. Court also noted and endorsed other intended actions aimed at recognising the interdependence of the University's activities and protecting strategically important activities while ensuring the overall financial sustainability of the University. In this regard the Deputy Principal highlighted the importance to the University of making improvements in its approach to determine split of staff time across the relevant activity headings.

**30 RESIDENCES PROJECT UPDATE (Paper Ct2/10/13)**

Noted an update report on the Residences Project presented by the Director of Finance & IS/IT. The report detailed the status quo in relation to buildings design, project management, funding procurement, construction procurement, facilities and communications and change management, contingency planning and the proposed process and timetable agreed by the Project Board for submission to Court, at its meeting in December 2010, of a recommendation to proceed to the procurement phase for construction and funding.

The Director of Finance & IS/IT highlighted:

- the close comparability of the packages that could be provided by each of the three potential bank lenders and confirmed also that it was unlikely that the University would need to borrow as much as the currently reported value of loan; and
- the key risks related to SBC planning conditions and a down-turn in future market demand projections. The Project Board would consider these issues later in the current week. While greater understanding of the causes of the reduced demand was required and would be pursued, this was not believed to be indicative of a trend. The Project Board would be giving further consideration to project phasing.

In relation to due diligence work it was recommended by a member of the Court that the University should request half-yearly accounts from tendering contractors.

**31 ANNUAL ACCOUNTS AND FINANCIAL STATEMENTS AND MANAGEMENT REPRESENTATION LETTER (Paper Ct2/10/14)**

Received and approved Annual Accounts and Financial Statements for the year ended 31 July 2010 which had been approved previously by PME and the Finance and Audit Committees at their joint meeting in October 2010.

Received and approved the proposed Management Representation letter for the University's External Auditor in connection with the audit of the group and parent University financial statements of the University.

**32 REPORT FROM THE FINANCE COMMITTEE: 12 OCTOBER 2010 MEETING (Paper Ct2/10/15)**

Received and noted a report from the Finance Committee relating to the meeting of the Committee held on 12 October 2010. In the absence of the Convener of the Committee, the report was presented by the Director of Finance & IS/IT.

All items in the report were presented for information. The Director of Finance & IS/IT highlighted an error in relation to item 6, last sentence where the sum quoted should read "£2.7m".

**33 REPORT FROM THE JOINT MEETING OF THE AUDIT AND FINANCE COMMITTEES: 12 OCTOBER 2010 MEETING (Paper Ct2/10/16)**

Received and noted a report, presented by the Convener of the Audit Committee, of the joint meeting of the Audit and Finance Committees held on 12 October 2010.

Noted item 1 for approval which was approved under minute 31 above. The Convener commended the effort by the Finance Office in achieving significantly earlier production of the accounts and financial statements for approval.

**34 REPORT FROM THE AUDIT COMMITTEE: 12 OCTOBER 2010 MEETING (Paper Ct2/10/17)**

Received and noted a report, presented by the Convener of the Audit Committee, of the meeting of the Committee held on 12 October 2010. The Convener highlighted, in the context of discussion at the most recent meeting of the Risk Management Strategy Group, the opportunity to consider further how the University might gain increasing value for money through the service provided by the Internal Auditors.

**35 ANNUAL REPORT 2009/10 OF THE AUDIT COMMITTEE (Paper Ct2/10/19)**

Received and noted the Annual Report 2009/10 of the Audit Committee presented by the Convener of the Committee. The Convener highlighted key aspects of the Committee's work focus in the year which would continue into the year ahead. These included revision to the EBS Articles of Association and the consequent impact on governance objectives, pursuit within the programmes of audit of value for money, and continuing focus on reducing the number of audit recommendations outstanding.

The Convener conveyed this thanks to past members of the Audit Committee, in particular to the former Convener, Mr Ed Weeple, for their contributions to the work of the Committee.

Received and noted also the Internal Audit Annual Report 2009/10 produced by the University's Internal Auditor, Scott Moncrieff. The report provided a statement of the internal audit cover achieved in the year and a summary audit opinion on the University's control environment and systems of internal control.

**36 ANY OTHER COMPETENT BUSINESS**

**36.1 POLICY AGREEMENT ON EMPLOYEE RELATIONS INCLUDING ESTABLISHMENT OF CJNCC**

Received and approved a policy agreement proposal tabled by the Secretary of the University on employee relations at Heriot-Watt University, the central component of which was the establishment of a Combined Joint Negotiating and Consultation Committee (CJNCC).

Noted that, with immediate effect, the CJNCC, which will report to PME and whose membership will include representatives from each of the recognised trade unions (UCU, Unite, Unison and EIS), would replace the JNCC (UCU) and JNCC (EIS-ULA) Committees of the Court.

Noted that consultation on the policy agreement had been undertaken with the main campus trade unions and the agreement had subsequently been approved by PME at its meeting in October 2010 and by the Staffing Strategy Committee on 12 November 2010.

**36.2 MODERATOR OF APPEALS**

Approved a recommendation relayed, via the Secretary of the University, by the Nominating & Review Committee following its meeting on 15 November 2010, that the role of Moderator of Appeals be undertaken by Dr Judith McClure in replacement of Mr Ed Weeple following his retirement from the Court.

**37 DATE OF NEXT MEETING**

**The next meeting will take place on Monday 13 December 2010.**

**COURT**

**Minutes**

In the Chair:	Lord Penrose	Date of Meeting: 13 December 2010
Present also:	Dr Alex Bell Principal, Professor Steve Chapman Mr Gregor Colville Professor Dugald Duncan Mr Malcolm Durie Mr Simon Eltringham Mr Allan Gray Dr Jennie Hansen	Mr Murray Hope Professor Julian Jones Dr Judith McClure Mr Iain McLaren Dr Alan Parsley Ms Jane Queenan Professor Brian Robertson Mr David Robinson
In attendance:	Mr Michael Bates (up to item 49) Ms Shirley Campbell Professor Bob Craik Ms Ann Marie Dalton Professor Philippe De Wilde Professor Doug Greenhalgh Professor Alison Harley Professor Philip John Mr Peter Kerr Ms Lorna Kirkwood-Smith (clerk)	Mr Richard McGookin Mr Phil McNaull Ms Theresa Merrick Professor Alan Miller Mrs Kathy Patterson Professor Alan Prior Mr Stewart Smith (up to item 42) Professor Simon Stewart Professor Andy Walker Dr Peter Wilson

**38 APOLOGIES**

Apologies were received from: Baroness Susan Greenfield, Mr Neil Fraser, Ms Shonaig Macpherson, Councillor Tim McKay, Mr Andrew Muirhead and Professor James Ritchie.

**39 SECRETARY OF THE UNIVERSITY**

The Court noted that this was the last meeting at which Dr Peter Wilson would preside as Secretary of the University. Members thanked Dr Wilson for his tremendous contribution to the University and his service to the Court over the past 20 years.

**40 MINUTES OF THE PREVIOUS MEETING**

Approved the minutes of the meeting of the Court held on 15 November 2010.

**41 MATTERS ARISING**

There were no matters arising.

**42 SPECIAL RESOLUTION: REVISIONS TO THE CHARTER & STATUTES AND DRAFT REVISED ORDINANCES (Ct3/10/21)**

**42.1 REVISIONS TO THE CHARTER AND STATUTES**

Received a report, presented by the Secretary of the University, which included revised versions of the Charter and Statutes. Noted that the revised versions incorporated changes, as approved by the Court on 4 October 2010, and further minor changes as had been recommended subsequently by Privy Council advisors.

Court re-confirmed its approval of the revised Charter and Statutes by way of Special Resolution in terms of Articles 24 to 26 of the Charter. Before re-confirming its approval Court noted and discussed a recommendation forwarded for and on behalf of Professor J Ritchie, who was absent from the meeting, to the effect that Court should not proceed in its re-confirmation of the revised Charter and Statutes until agreement is reached on the final form of Ordinance 53. Noted that this Ordinance was currently being held in abeyance and would be considered by the Senate at its meeting in February 2011. Court noted that the Senate had agreed to recommend to the Court revisions to all other Ordinances and the introduction of new Ordinances

affected by changes to the Charter and Statutes, and noted the resolve of the Court in October 2010 to proceed to approve the revised Charter and Statutes by December 2010 and not delay this step pending agreement on all consequent relevant Ordinance revisions.

Court noted that further minor changes relating to re-numbering and 'tidying-up' may be required. It was reported that such changes would not affect the nature and effective content of the Charter and Statutes and that the Privy Council Office had recommended that approval be sought from the Court for such minor changes to be permitted, if required, following approval of the Charter and Statutes by the Court, without the requirement for further consultation and approval. On this basis, the Court approved the recommendation.

#### 42.2 DRAFT REVISED ORDINANCES

Received proposed revisions to University Ordinances and new Ordinances (Ordinances 1 to 54), presented by the Ordinances & Regulations Committee.

Approved, by way of Special Resolution, in terms of Article 22 of the Charter, the proposed revisions including further changes to Ordinances 12, 14, 16, 20, 21, 25, 28, 30, 37, 36, 50 and 54 which had been recommended by the Senate at its meeting on 8 December 2010 (ref paper Ct3/10/23b). Noted, within the terms of the relevant Article, that the Resolution should be re-confirmed at the meeting of Court to be held on 7 March 2010. Court agreed that, in the meantime, further minor changes could be made as required to the Ordinances without further approvals being necessary from the Court where such changes do not affect the nature and effective content of the Ordinances.

Noted that the modifications to existing ordinances and the proposed new ordinances arose as a consequence of revisions to the Charter and Statutes. Court approved all existing Ordinances where no changes were proposed and those where minor or substantive changes were proposed, and approved also all proposed new Ordinances with the exception of Ordinance 53. Court noted that Ordinance 53 was being introduced in pursuance of the revised Statute XXV to make provision for consultation with the Senate on disciplinary, removal and grievance procedures for members of staff where these apply to academic staff. Court noted that it had been agreed that the proposed Ordinance should be presented to the Senate when the procedures to which it refers are also available for consideration. It was planned that the Ordinance would be considered by the Senate at its meeting in February 2011 and would be presented subsequently to the Court for approval by way of Special Resolution at its meeting in March 2011.

#### 43 REPORT FROM THE NOMINATING & REVIEW COMMITTEE (Ct3/10/22)

Received a report from the Nominating & Review Committee relating to the meeting of the Committee held on 15 November 2010.

##### Review of the effectiveness of Court and its committees 2011 and proposed governance amendments 2010

Approved the following recommendations of the Committee:

1. a full review of the effectiveness of the governance arrangements for the Court and the committees of Court be conducted during 2011. Noted that the review would be led by the Chairman of Court, the Principal and the Secretary of the University in consultation with Court members and a report of the outcomes of the review would be presented to the Court in 2011. Noted that an early part of the review process would involve the development of revised committee Terms of Reference to support the revised governance structure and arrangements;
2. the Nominating and Review Committee of Court be titled the 'Governance and Nominations Committee' with immediate effect;
3. the Estate Strategy Committee should become a sub-committee of the Finance Committee and that regular reports in relation to the acquisition and or disposal of University real estate and major projects be made to the Court via the Finance Committee;
4. the University Collections Committee be disbanded as a Committee of the Court with an annual management report in relation to the collections held by the University being prepared for and presented to the Finance Committee; and
5. the Endowment Committee be disbanded as a committee of the Court with regular management reports in relation to University endowments being presented to the Finance Committee for approval.

Noted that further recommendations of the Committee in relation to the Audit and Risk Committee and the Combined Joint Negotiating and Consultation Committee were approved by the Court at its meeting on 15 November 2010.

In relation to a further recommendation of the Committee, Court agreed, at the request of the Committee via its Convener, that the title of the Finance Committee will remain unchanged.

Court discussed potential mis-interpretation of references to formal delegation, noting a "formally delegated" reference in the proposal document in relation to the responsibilities of the Audit and Risk Committee. Court

recommended that the word “formal” should be removed, thereby providing clarification that straightforward references to “delegation” will be accepted to refer to work which the Court has delegated to one of its committees to undertake on its behalf, without delegating the ultimate responsibility or authority of the Court to the committee to make decisions on behalf of the Court.

Other items presented for information:

Noted.

**44 COMMUNICATIONS FROM THE CHAIRMAN OF COURT**

The Chairman updated Court members on discussions being held by the selection panel with prospective new Court / Court committee members on 13 and 17 December 2010.

The Chairman updated Court members on a proposal that Chairs of governing bodies should contribute to dialogue between Universities Scotland and the Scottish Government on the future of funding for higher education. The Chairman highlighted that as such an arrangement would require that individual Chairs be entrusted to represent the views of their respective governing body rather than their personal views, it was a matter upon which individual governing bodies should make a decision. The Chairman voiced personal reservations about the effectiveness across the sector of such an arrangement. The Chairman of Court requested that Court members provide him with their individual views on his potential engagement in the dialogue as a representative of the Court.

**45 COMMUNICATIONS FROM THE SENATE: REPORT FROM SEPTEMBER AND OCTOBER MEETINGS) (Ct3/10/23)**

Received a report from the Senate relating to its meetings held on 15 September and 13 October 2010.

Recommendation to appoint a member of the Senate:

Approved a recommendation by the Senate, made in terms of Statute XIII, Para. 1(vii), that Professor A P Kaka be appointed as a member of the Senate under the category ‘holders of academic posts to be determined by the court on the recommendation of the Senate’.

Other items reported for information:

Noted.

**46 COMMUNICATIONS FROM THE SENATE: REPORT FROM 8 DECEMBER MEETING (Ct3/10/23b)**

Received a report from the Senate relating to its meeting held on 8 December 2010.

Recommendations from the Academic Promotions Board (Senior Promotions) 2010:

Approved, in terms of Ordinance 16: Academic Staff, recommendations from the Senate with effect from 1 August 2010 as follows:

Name	School/Institute	Promotion to
Dr S Delgarno	Engineering and Physical Sciences	Reader
Dr M Paterson	Engineering and Physical Sciences	Reader
Dr K Painter	Mathematical and Computer Sciences	Reader
Dr G White	Engineering and Physical Sciences	Professorial Fellow
Dr R Duncan	Engineering and Physical Sciences	Professor
Dr A Ireland	Mathematical and Computer Sciences	Professor
Dr O Lemon	Mathematical and Computer Sciences	Professor
Dr A Marks	Management and Languages	Professor
Dr M Sohrabi	Petroleum Engineering	Professor
Dr P Woodward	The Built Environment	Professor
Dr J Hong	Engineering and Physical Sciences	Professor

Proposed revisions to Ordinances:

Considered under minute item 42.2 above.

Review of Charter and Statutes: reconfirmation by the Court:

Considered under minute item 42.1 above.

Other items reported for information:

Noted.

**47 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (Ct3/10/24)**

Received and noted a report from the Principal and the Planning & Management Executive on a range of news topics of current interest and involvement of the University. In addition to the items included in the report the Principal reported:

- there had been a recent meeting between the Universities Scotland Executive Committee and the Scottish Funding Council (SFC). The Principal reported the intention of SFC to reduce funded student places, with an expectation that institutions would maintain the same numbers of students, therefore accepting a higher proportion of students on a fees-only basis. The sector expected to receive by the end of the year the indicative plans for SFC funding in 2011/12. Current indications were that the Research Excellence Grant and other formulaic grants would be maintained, however capital funding and strategic (Horizon) funding were expected to be targeted for cutbacks. Grants for teaching were expected to be reduced by at least 10% in real-terms in 2011/12. There were no clear indications yet as to how higher education might be fully resourced beyond the next academic year.
- in relation to the current pay round negotiations, UCU and EIS were in dispute under the Dispute Resolution Procedure with agreement looking unlikely. Meanwhile, Unison had agreed (79.5% in favour), to accept the employers' 0.4% pay offer. Court noted the strong possibility that a national agreement will not be reached.

The Principal sought the advice of the Court in relation to his inclined view that the University should pay its staff a 0.4% backdated rise in January 2011. The Court confirmed its support for University management to proceed in this way, such that the rise is paid "on account" and will be linked to and balanced off against a subsequent pay-round rise. This arrangement would ensure that the University can make the necessary future adjustments to re-calibrate against the appropriate spine values. Court noted that a 0.4% rise in January would effectively place the University 0.4% above national spine values. Court noted also the expectation that some institutions will not award a 2010 pay-rise in the absence of a national agreement.

**48 UNIVERSITY 5-YEAR PLAN UPDATE (Ct3/10/25)**

Received and noted an update report from the Vice-Principal which summarised the current status of preparations for the development of the University's 5-Year plan in 2011 and set out updated budget assumptions following the Scottish Budget statement in November. The report set out the starting point for development of the 2011 version of the Plan. The Vice-Principal highlighted key assumptions as set out in the report summary and confirmed that PME would consider 5-Year Plan assumptions in more detail at its meeting on 16 December 2010.

Comments and observations on the Plan included in relation to funding for capital investments and the source of cost savings if income projections are not achieved. The Vice-Principal confirmed in the light of severely limited future SFC capital grant allocations, maintenance would be a priority area for such funding as would become available. The Vice-Principal confirmed also, in relation to cost controls, that there would be an expectation of concomitant expenditure restrictions in areas of activity which fail to deliver against income targets.

**49 INTERNATIONAL STRATEGY (Ct3/10/26)**

Received and approved the University's International Strategy: 'Heriot-Watt Global', which had been developed following discussion and agreement at the Court's strategy discussion day in May 2010 and which established the directions in which the University should develop its international activities over the period to 2017. The strategy document was supported by a presentation led by the Director of International

Development.

Comments and observations included: the key contribution of the strategy to achieving the University's targeted surplus on activities of 7%; a key feature of the strategy to spread risk over a broad portfolio of activities, recognising, inter alia, risks to recruitment of overseas students to the University's Scottish campuses; a first significant research contract in Dubai heralded opportunities for growth in research activity; variances across Schools/PGIs in relation to activity levels and levels of risk; very significant opportunities in a few key market countries; strong alignment with and contribution to the International Strategy of EBS; and the need for the University to be mindful of the political environments within which it might choose to develop partnerships.

**50 RESIDENCES PROJECT: PROCUREMENT APPROVAL (Ct3/10/27)**

Received and approved a proposal to proceed with procurement of construction and funding for the Residences Project (Stage H). Noted that the business case to proceed was based on investment of £32.4 m for the construction of 491 bed spaces, replacing the existing 200 spaces at Galashiels and increasing provision to 218 spaces with 273 new spaces to be created and replacing the oldest bed-spaces comprised by Residences I at Edinburgh. Noted that the investment project was a core part of the Hospitality Services business within the University and would be managed by that team once complete. Noted the plan that construction works should begin at both sites in the early part of 2011 with the new accommodation to be ready for the start of the 2012 academic year.

Court agreed, subject to the points raised by the Convener of the Audit & Risk Committee (below) being addressed, to authorise the Project Board to:

- secure the required funding of £25 m from the preferred bank (*reserved section*);
- to conclude due diligence on the three preferred bidders for the construction contract at Edinburgh and recommend a contractor for the Project Oversight Board to approve; and
- to undertake a revised tender exercise for Galashiels, in the light of the decision to defer construction of one whole pavilion from the original plan (decision to be reviewed when the economic climate is more favourable), conclude the due diligence and recommend a contractor of the Project Oversight Board to approve. Noted that it was expected to take until end January 2011 to redesign and issue the Galasheils tender and receive tender re-submissions.

Court agreed to delegate authority to the Project Oversight Board to approve the final selection of the contractors (*reserved section*), for each campus based on the recommendations of the Project Board. Court further agreed that, where appropriate to do so, for example, where the final decision would breach the boundaries of the case presented to the Court, the Project Oversight Board should request an Emergency meeting of the Court to approve final decisions.

Court noted concerns raised for and on behalf of the Convener of the Audit & Risk Committee who was not present at the discussion on this item. The concerns were in relation to the Internal Audit Report on the Residences Project recently received by the Audit and Risk Committee. Recommendations were relayed on the Convener's behalf including that appropriate financial provision should be made to secure recruitment of a full-time appropriately experienced project manager and that the membership of the Oversight Board should be strengthened through the appointment of a further lay member of Court. The Chairman highlighted also, with regard to the latter recommendation, the need to preserve continuity in project governance given that the current Chair of the Board, Mr M Durie, would finish his term of membership on the Court at the end of July 2011.

Key comments/observations raised included the evident higher risk associated with SBC residences and factors of marketability of the new residences. Court noted however that current accommodation had reached the end of its life and noted the Principal's view that high quality replacement accommodation would make an important contribution to the market attractiveness of SBC and in supporting future opportunities for growth: there were therefore significant risks associated with not proceeding with the residences project at SBC. This view was echoed by the Head of the School of Textiles and Design.

**51 REPORT FROM THE FINANCE COMMITTEE: 9 DECEMBER 2010 MEETING (Ct3/10/28)**

Received and noted a report from the Finance Committee relating to the meeting of the Committee held on 9 December 2010. All items were presented for information.

**52 ANNUAL REPORT OF THE FINANCE COMMITTEE (Ct3/10/29)**

Received and noted an Annual Report 2009/10 from the Finance Committee. The Convener drew attention in

particular to: consolidated income and expenditure figures from the Statutory Accounts for the year; cash-flow management in the year which had seen net debt decreased substantially; and strategic direction, as reflected in the 2010 three year plan submitted to the SFC in June 2010; and the 'Financial Management' section concluding the main body of the report.

**53 UNIVERSITY RISK REGISTER: SUMMARY UPDATE (Ct3/10/30)**

Received and discussed an overview summary of identified strategic risks faced by the University (report as at 10 November 2010), which was presented by the Director of Finance & IS/IT. Noted that the report had been reviewed by the Audit and Risk Committee at its meeting on 23 November 2010.

The Director of Finance & IS/IT highlighted the following:

- there were currently no risk areas which it had been necessary for the Risk Management Strategy Group (RMSG) to escalate for monitoring through the recognised process; however, this situation was likely to change in the near future; and
- Section 3 of the report set out the top risks identified by budget holders and these were being actively discussed within the University. In accordance with Audit & Risk Committee advice, further work was required by University management to review the red highlighted risks and to agree and appropriately document the management actions in relation to these.

The Chair invited Court members to comment on their satisfaction with the method of reporting risk. In response it was recommended that risk "owner" information should be included in the Group Heat Map report in future. In relation to the operational risks, the owners should be taken to be the respective Heads of School or Professional Support Service. The Director of Finance & IS/IT confirmed that future reports would be modified to include the relevant further information confirming ownership.

Other comments/observations made related to the maintenance of essential services through the recent bout of severe weather where, in relation to existing procedures, it was noted that University Management had identified room for improvement and would shortly review procedures in the light of recent experience; and matters of inconsistency in relation to risks identified by budget-holders across the University where it was noted that the RMSG will be continuing work to achieve harmonisation.

**54 REPORT FROM THE AUDIT & RISK COMMITTEE: 23 NOVEMBER 2010 MEETING (Ct3/10/31)**

Received and noted a report, presented by the Convener of the Audit & Risk Committee, relating to the meeting of the Committee held on 23 November 2010. All items were presented for information.

The Convener drew attention in particular to:

- item 7 of the report, confirming that the Internal Auditor had been asked to institute improvements to address the issue reported;
- work in progress in relation to appointment/re-appointment of the University's Internal Auditor for the period from the end of July 2011 when the current contract ends;
- items 9 and 11 of the report in relation to implementation of Internal Auditor recommendations. The Convener requested an update in relation to the high priority recommendation associated with the audit report addressed to Edinburgh Business School. The Secretary of the University confirmed that the School had proposed an amendment and subsequently, the Secretary had forwarded this to the University's solicitor for advice. It was intended that as soon as this the solicitor's advice is received a revision of the report, together with legal advice will be relayed to the Audit and Risk Committee.

In response to a question from a Court member about the University's activities in relation to the new Bribery Act due to come into force in spring 2011, the Secretary of the University confirmed that the University's solicitor had been invited to brief PME on the Act at its meeting to be held on 16 December 2010.

**55 REPORT FROM THE STAFFING STRATEGY COMMITTEE: 11 NOVEMBER 2010 MEETING (Ct3/10/32)**

Received and noted a report from the Staffing Strategy Committee relating to the meeting of the Committee held on 11 November 2010. The Convener drew attention in particular to: current concerns within the University and the trade union led consultation in relation to the new promotions procedures for non-academic staff in Grades 1 to 7; and the positive development of the Research Futures initiative and HWU Crucible project. The Convener reported positively on the openness of the Committee's discussions and evidence of broad engagement of staff with HR activities.

**56 ACADEMIC PROMOTIONS (SENIOR PROMOTIONS) (Ct3/10/33)**

Approved, in terms of Ordinance 16: Academic Staff, the following promotions recommended by the Academic Promotions Board (Senior Promotions) 2010:

<b>Name</b>	<b>School/Institute</b>	<b>Promotion to</b>
Josephine Bisacre	Management and Languages	Senior Teaching Fellow
Amos Haniff	Management and Languages	Senior Teaching Fellow
Mike Singleton	Petroleum Engineering	Senior Research Fellow
Dr Torsten Kleinow	Mathematical and Computer Sciences	Senior Lecturer
Dr Omar Laghrouche	The Built Environment	Senior Lecturer
Dr Harry Smith	The Built Environment	Senior Lecturer

**57 REPORT FROM THE ESTATE STRATEGY COMMITTEE: 3 NOVEMBER 2010 MEETING (Ct3/10/34)**

Received and noted a report from the Estate Strategy Committee relating to the meeting of the Committee held on 3 November 2010. The Convener drew attention to item 1 which confirmed that Committee's approval of the Annual Report of the Committee. While this had been formally received by the Court at its meeting in October 2010, the Committee had homologated the Committee's approval of the report at its November meeting, as the previous meeting had become inquorate by the time that the report was considered.

**58 ANNUAL REPORT FROM THE UNIVERSITY COLLECTIONS COMMITTEE (Ct3/10/35)**

Received and noted an Annual Report for 2009/10 and Collections Management and Development Plan 2010/11 from the University Collections Committee. All items were presented for information.

**59 ANNUAL REPORT FROM THE OCCUPATIONAL HEALTH & SAFETY COMMITTEE (Ct3/10/36)**

Received and noted an Annual Report for 2009/10 from the University's Occupational Health & Safety Committee. Court noted the revised role, remit and reporting structure of the Committee which would in future report to the Court biannually.

In response to a query raised about reported accidents in the report, it was confirmed that the summary report included all accidents, combining both those which were reportable and not reportable under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). The Secretary of the University agreed that further consideration would be given to providing a breakdown future accident reporting.

## COURT

## Minutes

In the Chair: Lord Penrose

Date of Meeting: 7 March 2011

Present also: Dr Alex Bell  
Mr Gregor Colville  
Professor Steve Chapman  
Professor Dugald Duncan  
Mr Malcolm Durie  
Mr Neil Fraser  
Mr Allan Gray  
Dr Jennie Hansen

Professor Julian Jones  
Ms Shonaig Macpherson  
Dr Judith McClure  
Mr Iain McLaren  
Councillor Tim McKay  
Dr Alan Parsley  
Ms Jane Queenan  
Professor James Ritchie

In attendance: Ms Shirley Campbell  
Ms Ann Marie Dalton  
Professor Philippe De Wilde  
Professor Duncan Hand  
Professor Gill Hogg  
Professor David Hopkins  
Professor Philip John

Mr Richard McGookin  
Mr Phil McNaul  
Ms Theresa Merrick  
Professor Alan Miller  
Mrs Kathy Patterson  
Ms Lorna Kirkwood-Smith (clerk)

### 60 APOLOGIES

Apologies were received from: Baroness Susan Greenfield, Mr Simon Eltringham, Mr Murray Hope, Professor Brian Robertson and Mr David Robinson.

### 61 OBITUARY

The Court noted with sadness the announcement of the death, on 21 February 2011, of Professor John Swaffield, Emeritus Professor in the School of the Built Environment and previously Head of the School.

### 62 MINUTES OF THE PREVIOUS MEETING

Approved the minutes of the meeting of the Court held on 13 December 2010.

### 63 MATTERS ARISING

#### 63.1 MINUTE 49 OF 13 DECEMBER 2010 MEETING: INTERNATIONAL STRATEGY

The Principal updated the Court on the highly successful and well attended launch of the University's International Strategy held at the House of Commons on 9 February 2011. The Principal confirmed that the Court would be provided with regular updates on progress in relation to the Strategy.

#### 63.2 MINUTE 54 OF 13 DECEMBER 2010 MEETING: REPORT FROM THE AUDIT & RISK COMMITTEE

The Secretary of the University updated the Court on progress made in relation to the process of (OJEU) tender invitation and selection of the University's Internal Auditor; to be appointed following the end, in July 2011, of the current contract for Internal Audit services.

The Secretary confirmed that interviews with shortlisted tender companies were conducted by a panel which included Audit Committee and University management membership at the end of February 2011 and, subsequently, the selection panel had agreed unanimously on the recommendation it would make to the Court at its meeting in May 2011.

### 64 SPECIAL RESOLUTION: REVISIONS TO ORDINANCES (Ct4/11/38)

In terms of Article 22 of the Charter, and by way of Special Resolution, Court re-confirmed its approval of amendments to Ordinances and new Ordinances confirmed at the meeting of Court on 13 December 2010:

the re-confirmation relating to Ordinance 1 through to Ordinance 54 (with the exception of Ordinance 53). Noted that the revised and new ordinances would be introduced when the Privy Council approves the revisions to the Charter and Statutes in the summer of 2011.

The Secretary of the University confirmed that, in accordance with the provisions of Article 25 of the Charter, the proposed amendments to the Ordinances and the new Ordinances had been published within the University for a period of at least 28 days and that no comments had been received.

**65 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE: 22 FEBRUARY 2011 MEETING (Ct4/11/39)**

Received a report from the Governance and Nominations Committee relating to the meeting of the Committee held on 22 February 2011.

**65.1 Terms of Reference and membership of the Governance and Nominations Committee**

Approved recommendations of the Committee setting out proposed revised terms of reference and membership of the Governance and Nominations Committee.

The Secretary of the University confirmed the intention to review, in the context of the Governance Effectiveness Review, the provision made in the Charter and Statutes for a 'Chancellor's Committee', as there was a view that the operation of such a committee for selection of prospective lay members the Court would prove administratively cumbersome and that it did not fit comfortably with the role and responsibilities of the Court's Governance and Nominations Committee.

**65.2 Membership of Court and its Committees: recommended new appointments**

Approved the recommendations of the Committee in relation the following appointments:

65.2.1 Court appointments in the category of members co-opted by the Court:

- Mr Nicholas Beadle, for a period of three years from 1 August 2011 to 31 July 2014
- Mr Strone Macpherson, for a period of three years from 1 August 2011 to 31 July 2014

65.2.2 Court committee lay member appointments:

- Mr Richard Bailey, member of the Staffing Strategy Committee for a period of two years from 1 August 2011 to 31 July 2013
- Mr Will Dick, member of the Audit and Risk Committee, with immediate effect and for a period of two years until 31 July 2013
- Mr Bob Kay, member of the Audit and Risk Committee, with immediate effect and for a period of two years until 31 July 2013

Noted that an invitation would be extended to each of the above new appointees to attend the Court Away Day on 16 May 2011.

Court noted that there would be further vacancies arising in the Audit and Risk Committee from 1 August 2011 and that there was a need to make at least one further new appointment to the Committee of an individual who was a qualified accountant. The Secretary of the University confirmed that relevant skills and experience had been identified within the second phase group of applicants yet to be considered in relation to Court and Court Committee vacancies.

**65.3 Renewal of term of office: Chairman of Court**

Approved the recommendation of the Committee for the re-appointment of Lord G Penrose for a further three years from 1 August 2011 to 31 July 2014. Noted that the Secretary of the University would seek confirmation from the Chancellor in relation to her willingness to renew Lord Penrose's appointment in the category of membership, Chancellor's appointee.

Court approved the recommendation of the Committee that Lord Penrose should retain Chairmanship of the Court throughout his period of membership, indicating wholehearted endorsement of the recommendation.

Noted the intention to consider, as part of the Governance Effectiveness Review to be undertaken in 2011, the establishment of a Deputy Chair of the Court.

**65.4 Election of staff members to the Court: 2011**

Approved the recommendation of the Committee that the pre-existing approved Statute XII and Ordinance 30 be followed in relation to an election to be called in spring 2011 to fill vacancies occurring in the category of membership: members of the academic staff of the University or staff whose remuneration is on academic-related scales. Court noted that the period of membership of the two current members of the Court in this category would end on 31 July 2011.

**65.5 Terms of Reference: Court Effectiveness Review**

Approved recommended terms of reference, presented by the Committee relating to the planned 'Review of the Effectiveness of Court and its Committees' to be undertaken during 2011.

Approved the content of the proposed 'Court Effectiveness Review 2011' questionnaire, presented by the Committee, noting that the questionnaire would be issued to Court members in due course.

**66 RENEWAL OF LLOYDS TSB BANK MANDATE (Ct4/11/40)**

Court authorised a resolution and bank mandate arising from changes to the staff who have been authorised to sign on behalf of Heriot-Watt University with Lloyds TSB Dubai. Court approved the minute of this item as set out below, with certification of the record by the Chairman of Court and the Secretary of the University:

It was resolved that: the University Court hereby authorise any two of the following individuals:

Ann Marie Dalton, Secretary of the University, Phil McNaull, Director of Finance and Julian Jones, Vice-Principal, to enter into any agreements with the Bank (including facility agreements and indemnities) which they consider to be in the interest of the University relating to the banking facilities of Lloyds TSB Dubai while they hold their respective offices or until notification is given to Lloyds TSB Dubai that this resolution had been modified or rescinded.

**67 COMMUNICATIONS FROM THE CHAIRMAN OF COURT**

The Chairman confirmed that, following his invitation in December 2010 to Court members to provide their individual views on his potential engagement, as Chairman of Court, in national dialogue on higher education funding, the consensus had accorded with his own view that individual Chairs of university governing bodies should not be involved in dialogue in this way. The proposal for such engagement had been initiated externally.

**68 COMMUNICATIONS FROM THE SENATE: REPORT FROM 2 FEBRUARY 2011 MEETING (Ct4/11/41)**

Received a report from the Senate relating to its meeting held on 2 February 2011. Noted that all items were presented for information.

Noted, with regard to Item 1: 'Review of the Charter and Statutes', that a further period of consultation would take place in relation to the proposed Ordinance 53. A special meeting of the Senate to consider this item had been scheduled to take place on 9 June, enabling the Senate to submit its views to the Court for consideration at the Court meeting on 27 June 2011.

**69 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (Ct4/11/42)**

Received and noted a report from the Principal and the Planning & Management Executive on a range of news topics of current interest and involvement of the University. In addition to the items included in the report the Principal reported orally on:

- the success of a Heriot-Watt student team which came first in the 2011 Red Rose Business Weekend;
- an anticipated top ELIR judgement following the recent two-part visit of the ELIR assessment team to the University;
- the current salary of the Principal. Recent press reports had quoted the salary of the previous Principal. The Principal confirmed that he had chosen to take two consecutive pay freezes and had not in the past year accepted the performance-related portion of his salary: this being donated to student hardship support. Following discussion, the Chairman of Court recommended that further consideration be given by the Remuneration Committee as to how the full value of the Principal's foregone remuneration awards might be published in addition to the value of remuneration he had accepted;

- SFC reduced teaching funding of 11% in 2011/12 with the reduction growing in cash terms over the lifespan of the Five-Year Plan to represent a £7 m real-terms cut. The Research Excellence Grant had been protected in flat-cash terms with further shifts of resources from 1\* and 2\* assessed research. The University's Plan was not based on any assumptions in relation to increased income through, for example, graduate contributions or increased tuition fees. Delivery of the current Plan under development would rely on meeting challenging targets associated with current income streams and it was the University's aim to fill the funding gap and to avoid the need for future compulsory redundancies;
- the Scottish Government Green paper setting out options for the future of higher education funding which was published in December 2010 in partnership with Universities Scotland, and the recent cross-party summit on higher education funding chaired by the Education Secretary and attended by politicians unions, business leaders and representatives from the HE sector. The Principal highlighted the varying opinions of the represented groups involved in the debate;
- the USS pension consultation. The UCU had declined to attend JNC meetings which had been scheduled in early March and it was likely that implementation of new pension arrangements, expected in April 2011, could now be delayed by several months. Following a recent UCU ballot, 63% had voted to take industrial action consisting of a strike and two days of strike action affecting Scottish HE had been called including 24 March - whole of UK and 17 March - Scottish institutions. The Principal highlighted the potential financial impact on HE institutions by way of increased employer contributions if the proposed changes failed to be implemented;
- the recent national UCU ballot on the employers' 0.4% pay offer. On a relatively low turnout a marginal majority had voted for industrial action including strike action. As yet, it was unclear what next steps UCU would take; and
- the local UCU decision to implement a boycott of the University's PDR process from end February agreed as the 'industrial action short of a strike' voted for in a recent ballot. The Principal highlighted the prerogative of the University to manage staff performance; this being vital to ensure delivery is achieved against challenging objectives.

Discussion on the issue of higher education funding highlighted the need for the HE sector to: lead future debate and be clear and robust in its position; to publicise the contribution to society made by universities; to galvanise support from business including, inter alia, from alumnus; and for Scottish university governing bodies to be briefed with clear and consistent information to strengthen their influence in the debate.

## 71 UNIVERSITY 5-YEAR PLAN: STRATEGY UPDATE (Ct4/11/44)

Received and discussed a report, supported by a presentation by the Vice-Principal, which summarised the evolving scenario for the preparation of the 2011 version of the University's Five-Year Plan.

Noted that the report set out:

- the four key strategic imperatives of the University and the background funding context of reduced SFC funding (focused in particular on teaching funding) in 2011/12 with the level of reduction rising significantly over the life of the Plan;
- an update on the release of £2.75 m contingency set aside in the current year. The funds would be used to bring forward LTM projects and to invest in student-facing services, IT projects and other "spend-to-save" projects;
- a variety of income assumptions and cost constraint measures which posed significant challenges but were necessary to secure the achievement of end of year modest surplus in each year of the Plan;
- the timetable for development of the Plan through the forthcoming period to final approval by the Court on 27 June 2011; and
- the conclusion that the plan, inter alia, would be demanding, but credible and deliverable.

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

- potential to realise income growth through new academic appointments, e.g. in relation to Research Council grant winnings and grant income from the EU and industry and, consequentially, through REF. The Principal confirmed that the Court would be kept up to date with progress in relation to new strategic academic appointments. The Vice-Principal also confirmed that he would provide the Court with information on the number of academic staff who are principal investigators;
- the need for increased co-operation within and between institutions in relation to increasing competition for Research Council funding; and
- the need for the University to react quickly to opportunities arising out of Scottish Government decisions in relation to future funding for Scottish HE. The Principal expressed his view that the University should not seek to change its behaviour through second-guessing what these decisions might be.

## **70 REVIEW OF PROFESSIONAL SERVICES**

Noted and endorsed the proposed organisational structure for the future delivery of Professional Services which had emerged from the review of Professional Services conducted by the Secretary of the University (then Designate) in 2010, and which had been approved by PME at its meeting in January 2011.

The Secretary of the University highlighted in her report:

- the role of Professional Services in supporting institutional priorities. Additional priorities were to work as a single university and to invest for greater efficiency;
- the proposed new structure would be widely recognised in most universities of Heriot-Watt's type, size and shape;
- the overall budget envelope proposed for the Professional Services in 2011/12 and the creation of a single budget centre;
- the formation, in the near future, of the Secretary's Group as a replacement to the Infrastructure Board. The Group would have ongoing responsibility for, and oversight of, Professional Service processes;
- the intention that a report from each of the new directorates in the planned structure would be presented to the Court annually;
- summary results of a benchmarking exercise conducted by Tribal which highlighted the scale of costs in functional areas in relation to their benchmark comparators;
- the communications plan in relation to the changes, including, inter alia, a programme of road-show presentations; and
- the intention to make the relevant new appointments in the planned structure by June 2011.

In the discussion which followed, the following matters were highlighted in particular:

- the role of a small, newly-formed Review Implementation Group with responsibilities for implementation of the recommendations of the Review report;
- initiation, in March 2011, of formal consultation with the recognised trade unions on plans to introduce a voluntary severance scheme which would utilise an element of released contingency in the current financial year;
- prospects for achieving savings in non-pay spend, a range of which was already identifiable;
- the proposed budget for Professional Services in 2011/12 did not represent a reduction in real terms against the budget in the current year, but was a reduction against the budget plan for Professional Services in 2011/12 as set out in the 2010 version of the five-year plan; and
- following implementation of the revised structure, expenditure in the University's Professional Service areas would, in general, move to positions very much closer to their respective benchmark indicators.

## **72 REPORT FROM THE FINANCE COMMITTEE: 15 FEBRUARY MEETING (Ct4/11/45)**

Received and noted a report from the Finance Committee relating to the meeting of the Committee held on 15 February 2011. Noted that all items were presented for information.

## **73 RESIDENCES PROJECT (Ct4/11/46)**

Received and noted an update report on the Residences Project, as at 1 March 2011, which highlighted progress made since the meeting of the Court in December 2010. Attention was drawn to the matter of the revised tender for Scottish Borders Campus residences and Court noted that a tender report was expected to be submitted to the Oversight Board for consideration at its meeting on 9 March 2011.

In response to a question relating to the respective timescales for signing of the bank loan agreement and initial payment to the Edinburgh residences contractor, the Director of Finance confirmed that, if required, appropriate use could be made initially of the University's existing revolving credit facility.

## **74 TRAC REPORT (Ct4/11/47)**

Received and noted a summary report, presented by the Vice-Principal, drawn from the University's submissions to the Scottish Funding Council in January and February 2011 of the annual TRAC return, based on analysis 2009/10 and an analysis for the same year of the costs associated with publicly funded teaching: TRAC(T).

## **75 UNIVERSITY RISK REGISTER: SUMMARY UPDATE (Ct4/11/48)**

Received and discussed an overview summary of identified strategic risks faced by the University (report as at 24 January 2011), which was presented by the Director of Finance. Noted that the report had been reviewed

by the Audit and Risk Committee at its meeting on 16 February 2011.

The Director of Finance highlighted in particular:

- the divisions within Academic Performance for Learning and Teaching and Research respectively which highlighted the component areas of risk;
- red assessed risks were largely concentrated within areas, highlighted in discussion on the Five-Year Plan (minute 71 above), reflecting current uncertainties and risks associated with the external environment;
- subject to the outcomes of the University's recently completed Enhancement Led Institutional Review (ELIR), the 'quality of teaching and academic practice' may, once more, be assessed as a low risk area; and
- the Risk Management Strategy Group (RMSG) would meet again on 8 March 2011 to review the latest position.

In response to a question from a Court member about potential impact of unrest in the Middle East on Dubai, the Director of Finance confirmed that no immediate or major risk had been identified, but this was an area that the RMSG would consider further. The potential impact of the unrest on other areas of the student population posed a potentially larger risk. The Principal confirmed, in response to a further question about potential reputational risks associated with the University's international activities, no particular identifiable risks; the University's activities being concerned with provision of educational courses from its recognised portfolio of programmes.

#### **76 REPORT FROM THE AUDIT AND RISK COMMITTEE: 16 FEBRUARY MEETING (Ct4/11/49)**

Received and noted a report from the Audit and Risk Committee relating to the meeting of the Committee held on 16 February 2011.

Approved a recommendation from the Committee that the Edinburgh Business School Memorandum and Articles of Association (M&As) dated 1997 (as modified in 1997 and 2002), should remain in place.

Court noted that, following Court discussion on revised Articles at its meeting in June 2010, when the draft document appeared close to finalisation, subject to resolution of identified deficiencies, the revised Articles had been substantially re-written by the Edinburgh Business School and the School's legal advisers.

The Committee reported its view, following preliminary study of the revised draft, that the changes proposed would run contrary to the University's interests and therefore the Committee could not recommend to the Court support for the December 2010 draft Articles. The Committee reported that a thorough review of the December 2010 draft would be a major undertaking by the Committee, working with the University's legal advisers and, in the view of the Committee, there were no grounds to expect that a compromise could be reached on the basis of the December draft: Since the compromise achieved in the June 2010 draft had been rejected by EBS, retention of the 1997 M&As (as modified in 1997 and 2002) was considered by the Committee the most appropriate option. Court noted that the 1997 M&As were compliant with the Charities and Trustee Investment (Scotland) Act 2005. Court was also reminded of the areas of deficiency in the 1997 M&A; however, these were not expected to cause any serious difficulties.

The Secretary of the University relayed to the Court observations conveyed by the Director of EBS in a recent communication in relation to the Committee's report and joint engagement of the relevant parties on the matter of the Articles. The Director had emphasised the commitment of EBS to work with the University, highlighted the Director's view that the report of the Committee did not accurately reflect the character of the dialogue that had taken place, and explained the practical reasons behind the rise in the number of Articles reported.

Noted that all other items in the report of the Committee were presented for information.

#### **77 REPORT FROM THE ESTATE STRATEGY COMMITTEE: 25 JANUARY MEETING (Ct4/11/50)**

Received and noted a report from the Estate Strategy Committee relating to the meeting of the Committee held on 25 January 2011. Noted that all items were presented for information.

#### **78 REPORT FROM THE STAFFING STRATEGY COMMITTEE: 26 JANUARY MEETING (Ct4/11/51)**

Received and noted a report from the Staffing Strategy Committee relating to the meeting of the Committee held on 26 January 2011. Noted that all items were presented for information.

The Convener drew attention to the intention of the Committee to present its annual report at the meeting of

Court on 16 May 2011.

**79 ANNUAL REPORT FROM THE PEOPLE AND ORGANISATIONAL DEVELOPMENT TEAM (Ct4/11/52)**

Noted an annual report, from January to December 2010, of People and Organisational Development (POD) which the Convener, on behalf the Committee, had invited the Director of POD to present to the Court for information.

The Convener, on behalf of the Committee, conveyed best wishes to the Director of POD who would shortly be leaving the University to take up a new appointment.

**80 ANNUAL REPORT FROM THE UNIVERSITY CHAPLAIN (Ct4/11/53)**

Received and noted an annual report by the Chaplain on the work of the University Chaplaincy over the course of the previous year.

**81 ANY OTHER BUSINESS**

**81.1 COURT: STATEMENT OF PRIMARY RESPONSIBILITIES**

Court noted and endorsed a proposal by the Secretary of the University that Court be invited to consider its 'Statement of Primary Responsibilities' approved at the meeting of Court in March 2010, with a view to updating the Statement in 2011: this to be undertaken concurrently with other activities within the wider Court Effectiveness Review. Court agreed that, following a process of consultation with members in March and April, a revised draft would be presented for consideration at the meeting of the Court on 16 May 2011.

**81.2 CITED FOI(S)A EXEMPTIONS IN COURT AND COURT COMMITTEE MINUTES AND REPORTS**

In response to a request from a member for clarity in relation to those areas of the minutes and reports identified as falling within a category of exemption under FOI(S)A, the Secretary of the University confirmed that Court members would be provided with information on the policy measures adopted when reviewing draft minutes and reports.

**82 DATE OF NEXT MEETING**

**The next meeting of Court (Away Day and regular meeting) will take place on Monday 16 May 2011.**

## COURT

## Minutes

In the Chair:	Lord Penrose	Date of Meeting: 16 May 2011
Present also:	Dr Alex Bell Mr Gregor Colville Professor Steve Chapman Professor Dugald Duncan Mr Malcolm Durie Mr Neil Fraser Dr Jennie Hansen Mr Murray Hope	Ms Shonaig Macpherson Dr Judith McClure Mr Iain McLaren Dr Alan Parsley Professor Brian Robertson Mr David Robinson Professor James Ritchie
In attendance:	Mr Nicholas Beadle Professor Bob Craik Ms Ann Marie Dalton Professor Philippe De Wilde Professor Alison Harley Professor Duncan Hand Professor David Hopkins Professor Philip John Professor Alan Prior	Ms Gillian McFadzean Mr Phil McNaull Mr Strone Macpherson Ms Theresa Merrick Professor Alan Miller Ms Ruth Moir Mrs Kathy Patterson Professor Andy Walker Ms Lorna Kirkwood-Smith (clerk)

### 83 APOLOGIES

Apologies were received from: Baroness Susan Greenfield, Mr Simon Eltringham, Mr Allan Gray, Professor Julian Jones, Councillor Tim McKay and Ms Jane Queenan

### 84 WELCOME

The Chairman welcomed those present who would be members of the Court from 1 August 2010 and who had been invited to the meeting as observers.

### 85 OBITUARIES (Ct5/11/54)

The Court noted with sadness the announcement of the recent death of Mr Roger Gray, formerly a Senior Lecturer in the Department of Actuarial Mathematics & Statistics.

The Court noted with sadness the announcement of the recent death of Dr Alan Shaw who had been the University's oldest alumnus member, receiving an honorary degree from the University in 2009.

### 86 MINUTES OF THE PREVIOUS MEETING

Approved the minutes of the meeting of the Court held on 7 March 2011.

### 87 MATTERS ARISING

#### 87.1 INTERNAL AUDITOR

The Secretary of the University updated the Court, with reference to Minute 63 of the March 2011 meeting, confirming the appointment of Ernst & Young as the University's Internal Auditor.

#### ELECTION TO COURT: STAFF MEMBERS IN THE CATEGORY ACADEMIC AND ACADEMIC-RELATED STAFF

87.2 The Secretary of the University confirmed that an election would take place on 20 May 2011 to fill two vacancies which would occur from 1 August 2011 in the category of Court membership, academic staff and those on academic-related scales.

**88 REAPPOINTMENT OF THE CHAIRMAN (Ct5/11/55)**

Noted, with reference to Minute 65.3 of the meeting of the Court in March 2011 that, following the meeting, the Chancellor had confirmed the re-appointment of Lord Penrose in the category of membership of Chancellor's appointee.

**89 BUSINESS CONDUCTED SINCE THE LAST MEETING: REPORT OF THE EMERGENCY COMMITTEE (Ct5/11/56)**

Received a report from the Emergency Committee of Court and noted approval by the Committee of the following items of business:

**89.1 PROMOTION**

On 18 April 2011, in terms of *Ordinance 16: Appointment of Academic Staff, Academic-Related Staff and of the Librarian*, the Committee approved the promotion, to Senior Teaching Fellow, of Mr Raj Sharma, Head of Degree Entry Programme, Dubai Campus from 1 August 2010.

**89.2 CONVOCAATION APPOINTMENTS TO THE COURT**

On 2 May 2011, the Committee approved recommendations relayed by the Governance and Nominations Committee in relation to Convocation appointments to the Court for presentation to the Convocation at its annual meeting on 3 June 2011. The recommendations included:

- an invitation to agree an extension for a further year of Ms Shonaig Macpherson's membership of Convocation which was due to end on 31 July 2011, enabling her to remain in the category of Convocation appointed member of the Court for the remaining one year term of her term of Court membership, until the time of the forty fifth meeting of the Convocation in 2012. Should the Convocation cease to exist by 2012, Shonaig Macpherson's membership of the Court will be expected to run up until the date that the Privy Council approves the revised Charter and Statutes and any future period of membership of the court will be considered in terms of Court membership within the Privy Council approved revised Statute XII;
- a recommendation that Dr Judith McClure's membership to the Court should be moved over with immediate effect to the category provided for in Statute XII, Para 1, clause xi: members co-opted by the Court. Court noted that, prior to the invitation to the Convocation in 2010, the Court, at its meeting in December 2009, had approved a recommendation of the, then, Nominating & Review Committee, for Court membership of Dr McClure; therefore, no new approval by Court would be required for this change; and
- that there should be no further elections in relation to appointments by the Convocation to the Court pending approval by the Privy Council of the University's revised Charter and Statutes.

In response to a question raised by a member of the Court about the authority of the Court to determine whether elections may be held by the Convocation with the purpose of making appointments to the Court, and the approach by which the recommendation had been presented, the Chairman of Court and the Principal emphasised that the aim of the University was to arrive at a pragmatic solution while operating within a highly unusual set of circumstances: i.e. Convocation, at its last meeting, had consented to its dissolution, and approval by the Privy Council of the revised Charter and Statutes was expected imminently. Revised Statute XII made no provision for Convocation appointments to the Court.

Noted a comment by another member of the Court who observed that the Court should be careful in future not to depart from its adopted practice of open advertisement and recruitment to fill vacancies occurring in its co-opted lay membership.

**90 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE (Ct5/11/57)**

Received and noted a report from the Governance and Nominations Committee which set out the Committees recommendations for consideration by the Emergency Committee of Court (Ref Minute 89 above). These related to actions to help manage the transition between current arrangements for Convocation elections to the Court and future arrangements under the revised Charter and Statutes which were pending approval by the Privy Council.

**90 STATEMENT OF PRIMARY RESPONSIBILITIES (Ct5/11/58)**

Approved a recommendation that the Court should adopt the model 'Statement of Primary Responsibilities' which had been developed for the higher education sector by the CUC, subject to minor amendments, as noted below. Noted that the agreed revised Statement would be reviewed again in the context of the outcomes of the University's governance effectiveness review.

Noted that, following the recent consultation with the Court membership in March 2011 a range of comments were received from members, highlighting conflicting opinions on the direction in which the current Statement might be developed. The model Statement had the advantage of providing a much simplified and clearer form of Statement.

The following alterations were proposed to the Statement which had been adapted for the Court:

- replacement of the term "stakeholders" with more specific terms; and
- in relation to paragraph 13, the relevance of the wider "student experience" should be reflected in the Statement. The Secretary of the University and the incoming Senior Vice-President of the Students Union agreed to discuss this further.

Noted that, on the basis of comments received from Court members, the Governance and Nominations Committee would consider the Statement further at its meeting in June 2011 and the proposed final version would be presented to the Court at its meeting on 27 June 2011.

**91 STUDENT APPEAL (Ct5/11/59)**

Received and approved a report, presented by the Moderator of Appeals, following review by the Moderator of the appeal submitted by a postgraduate student of the University, (Reserved information). The review had been conducted in terms of *Regulation 36: Student Appeals*.

Noted and endorsed the conclusion of the report that the appeals procedure had been applied fairly, sympathetically and rigorously. The student had been awarded a Postgraduate Diploma by the Board of Examiners which stood by its decision. Noted confirmation that no new or unconsidered issues of substance had been raised and no *prima facie* case had been found for the matter to be considered further by an *ad hoc* committee of enquiry established by the Court.

**92 COMMUNICATIONS FROM THE CHAIRMAN OF COURT**

The Chairman thanked members of Court and other participating colleagues who had contributed to successful Court Away Day discussions earlier in the day.

**93 COMMUNICATIONS FROM THE SENATE: REPORT FROM 30 MARCH 2011 MEETING (Ct5/11/60)**

Received a report from the Senate relating to its meeting held on 30 March 2011. Noted that all items were presented for information.

The attention of Court was drawn in particular to the reported positive outcome of the University's recently completed ELIR which had been confirmed in a communication from QAA Scotland stating that there was "*confidence in the University's current, and likely future, management of the academic standards of the awards it offers and the quality of the student experience it provides*".

**94 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (Ct5/11/61)**

Received and noted a report from the Principal and the Planning & Management Executive on a range of news topics of current interest and involvement of the University. In addition to the items included in the report the Principal reported orally on:

- the decision by USS Trustees on, 10 May 2011, to adopt USS pension changes which will come into force in August 2011. Following the decision, UCU's USS negotiators had recommended a fresh ballot of the UCU membership for sustained disruption, although the agreed changes to the USS scheme were final;

**(Reserved Sections).**

**95 UNIVERSITY 5-YEAR PLAN: STRATEGY UPDATE**

Noted that the full 5-Year Plan will be presented to the Court for approval at its meeting on 27 June 2011, a detailed presentation having been provided to the Court at its March 2011 meeting. This item was therefore withdrawn from the agenda.

**96 ANNUAL REPORT OF THE STAFFING STRATEGY COMMITTEE 2010 (Ct5/11/62)**

Received and noted an Annual Report for 2010 from the Staffing Strategy Committee which was presented by Dr Alex Bell, on behalf of the Convener.

**97 ANNUAL REPORT OF THE OFFICE OF STUDENT SERVICES 2009/10 (Ct5/11/63)**

Received and noted a summary Annual Report 2009/10 from the Office of Student Services. The document provided reports on the work of a range of student facing professional services and the Student Experience Forum, as well as a report on student complaints received in the year and actions which were taken to resolve these. The Academic Registrar & Deputy Secretary drew attention to a range of key activities in the year as detailed in the report.

**98 ANNUAL REPORT OF HWU STUDENTS UNION 2010/11 (Ct5/11/64)**

Received and noted an Annual Report 2010/11 from the Heriot-Watt University Students Union which was presented by the Senior Vice-President, HWUSU.

The Senior Vice-President highlighted in particular, a challenging year following an independent external review of the Union which was published in spring 2010. As a result, radical changes, including development of a clear strategy and revised operational structures had been instituted, placing the Union on a secure footing for its development over the longer term. Significant progress had been made in the course of the past year including improvements in the Union's financial position, a strengthened and effective partnership with the University and establishment of a new basis from which to develop enhanced student-centred services.

The Senior Vice-President confirmed that proposed revisions to the constitution of the Students Union would be presented to the Court in due course.

**99 DATE OF NEXT MEETING**

**Noted that the next meeting of Court will take place on Monday 27 June 2011.**

**COURT**

**Minutes**

In the Chair:	Lord Penrose	Date of Meeting: 27 June 2011
Present also:	Dr Alex Bell Professor Steve Chapman Professor Dugald Duncan Mr Malcolm Durie Mr Neil Fraser Mr Allan Gray Dr Jennie Hansen Professor Julian Jones	Dr Judith McClure Mr Iain McLaren Dr Alan Parsley Ms Jane Queenan Professor Brian Robertson Mr David Robinson Mr Michael Ross
In attendance:	Ms Ann Marie Dalton Professor Gill Hogg Professor Philip John Mr Strone Macpherson Mr Richard McGookin Mr Phil McNaull	Ms Theresa Merrick Ms Ruth Moir Mrs Kathy Patterson Professor John Sawkins Professor Andy Walker Ms Lorna Kirkwood-Smith (clerk)

**100 APOLOGIES**

Apologies were received from: Baroness Susan Greenfield, Mr Gregor Colville, Ms Shonaig Macpherson, Professor James Ritchie and Councillor Tim McKay.

**101 COURT MEMBERS: ACKNOWLEDGEMENTS AND THANKS**

The Chairman acknowledged the substantial guidance and support provided by the following individuals whose period of membership of the Court was nearing its end and who were attending their last meeting, relaying sincere thanks on behalf of the Court to: Mr Malcolm Durie; Mr Neil Fraser; Dr Alan Parsley; Professor Dugald Duncan; Ms Jane Queenan; and Professor Brian Robertson.

The Chairman welcomed Mr Michael Ross who was attending his first meeting of the Court in his capacity as Student Union representative on the Court. The Court noted that Michael Ross is Senior Vice-President and currently also the Acting President of the Students' Union pending renewal of the elected President.

**102 MINUTES OF THE PREVIOUS MEETING**

Approved the minutes of the meeting of the Court held on 16 May 2011.

**103 MATTERS ARISING**

MINUTE 94 OF 16 MAY 2011 MEETING: STRATEGIC ALLIANCE

In relation to a question raised by a member of the Court, the Principal confirmed that he would provide an update in the context of the briefing from the Principal and PME (Minute 111 below.)

**104 COMMUNICATIONS FROM THE CHAIRMAN OF COURT**

GOVERNMENT-LED REVIEW OF HIGHER EDUCATION GOVERNANCE

The Chairman updated the Court on the Scottish Government commissioned independent review to take place in 2011 on higher education governance. The review would focus on key aspects of current arrangements for higher education governance and management in Scotland. Court noted that Professor Ferdinand von Prondzynski, Principal and Vice-Chancellor of Robert Gordon University, had been invited to lead the review which carried a September 2011 closing date for the related call for evidence. The outcomes of the review were expected to be reported by 23 December 2011.

The Chairman highlighted prospects, following the University's current internal review of the effectiveness of governance arrangements at Heriot-Watt, for a further review, in due course, as a consequence of the national review.

## JUNE 2011 GRADUATIONS

The Chairman reported on the recent highly successful and well attended graduation ceremonies held in June 2011.

### **105 REPORT FROM THE GOVERNANCE AND NOMINATIONS COMMITTEE: 6 JUNE 2011 MEETING (Ct6/11/66)**

Received a report from the Governance and Nominations Committee relating to the meeting of the Committee held on 6 June 2011.

#### **105.1 Terms of Reference and membership of the Remuneration Committee**

Received and approved recommendations of the Committee relating to revisions to the Terms of Reference and proposed membership of the Remuneration Committee, noting that the membership of the Committee would be augmented with the addition of a further lay member of the Court. Noted that the revised Terms of Reference had been previously approved by the Remuneration Committee.

In relation to a point raised by a Court member about the style of reporting to the Court by the Remuneration Committee, the Secretary of the University confirmed that sufficient information would be provided to the Court to permit an appropriate level of oversight, without enabling individual members of staff to be identified in the reports.

#### **105.2 Membership of the Court and committees of the Court**

Approved the recommendations of the Committee in relation the following appointments:

##### Court appointments in the category of members co-opted by the Court:

- Mr Ken Gill: appointed as a lay member of the Court to serve for three years from 1 August 2011 to 31 July 2014;
- Mr Andrew Milligan: appointed as a lay member of the Court to serve for three years from 1 August 2011 to 31 July 2014; and
- subject to the anticipated approval of the revised Charter and Statutes by the Privy Council, Mr Tony Strachan: to be appointed as a lay member of the Court to serve for three years from 1 August 2011 to 31 July 2014.

##### Audit and Risk Committee appointments:

- Mr Ken Gill appointed as Court member serving on the Audit and Risk Committee, his membership to run concurrently with the period of his Court membership;
- Mr Andrew Milligan appointed as Court member serving on the Audit and Risk Committee, his membership to run concurrently with the period of his Court membership; and
- subject to the anticipated approval of the revised Charter and Statutes by the Privy Council, Mr Tony Strachan to be appointed as Court member serving on the Audit and Risk Committee, his membership to run concurrently with the period of his Court membership.

##### Estate Strategy Committee appointments:

- Mr Ken Wright appointed as a lay member of the Estate Strategy Committee for two years from 1 August 2011 to 31 July 2013;
- Mr David Maxwell appointed as a lay member of the Estate Strategy Committee for two years from 1 August 2011 to 31 July 2013; and
- Mr Ian Wall appointed as a lay member of the Estate Strategy Committee for two years from 1 August 2011 to 31 July 2013.

Noted that the remaining vacancies on the Estate Strategy Committee would be considered as part of the Governance Review and that proposals from the Review would be submitted to the next meeting of the Governance and Nominations Committee.

##### Finance Committee appointments:

- Mr Nicholas Beadle appointed as Court member serving on the Finance Committee, his membership to run concurrently with his period of Court membership; and
- Professor David Lane appointed as Court member serving on the Finance Committee, his membership to run concurrently with his period of Court membership.

Noted one remaining vacancy on the committee which would be considered further by the Governance and

Nominations Committee.

Staffing Strategy Committee appointments:

Noted that current vacancies on the Staffing Strategy Committee would be considered as part of the Governance Review and that proposals from the Review would be submitted to the next meeting of the Governance and Nominations Committee.

Ordinances and Regulations Committee (Joint Committee of Court and Senate): Court appointee:

Approved the recommendation of the Committee that the following individual should be invited to serve as a Court appointee to the Ordinances and Regulations Committee, in terms of *Regulation 28: Ordinances and Regulations Committee*. Noted that a vacancy had arisen following the retirement of Professor Brian Wherrett.

- Ms Gill McDonald for three years from 1 August 2011 to 31 July 2014

**Residences Project Overview Board:**

105.3

Noted and endorsed the Committee's plans relating to the selection of a Convener for the Residences Project Overview Board; the recommendation to be presented at a future meeting of the Court.

**Other items presented for information:**

105.4

Noted other items presented for information. In relation to membership of the Court, these included the following appointments:

Elected by the Senate:

- Professor Peter Woodward from 1 August 2011 to 31 July 2014.

Elected members in the category of Academic Staff and those on Academic-Related scales:

- Ms Gill McDonald from 1 August 2011 to 31 July 2014; and
- Professor David Lane from 1 August 2011 to 31 July 2014.

Appointed by the City of Edinburgh Council:

- Councillor Tim McKay appointed from May 2011 to May 2012.

Elected by the Graduates' Association:

- vacancy to be filled through an election to be held on 4 July 2011.

**106 COURT: STATEMENT OF PRIMARY RESPONSIBILITIES (Ct6/11/68)**

Received and endorsed a final version of the Court's revised Statement of Primary Responsibilities which incorporated amendments as agreed at the meeting of Court held on 16 May 2011.

Noted that arrangements would be made to web-post and, in other ways, to publicise the Statement.

**107 COURT: MEETING DATES 2011/12 AND 2012/13 AND MEMBERSHIP IN THE COMING YEAR (Ct6/11/69)**

Received and noted proposed Court meeting dates for the forthcoming sessions 2011/12 and 2012/13:

2011/12

Monday 3 October 2011  
Monday 14 November 2011  
Monday 12 December 2011  
Monday 5 March 2012  
Monday 14 May 2012  
Monday 25 June 2012

2012/13

Monday 1 October 2012  
Monday 12 November 2012  
Monday 17 December 2012  
Monday 11 March 2013  
Monday 13 May 2013  
Monday 24 June 2013

Noted also the full membership of the Court in the coming session 2011/12.

Noted that similar reports would, in future, be presented by the Governance and Nominations Committee.

**108 REVIEW OF CHARTER AND STATUTES: ORDINANCE 53 (Ct6/11/65)**

Received, discussed and approved a revised proposed new Ordinance 53: Disciplinary, Removal and Grievance Procedures for Members of Staff, to be introduced in pursuance of the revised Statute XXV. Noted that the revised Statute XXV set out the responsibility of the Court to ensure that there are in place disciplinary, removal and grievance procedures for all members of staff.

Received, discussed and approved proposed procedures, set out below, as interim working procedures which will be subject to further consultation with the Senate, the final version of the procedures to be presented to the Court later in 2011: Performance Management Policy and Procedure; Capability Policy and Procedures; Maximising Attendance Policy and Procedures; Disciplinary Policy and Procedure; and Grievance Policy and Procedure.

Court approved the Ordinance by way of Special Resolution under the provisions of Article 22(2) of the Charter which allowed for immediate approval without the requirement for re-confirmation of approval at a subsequent meeting, noting that provision would enable the Ordinance to be introduced at the same time as the revised Charter and Statute.

Noted that a special meeting of the Senate had taken place on 9 June 2011 at which the views of the Senate were sought on the proposed Ordinance 53 and related Procedures. This had followed consideration of the Ordinance by the Ordinances and Regulations Committee and the Combined Joint Negotiation and Consultative Committee. The period for consideration by the Senate had been extended subsequently until June 2011. Court noted the views of the Senate, as set out in an appendix to the Court paper, noting also that the Senate had received, prior to its meeting, comments received from the Regional Representative of the University and Colleges Union (UCU). The Senate had agreed that further consideration should be given to the Procedures at its next meeting.

Noted a summary report of the points raised by the Senate. In relation to these, the Principal confirmed with regard to the matter of "Academic Freedom" that it had been reported to the Senate, at its June meeting, that PME had agreed that a definition of academic staff should be included in a new separate Ordinance to be drafted in due course. PME had also reported to the Senate, in response to other points raised, that PME agreed with the suggestion that an independent arbitrator may be called upon in instances where no appropriate internal expert is available, and that PME was supportive of the suggestion of use of lay members of the Court when dealing with grievance and discipline appeal cases.

Noted, in relation to 'Version 7' of Ordinance 53, which highlighted comments received from the UCU, the intention that these should be considered in the context of further review of the Ordinance and Procedures, initially by the Ordinances and Regulations Committee. The version approved by the Court at its June 2011 meeting was, therefore, 'Version 6', as set out in the papers (Paper B, Appendix B). In response to comments raised by a few members of the Court in relation to incorporation of comments received on the basis of review of Version 6, the Principal highlighted the pressure of time to agree an Ordinance in the interim and that there would be an opportunity in the coming period for further development of the Ordinance by the Ordinances and Regulations Committee, taking a view of all comments: a revision of the Ordinance will ultimately be within the approval powers of the Court, as would a new Ordinance with provisions for the matter of academic freedom.

The Chairman of Court asked and received assent from the Court to invite the Ordinances and Regulations Committee to review Ordinance 53 and to recommend such new Ordinance or Ordinances as may be required in the light of that review.

It was agreed in the 'Maximising Attendance Policy and Procedures', in relation to absence for reason of accident, that the Procedures should include clear provision to help ensure that all absences are captured which are the result of an accident that should be reported in compliance with RIDDOR regulations.

**109 REVIEW OF CHARTER AND STATUTES: CHANGES MADE UNDER THE LATITUDE CLAUSE (Ct6/11/80)**

Approved further changes to the revised Charter and Statutes which had been made under the 'Latitude Clause'.

Noted that, in December 2010, on the recommendation of the Privy Council Office, Court had agreed that further minor changes, such as would not affect the nature and effective content of the Charter and Statutes, would be permitted without the requirement for further consultation and approval. Noted that the minor changes, as reported, had been made following a second round of scrutiny by Scottish Government appointed legal advisers and consequent recommendations by the Scottish Government. Noted that the University's own legal advisers had confirmed that the changes did not affect the nature or effective content of the revised Charter and Statutes.

The Secretary of the University conveyed thanks and appreciation to the Deputy Registrar for the significant body of work he had undertaken in relation to revision of the Charter and Statutes.

**110 COMMUNICATIONS FROM THE SENATE: REPORT FROM 25 MAY 2011 MEETING (Ct6/11/70)**

Received a report from the Senate relating to its meeting held on 25 May 2011.

**110.1 Proposed amendments to Ordinance 6: Graduates Association**

Approved proposed amendments to *Ordinance 6: Graduates Association*. In terms of the provisions of Article 22 (2) of the Charter, Court agreed that the proposed changes to the Ordinance shall have immediate effect\*.

**110.2 Proposed amendments to Ordinance 29: Sports Union**

Approved proposed amendments to *Ordinance 29: Sports Union*. In terms of the provisions of Article 22 (2) of the Charter, Court agreed that the proposed changes to the Ordinance shall have immediate effect\*.

\* Court noted that the time-gap between the June and October meetings of the Court was too long to comply with the provisions of the current Charter which stipulated a gap of not more than 3 months between Court approval, by way of Special Resolution, and reconfirmation of that approval at the subsequent meeting. The Emergency Committee of the Court does not currently have the appropriate delegated authority to deal with Special Resolutions.

**110.3 Other items reported for information**

Noted.

**111 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (Ct6/11/71)**

Received and noted a report from the Principal and the Planning & Management Executive on a range of news topics of current interest and involvement of the University. In addition to the items included in the report the Principal highlighted the planned review of higher education governance commissioned by the Scottish Government and its potential impact on university governance. Court noted that it appeared that there would not be a *formal* process of consultation with the sector via Universities Scotland.

The Principal highlighted also:

- that since approval by the Trustees of changes to the USS pension scheme, UCU had issued a fresh ballot to its membership on industrial action in relation to its dispute over USS scheme changes; and
- **Reserved section** (Ref Sections 30 and 33 FOISA).

The following key observations/points emerged in the course of discussion:

- the Principal's salary, which he had elected to be frozen for a second consecutive year. The Remuneration Committee had commented on the potential for the Principal's salary to be viewed externally as having fallen behind the sector norm. There had been communication on this issue directly with the Principal whose decision on the matter had remained unchanged. Court noted that all members of the University executive had been invited by the Principal, on an individual basis, to consider accepting a salary freeze in the coming year;
- the value of research grants and contracts proposals which was trailing behind target. The Principal highlighted the policy adopted by the EPSRC of a one year cool-off period for unsuccessful applications. In consequence quality control measures associated with screening grant applications within the University were more stringent. The Vice-Principal also highlighted that the University did not have access to data which would determine the University's success rate in submitted grant applications against other institutions; however, it was recognised that a growing proportion of Research Council funding was being awarded to large scale collaborative projects; and
- actions to address staff dissatisfaction with the University's Professional Development Review (PDR) process. The Principal confirmed that the University was currently consulting with the Trade Unions on revisions to the PDR process and that, while the current process had been highlighted in the Staff Engagement Survey as the subject of greater staff dissatisfaction than others, the level of this was not out of kilter with staff survey norms in this area nationally.

**112 UNIVERSITY 5-YEAR PLAN 2011-2016 AND FINANCIAL COMMENTARY**

Received and approved a 5-Year Financial Plan 2011-2016 and financial commentary presented by the Finance Committee. Attention was drawn in particular to:

- alignment of the Plan with the University's four key strategic imperatives and actions required to replace income through diversified streams, compensating for the loss of UK and Scottish Government funding;
- alignment of the Plan to undertakings previously agreed by the Court: i.e. in terms of research and

teaching income growth; surplus against turnover; growth of the academic base; and constraint on expenditure on Professional Services;

- a contingency element provided against failure to secure planned tuition fee or research grant income; and
- projected bottom line surpluses which, in relation to 2015 onwards, would be dependent on REF income.

Discussed the focus of the University's recruitment campaign in relation to seeking new high quality academic appointments and, given recent experience, the risk of not achieving the necessary level of appointments to deliver Focus on the Future goals. This raised the question of whether the academic 'Themes' framework might be creating unnecessary restrictions. The Vice-Principal confirmed that while the issue of achieving academic growth through new appointments was not yet resolved and there remained a large strategic risk in this area, there were positive signs associated with measures that had been put in place to accelerate recruitment. These included use of recruitment consultants using new approaches, and ensuring that there are no unnecessary restrictions arising from publicised technical themes. The Principal confirmed that recruitment efforts would be further stepped up; however, appointments which met the targeted quality threshold would continue to be the upper-most priority. **Reserved section** (Ref Sections 30 and 33 FOISA).

**113 RESERVED SECTION**

**114 REPORT FROM THE FINANCE COMMITTEE: 7 JUNE 2011 MEETING (Ct6/11/74)**

Received and noted a report from the Finance Committee relating to the meeting of the Committee held on 7 June 2011. Noted item 1 of the report, in which the Finance Committee had confirmed its recommendation that the 5-Year Plan 2011-2016 and Financial Commentary be relayed to the Court for approval. This item was covered in Minute 112 above.

Noted other items which were presented for information.

**115 RENEWAL OF BANK MANDATE FOR LLOYDS TSB DUBAI (Ct6/11/75)**

Received, approved and agreed to adopt a resolution in relation to an update to the current Lloyds TSB Dubai bank mandate to be in line with University's UK bank mandates: this resolution, which was signed by the relevant authorised parties, to form part of the formal record of the approval of the Court. (Appendix 1: 'Limited Liability Company Mandate' attached). The Chairman and the Secretary of the University signed the resolution at the point of approval.

Noted that the current signatories on the UK bank mandate, held with Barclay's bank PLC were Mr Phil McNaul, Ms Ann Marie Dalton, Professor Julian Jones, Professor Steve Chapman, Mr Kevin Mallet and Ms Sharon Baines. Court approved the recommendation that Lloyds TSB Dubai bank accounts be amended to include all of the above signatories, to create alignment with the UK bank mandate, noting that this would improve access to authorisers when others are unavailable.

Approved also a recommendation that the limit for authorising payments through Lloyds TSB Dubai should be amended as follows:

- payments up to £9,999.99 (equivalent approximately to 60,000 AED) shall require one authoriser;
- payments of £10,000.00 or above shall require two authorisers; and
- transfers or payments in any other currencies will be of the equivalent limit amount.

**116 REPORT FROM THE STAFFING STRATEGY COMMITTEE: 17 MAY 2011 MEETING (Ct6/11/76)**

Received and noted a report from the Staffing Strategy Committee relating to the meeting of the Committee held on 17 May 2011. All items were presented for information.

**117 REPORT FROM THE ESTATE STRATEGY COMMITTEE: 17 MAY 2011 MEETING (Ct6/11/77)**

Received and noted a report from the Estate Strategy Committee relating to the meeting of the Committee held on 17 May 2011. All items were presented for information.

The Convener highlighted in particular: the required prioritisation of estate work plans within future financial confines; overall good progress of the Residences Project; the current situation in relation to the contract for campus roads and recycling centre; and the requirement for effective planning and monitoring in relation to the changing population of companies established on the Research Park. The Convener confirmed, in