

**MINUTE OF THE SPECIAL COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON WEDNESDAY 31 OCTOBER 2012
AT THE EXECUTIVE OFFICE, INVERNESS
AT 11:00 HRS**

PRESENT:

James Fraser (UHI Principal and Vice-chancellor)
Katrina Paton (UHISA President)
Janet Hackel (VC)
Drew Ratter
Andrew Campbell
Garry Sutherland
Janice Annal
Penny Brodie
Aideen O'Malley
Professor Matthew MacIver (Chair)
Rt Hon. Lord William Prosser
Jack Watson (Vice Chair)
Hugh Morison
Eileen Mackay
Professor Norman Sharp
Iain Scott
Andy Rogers
Professor Donald MacRae
Joe Moore
Thomas Prag
Dr Alistair Mair
Dr Alistair Mair

IN ATTENDANCE:

Fiona Larg (Secretary)
Garry Coutts (UHI Rector)
Dr Gordon Jenkins (Deputy Chair, Executive Board)
Murray McCheyne
Dr Jana Hutt
Michael Gibson
Dr Michael Foxley
Niall Smith
Martin Wright
Lorna MacDonald
Dr Crichton Lang

Roger Sendall (minutes)

APOLOGIES:

Dr Brian Chaplain
Dr Fiona Skinner
Eileen Mackay
Professor Kenneth Miller
Professor Bill McKelvey
Professor Anton Edwards
Dr Bruce Nelson

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome and Quorum. It was noted that a quorum was present.	
1.2 Declarations of Interest: None.	
1.3 Notification of any other Business	
1.3.1 The Principal and Vice-Chancellor reported that he would wish to advise the Court with regard to student numbers.	
2 MINUTES	
2.1 Approval of Minutes. The Court resolved to approve the minutes of the meeting held on 25 September 2012 (UC12-058) subject to an amendment to paragraph 5.1.2 to confirm that the Chair of the proposed new FE Regional Board would be an independent member of the UHI Court.	Corporate Governance Officer
2.2 Matters Arising. It was noted that the Matters Arising paper UC12-059 would be presented to the next scheduled meeting of Court on 18 December 2012.	
3 Governance	
3.1 Options for Change: Governance Working Party Report	
The Chair thanked Dr Foxley and the members of the Working for providing Court with a comprehensive and significant report (UC12-060 Appendix 1).	
The Chair noted that the report highlighted a number of significant issues for Court to consider whereas some elements of the report such as the Triumvirate Model were non-negotiable having been agreed previously by all parties. The Chair noted that the role of Court was to identify and agree appropriate structures and policies for the future of the university for the long-term and he noted that care must be taken not to stray into discussing procedural or management issues. In addition he noted that success would be dependent on building trust and developing behavioural change within the partnership and it was therefore essential that colleagues were open and honest with one another and that progress would be achieved through a generosity of spirit.	
Dr Foxley explained that six members of the Working Group were present at the meeting today. He explained that the Working Group had reached a consensus on the vast majority of issues under consideration and in particular it was noted that there was a clear desire to develop more efficient and simple structures for the university with decision-making devolved to the lowest point possible.	
The Principal and Vice-Chancellor then reported that he welcomed the report from the Working Group and he thanked the Chair for advancing the change process significantly through their work. He noted that the university had an opportunity to improve partnership structures and he requested Court to consider the recommendations within the report in a methodical manner to identify which recommendations were worthy of immediate progression and which issues required to be evolved and discussed further. He noted that the one issue where consensus had not been reached within the Working Group	

related to the distribution of duties and functions that would be attributed to the new Associate Principal Research and Specialist role.

In an effort to progress consideration of the Working Group paper, it was noted that the Principal had prepared a cover paper (UC12-060) setting out the recommendations of the report from the Governance Working Group and highlighting the implications of these together with issues and recommendations for Court to discuss.

A number of Court members indicated that they would prefer to consider the Working Group's report in its entirety rather than to proceed in accordance with the Principal's recommendations since this would ensure a more thorough examination of issues. It was noted that a number of members regarded the Principal's report as helpful in identifying issues for discussion, however given the feeling of members who wished to consider the whole report that the best way forward would be to examine the Working Group report on a page turning basis.

Court noted that responsibility for further education significantly changed the context of how the university should be governed and the relationship that Court would have with academic partner boards and management. The triumvirate model provided an elegant solution for ensuring engagement and fair representation for partner organisations. Members representing Shetland and Orkney Colleges reported that the Working Group's report did not provide satisfactory assurances relating to the council's management structure for non-incorporated colleges that were protected in accordance with council office law. Such organisations were not permitted to have independent chairs and this was inconsistent with the Working Group's recommendations and should be acknowledged. In addition, it was also noted that the representatives from Orkney and Shetland were concerned that the proposed new Associate Principal roles would be funded from a top-slicing exercise that must not be permitted to adversely impact on the delivery of FE.

Court noted that the proposals for introducing independent Chairs of regional college boards applied to all academic partners with the exception of Shetland, Orkney, SMO, SAMS, HTC and the NAFC and that these organisations would of course continue to be able to decide their own governance structures.

The Court then began to consider the Working Group report (UC12-60 Appendix 1) on a line-by-line basis.

FE Regional Board

Court agreed to endorse paragraphs 22 – 35 of the Working Group's report.

It was noted that whilst the FE regional board would be virtually autonomous having delegated powers from Court it would be chaired by an independent member of the UHI Court and could not be wholly autonomous because of the need for a single accountable officer, because the UHI Court would be ultimately responsible for allocation of funds provided by the SFC and because it was an executive committee of Court.

It was noted that Court had some concerns over information that was not included within the report relating to the link between the AP regional boards and Court including the appointment of Chairs and Principals and issues relating to subsidiary undertakings, group accounts and clarity was required on these issues.

It was noted that the Government and SFC would be asked to clarify the legal position in connection with the appointment process and that further information would be provided to Court at its next meeting.

Executive Summary

Court agreed to endorse the seven bullet points set out under paragraph 6 of the report with the caveat that the UHI Court should only be reduced from 28 to 19 members on the basis that the triumvirate structure was established. It was noted that the new structure of Court would need to be discussed with the sponsor universities and the Foundation as a matter of priority.

It was noted that the staff representatives on Court were concerned that the Working Group report was silent with regard to the process for appointing members and clarity on this process and the appointment of student representatives was needed.

It was noted that the recommendations of the Working Group implied considerable change and the implementation process would need to be carefully monitored. It was therefore agreed that Court would receive a two-page summary on progress with regard to each of the seven recommendations contained within the executive summary paragraph at subsequent meetings.

It was noted that proposals contained within the Working Group report were largely transitional and that further changes may be required in the future, therefore Court agreed that it would be important to ensure that Court retained the ability to amend structures easily in accordance with its own decisions. It was agreed that any changes to the constitution of the university should not be too prescriptive therefore constraining future governance in developing and evolving governance structures for the benefit of the partnership.

Student Membership

Court agreed to endorse paragraphs 15-17 relating to student membership. It was noted that UHISA were currently working to unite partnership organisations and to identify appropriate means for identifying and proposing representatives. Court again recognised the need to ensure that such mechanisms were not over defined and agreed to amend the proposed Court membership to two staff members only rather than to insist that one member was from FE and one from HE.

Interaction

Court resolved to endorse paragraphs 36-42 contained with the Working Group report.

It was noted that the two new Associate Principal posts would not be “ordinary” members of the senior management team. This did not mean that they would not be able to attend meetings of the senior management team indeed, it was noted that the Principal felt that it would be essential for them to attend meetings in order that they could carry out their jobs.

Court noted that the Associate Principal roles should be offered on a fixed term contract for a period of 4-5 years, not 3-5 years as identified within the report.

It was noted that some members of Court were concerned that the Principal would be accountable to an independent Court member whereas in fact the Principal was accountable to Court via the Chair. It was agreed that a working group led by the Vice-Chair of Court would consider research structures and present recommendations to Court at the December meeting. The Chairman and Vice Chair were authorised to appoint other members to the group.

Court agreed to endorse paragraphs 62-65 within the report.

FE Partnership Planning Forum

Court agreed to endorse paragraph 66 within the report.

Action:
Secretary

Exit G
Jenkins
12.40

Exit Iain
Scott 13.42

Exit T Prag
13.44

Exit D
MacRae
14.07

HE Partnership Planning Forum

Court agreed to endorse paragraph 67 within the report.

Partnership Planning Forum Research and Specialist

It was noted that paragraphs 68, 69 and 70 within the report would be considered by the Working Group that would be led by the Vice-Chair and reporting to Court on 18 December.

Single Outcome Agreement

Court agreed to endorse paragraphs 73-75 within the report.

Student Representation

Court approved paragraph 77.

SAMS and SMO

Court noted the contents of paragraph 78 and 79.

Executive Office

Court agreed to endorse paragraph 80 recommending that the new UHI Court carry out a review of Executive Office.

The Chairman then directed Court members to a review the Principal's cover paper (UC12-60) and requested consideration of the mechanism for the re-constitution of Court described at paragraph 3.6. It was agreed that the process should be progressed in accordance with a committee chaired by the Rector as proposed and that a shadow Court should be established in order to aid transition.

It was noted that new draft Memorandum and Articles for the university would be presented to the next Court meeting.

Court agreed that a member of the Options for Change Working Group and a student representative should be included on the small group that would be led by the Vice-Chair to consider research issues.

A number of members of Court suggested that it would be inappropriate in terms of governance for the Principal and Vice-Chancellor to be a member of the panel that would be tasked with appointing the new Court members. Indeed, it was felt that no officer should be a member of this panel. A contrary view was held by other members who felt that the Principal and Vice-Chancellor must have a degree of influence over the process and that this was appropriate since he was a member of the current Court and would be with the Rector and UHISA President, one of the only members who would automatically hold a place on the new Court. It was noted that the Secretary would check the position against sector practice.

4. Estates**4.1 Eòlas Research Facility (Beechwood)**

Court noted that a number of members had had to leave the meeting and had other commitments that afternoon and it was therefore agreed to defer full consideration of paper UC12-061 until the December Court meeting.

It was noted that the Beechwood Campus Partnership Planning Forum was due to meet on 19 November and that they had an expectation of considering the Eòlas proposals in accordance with Court's deliberations. It was noted that Court wished to discuss a number of issues relating to the proposal in detail and that there was a need for further

Exit N Sharp
14.35

due diligence on the figures presented within the paper before a view could be taken by Court. It was agreed to inform the Campus Forum that Court had not yet had opportunity to consider the proposals fully. Accordingly the meeting on 19 November should either be postponed or allowed to proceed on the basis that the proposal was currently being progressed at officer level and that it would not be considered by Court until December 2012. In the meantime the Chair encouraged members to read the report and to challenge and seek clarification on any issues contained within it via correspondence with the Secretary.

5. Any other Business

5.1 Student Numbers

The Principal and Vice-Chancellor reported that he was currently not able to provide Court with a definitive answer with regard to whether or not the university had met its SFC target for additional student numbers. This was because not all academic partners had managed to attach students to modules in accordance with 21 October deadline. That said however he was optimistic that the SFC target would be met although it was unclear if the more ambitious target for liR places had been achieved and this matter would be discussed at the next meeting of the Executive Board.

The Principal further advised that the SFC had recently announced additional funded places for universities for 2013/14 and 2015/16 in accordance with prescribed conditions and it was noted that careful consideration would be given as to whether or not the university would bid for these additional places bearing in mind the challenge of achieving current targets. It was noted that a detailed report would be provided to Court in due course.

6 Date of Next Meeting

It was noted that the next meeting of Court would take place on Thursday 18 December 2012 at 11.00am. There being no further business the meeting closed at 2.00pm.