

**DRAFT MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON TUESDAY 18th JUNE 2013 AT 11:00 HRS
IN ROOM EO1, EXECUTIVE OFFICE, NESS WALK, INVERNESS**

PRESENT:	Matthew MacIver (Chair) James Fraser (UHI Principal and Vice-chancellor) Jack Watson Anton Edwards Michael Foxley Janet Hackel Jeff Howarth Eileen Mackay Donald MacRae Alistair Mair Murray McCheyne Bill McKelvey Kenneth Miller Joe Moore Hugh Morison Katrina Paton Andy Rogers Iain Scott Norman Sharp Fiona Skinner
IN ATTENDANCE:	Fiona Larg (Chief Operating Officer & Secretary) Garry Coutts (UHI Rector) Crichton Lang Michael Gibson Gordon Jenkins Lorna MacDonald Aideen O'Malley Rachel Parker Martin Wright Roger Sendall (Minutes)
APOLOGIES:	Andrew Campbell Brian Chaplin Jana Hutt Bruce Nelson Ertie Nicolson Thomas Prag Willie Prosser Drew Ratter Gary Sutherland Penny Brodie Niall Smith

UC13-038

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome and Quorum.	
	<p>It was noted that a quorum was present.</p>
1.2 Declarations of Interest: The Rector reported that as Chair of NHS Highland and the Interim Chair of the University's Shadow Court that he wished to declare an interest in agenda business.	
1.3 Notification of any other Business. None	
2 MINUTES OF MEETINGS	
2.1 Approval of Minutes.	
	<p>The Court resolved to approve the minutes of the meeting held on 19th of March 2013 (UC13-020).</p>
2.2 Matters Arising.	
	<p>The Court noted the Matters Arising paper UC13-021.</p>
3 CHAIRMAN/PRINCIPAL'S COMMENTS	
3.1 Report from the Chairman.	
	<p>The Chair was pleased to report that David Worthington and Gill Berkeley had been selected as the new staff representatives on court by partnership staff. In addition the Chair welcomed the incoming UHISA President, Rachel Parker to the meeting in an attendance capacity and extended Court's congratulations to Dr Jana Hutt on her recent award of an MBE.</p>
3.2 News and Events Round-Up.	
	<p>The Court noted paper UC13-022.</p>
4 COMMITTEESS & MEMBERSHIP	
4.1 Membership.	
	<p>The Court approved paper UC13-023 prepared by the Chief Operating Officer and Secretary, setting out proposed changes to the membership of the University Court. It was noted that the proposals would mitigate risk by allowing a smoother transition and overlap between members of the existing court and the new shadow court. It was noted that outgoing governors would cease office on the 30th June 2013 with new governors assuming office with effect from 1st July 2013.</p>
4.2 Committees Changes.	CGM
	<p>The committee approved paper UC13-024 outlining proposed changes to existing court committee structures. Specifically the Court agreed to establish the Shadow Court and FE Regional Board as committees of the Court. In addition Court agreed to dissolve the University Health & Safety Committee and to pass responsibility for Health & Safety to the</p>

UC13-038

Finance & General Purposes Committee. It was noted that the Finance & General Purpose Committee would receive an annual report on compliance with Health & Safety requirements for detailed consideration before presenting an annual report to Court. A Health & Safety Practitioners Group would continue to meet in order to share good practice and discuss issues of detail regarding compliance.

It was noted that Court required that formal terms of reference be agreed for both the FE Regional Board and Shadow Court.

COO&S

5 GOVERNANCE

5.1 Implementation of Governance Working Group Report

- 5.1.1 The Court noted paper UC13-025 providing an update on implementation of Governance Working Party report recommendations since March 2013.
- 5.1.2 The Court noted the draft Minutes of the recent UHI Transformation Implementation Group meeting held on the 7th of June 2013.
- 5.1.3 The Court noted a letter dated 10th of June 2013 addressed to the Chairs and Principals of all Academic Partners (UC13-027) that had been signed jointly by the Chair of Court, the Interim Chair of the Shadow Court, the Chair of the Shadow Regional Board and the Principal & Vice Chancellor in connection with proposed amendments to the Articles of Association of the University and the issue of autonomy/delegated power of the FE Regional Board as a committee of court.

5.2 SFC HE Outcome Agreement 2013/14

The Court noted paper UC13-028 comprising the Highlands & Islands Regional Outcome Agreement for academic year 2013/14.

It was noted that Outcome Agreement had been signed by the Principal & Vice Chancellor and the Chair of the FE Regional Board the previous day.

5.3 Report from UHI Foundation

The Court received a verbal report from the Rector in connection with the Foundation Business meeting held on the 9th of May 2013. The Rector reported that the Foundation had welcomed the opportunity to consider proposed new developments and learning opportunities for UHI, such as UHI Oil & Gas and University Direct. In addition Foundation had considered that now was an appropriate time for reflection on the role and function of Foundation to be reassessed and it was noted that the Rector had agreed to prepare a paper for consideration at the next Foundation business meeting scheduled for 18th November 2013.

5.4 Report from UHISA

The Court noted paper UC13-029 (a) The Court also considered paper UC13-029 (b) prepared by the President of UHISA setting out recommendations intended to ensure continuity during and following the election of new student court members. It was noted that there was broad support for many of the mechanisms outlined within the paper however, Court was not supportive of proposal 3 relating to the proposed extension of membership for an outgoing student member. It was agreed to consider the proposals further and that UHISA should present an amended proposal in due course.

UC13-038

5.5 High Level Risk Register (HLRR)

Court considered the High Level Risk Register (UC13-030) that had been amended following a meeting of the Risk Review Group held on the 21st of May 2013. The Chief Operating Officer & Secretary reported that the Finance & General Purposes Committee had approved a recommendation to pass responsibility for Risk Review Group functions to an executive group to be chaired by the Chief Operating Officer & Secretary. This marked a considerable step forward in the management of risk within the organisation and it was noted that the Chief Operating Officer & Secretary would continue to present the High Level Risk Register to the Finance & General Purposes Committee and Court for consideration at regular intervals. The Court noted that the risks 18 and 19 on the register were new risks.

5.6 Freedom of Information Scotland Act

The Court noted paper UC13-031 that included a letter from the Office of the Scottish Information Commissioner confirming that they were now satisfied with the University's policies, procedures and practice with regard to compliance with Freedom of Information Law and associated codes of practice. It was noted that this followed an assessment in February 2012 where OSIC had identified a number of concerns with University procedures and which had resulted in the development of a comprehensive action plan for improved performance and compliance in this area. The Court was pleased to note the considerable progress made in this area and recorded its thanks to all staff involved, in particular the Corporate Governance Manager.

5.7 Draft Code of Governance and Response

The Court noted paper UC13-032 prepared by the Chief Operating Officer & Secretary providing a copy of the University's response to the Scottish Code of Good HE Governance Consultation and the draft code.

6 FINANCE & PLANNING

6.1 Finance Report

The Court noted the Finance report (UC13-033) prepared by the Director of Finance including a summary of the Management Accounts for the 9 month period ending the 30th of April 2013 and the final full budgetary reforecast for 2012/13. It was noted that the final full reforecast resulted in an overall surplus of approximately £2,411k, a positive variance of £347k against the quarter 2 reforecast. It was noted that this surplus equated to approximately 5% of total turnover.

6.2 Budget 2013/14

The Chair of the Finance & General Purposes Committee provided an introduction to paper UC13-034 comprising the proposed budget for 2013/14 for the University's Executive Office. It was noted that the paper included extracts of the minute of the Finance & General Purposes Committee held on the 11th of June and the Higher Education Partnership Policy & Resources Committee meeting held on the 30th of May 2013 where the proposed budget had been discussed.

The Chair of FGPC explained that the budget was presented to Court for approval on the recommendation of the Finance & General Purposes Committee, however, he reported that the budget had not been endorsed by HEPPRC on the basis that Academic Partners were concerned that too much resource was being retained by Executive Office. He explained

UC13-038

that the FGPC had considered HEPPRC's concerns in detail and that as a consequence the budget was presented to Court for approval in accordance with the following caveats: -

1. A challenge exercise should be undertaken on the Executive Office budget involving representatives from the partnership.
2. A scoping and rapid identification of duplication and waste exercise should be undertaken with a view to agreeing efficiencies of delivery across the partnership
3. That agreement to transparent accounting across the partnership and an agreed methodology to strip out costs appropriately allocated to non HE funding be concluded.

The Principal of North Highland College UHI reported that a primary concern of HEPPRC in not recommending the budget for approval was that they did not consider that they had been granted sufficient opportunity and time to consider the full detail of the proposed budget. Additionally Academic Partners were suffering considerable austerity as a result of constraints on FE funding and they did not feel that it was appropriate for EO to retain resource for growth when this was needed by Academic Partners for front line delivery of services to students.

It was noted that the Chairs of Academic Partners who were in attendance at Court were reluctant to recommend approval of a budget that had been rejected by college Principals.

In making a decision Court considered that there was a need to submit a budget to SFC prior to the end of June and that capacity existed to adjust the final budget later in the academic year once income from student numbers was certain. Mindful of this Court resolved to approve the budget in accordance with the three caveats highlighted above.

The Chief Operating Officer & Secretary reported that plans were currently being developed to discuss strategic priorities for 2014/15 with Academic Partners early next session to allow for a budget to be set based on an agreed operating plan for that year.

6.3 Management Accounts

The Court noted paper UC13-035 comprising the University's Management Accounts.

6.4 Delegated Authority Schedule

The Court approved paper UC13-036 containing an amended Delegated Authorisation Schedule endorsed by FGPC in April 2013. It was noted that the schedule had been updated to effect changes to Senior Management Structures and new procedures on procuring the use of consultants.

7 Academic & Research

7.1 Beechwood Partnership Facility

The Court considered paper UC13-037 prepared by the Vice Principal Research and Commercialisation comprising an outline business case for the construction of a new research and education facility at Beechwood adjacent to Inverness College UHI's new campus building.

It was noted that FGPC had considered the proposal in detail on 11th June and that the papers presented to Court included an extract from the minutes of that meeting.

It was noted that the proposals had been developed following an approach by Highlands and Islands Enterprise to create a joint facility and it was reported that timing was critical in order to qualify for £2.9m of SDB grant funding prioritised for a Beechwood development. It was noted that academic partner Principals had been made aware of the opportunity through HEPPIRC and whilst there was general support for the proposal within academic partners there was also some concern that the project was being progressed without adequate consultation. Court noted these concerns but felt that there was a need to be pragmatic and to ensure that the opportunity was not lost whilst also ensuring that adequate due diligence was undertaken. Following due consideration Court accepted a recommendation from FGPC to progress the project to the next stage.

8 REPORTS & CIRCULARS

8.1 Committee meetings

Exit J Fraser

The Court noted the following minutes of Committee meetings:

Finance and General Purposes Committee - 16th April 2013, 22nd May 2013

Academic Council - 21st March 2013

Executive Board - 26th February 2013

Audit Committee - 20th February 2013

FE Regional Board - 26th April 2013

9 STAFFING MATTER

The Chair advised Court that he had received a letter from the Principal and Vice Chancellor to inform him that he intended to retire with effect from 31st December 2013.

Court then considered paper UC13-038 prepared by the Chief Operating Officer & Secretary setting out best practice guidelines and a proposed process for selecting a new Principal including a recommendation for Court to establish an Appointing Committee. Court unanimously agreed to approve the recommendations set out within the paper.

10 ANY OTHER BUSINESS

The Chair noted that this would be the last Court meeting for the following members: Fiona Skinner, Janet Hackel, Katrina Paton, Jack Watson, Joe Moore, Willie Prosser and Thomas Prag and he thanked them each on behalf of Court for the considerable time, energy and commitment that they had dedicated to the development of the University.

11 DATES OF FUTURE MEETINGS:

22nd October 2013 – Subject to special meeting to consider revised Articles being convened.