

**MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON TUESDAY 21 JUNE 2011
AT EXECUTIVE OFFICE, NESS WALK, INVERNESS
AT 1000 HRS**

PRESENT:	Professor Matthew MacIver (Chair)	Member (Independent)
	Professor Anton Edwards	Member (UHI Foundation)
	Penny Brodie	Member (Academic Partner)
	Wilma Campbell	Member (Academic Partner)
	Anne Clark	Member (Independent)
	James Fraser	Member (Ex officio)
	Janet Hackel	Member (Non-teaching Staff)
	Dr. Alistair Mair	Member (Sponsor University)
	Eileen Mackay	Member (Independent)
	Professor Donald MacRae	Member (Independent)
	Dr Bruce Nelson	Member (Sponsor University)
	Aideen O'Malley	Member (Academic Partner)
	Thomas Prag	Member (UHI Foundation)
	Mo Shepherd	Member (Academic Partner)
	Norman Sharp	Member (Independent)
	Jean Urquhart	Member (Independent)
	Jack Watson	Member (Independent)
	Joe Moore	Member (UHI Foundation)
	Philip Mackenzie	Member (Independent)
	Rt Hon. William Prosser	Member (Independent)
	Hugh Morison	Member (Independent)
	Nathan Shields	Member (Ex officio)
	Allan Wishart	Member (Academic Partner)
 IN ATTENDANCE:	 Michael Gibson	 Fiona Larg
	Professor Norman Gillies	Reverend Alex Murray (in part)
	Dr Jeff Howarth	Martin Wright
	Dr Jana Hutt	David Green
	Gary Coutts (in part by VC)	Roger Sendall (minutes)
	R Murray McCheyne	Dr Heather Fotheringham (Item 7 only)
 APOLOGIES:	 Iris Hawkins	 Professor Kenneth Miller
	Dr Fiona Skinner	
	John Eccles	Andy Rogers
	Niall Smith	Dr Crichton Lang
	Ken Kennedy	

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome	
It was noted that a quorum was present.	
The Chair welcomed Allan Wishart and Murray McCheyne to their first meeting.	
1.2 <u>Declaration of Interest:</u> None.	
1.3 <u>Notification of other business:</u> None.	
2 STRATEGIC PLANNING SESSION	
The Chairman invited the Director of Marketing, Communications and Planning to lead a workshop session focussing on developing the vision and aims of the UHI Strategic Plan for 2012-2015.	
A separate record of this discussion is appended to this minute. Significantly, it was noted that Court would like the opportunity to engage more fully in the process of developing the shared vision for the University and it was agreed to organise a specific session for this purpose.	MJW/ Secretary
3 MINUTES OF MEETINGS	
3.1 Approval of Minutes.	
The Board resolved to approve the minutes of the meeting held on 22 nd March 2011.	
3.2 Matters Arising/Action Points (UC11-020): Noted.	
4 CHAIRMAN/PRINCIPAL'S COMMENTS	
4.1 Chairman	
The Chairman congratulated Jean Urquhart on becoming an elected MSP and Norman Gillies and Norman Sharp for being awarded honorary doctorates from the Open University.	
The Court was pleased to note that Argyll College UHI had been recognised as the 16 th best place to work within the UK in a recent poll.	
It was noted that the Chairman had participated in numerous visits and meetings since the previous Court meeting in March including two visits to the Scottish Parliament, meetings with Highlands and Islands Enterprise and the Scottish Funding Council. He had also visited a number of academic partner campuses.	

4.2 Principal and Vice Chancellor

The Principal reported that he had held a series of meetings with MSPs representing Highland constituencies and that he had been invited to attend the opening of the Scottish Parliament following the election, providing a good opportunity to lobby on behalf of UHI. It was noted that the Principal had also participated in numerous visits and meetings since the previous Court meeting.

4.3 News and Events Round Up

The Court considered the paper UC11-021 summarising news and significant events since the previous meeting. It was noted that the paper was of a very high quality and that the author, Alison Hay, should be congratulated for this informative piece of work.

Principal

5 MEMBERSHIP - Update

The Court considered the paper UC11-022 outlining changes to the Court membership.

It was noted that following the retirement of Reverend Alex Murray that Murray McCheyne had been appointed as the Chair of Highland Theological College (HTC) and would attend Court meetings in an attendance capacity for the duration of the current rotation. The Court thanked Reverend Murray for his contribution.

It was noted that Mo Shepherd was stepping down as Chair of Inverness College with effect from 30th June 2011 to be replaced by Garry Sutherland. Garry would become a voting member of the Court for the duration of the current rotation with effect from 1st July 2011. The Court thanked Mo Shepherd for her contribution.

Committee Secretary

It was noted that Allan Wishart had replaced Andrew Hughson as Chair of Shetland College. Mr Wishart was appointed a voting member of the Court for the duration of the current rotation.

It was noted that Niall Smith had replaced William Bruce as Chair of North Highland College. Mr Smith would attend future meetings in an attendance capacity for the duration of the current rotation.

It was noted that David Green Vice Chair of the Executive Board had advised that he would retire as the Principal of Lews Castle College effective 31st December 2011.

6 GOVERNANCE

6.1 Options for Change

The Chair invited the Secretary and Chair of the Post Title Working Group (PTWG) to introduce paper UC11-023 setting out four models for change to the university's operating model, some high level analysis of the likely financial implications of each model and a recommendation to engage external consultants to assist UHI with identifying the best model.

Secretary

The Court noted that the Cabinet Secretary and the Scottish Funding Council (SFC) maintained an active interest in this matter and it was reported that they had requested to be kept informed regarding discussions on this issue and had also requested sight of the draft project brief in due course assuming the Court would agree to engage external consultants as proposed by PTWG.

In discussion concerns were raised that two of the models presented had not been considered by the PTWG prior to being presented to Court, also that some of the financial modelling was inaccurate. It was noted that the PTWG Chair had been consulted prior to including the new models for consideration with the Court papers and a majority of members welcomed the addition of additional options for consideration. It was reported that the financial modelling relied on available benchmark data and therefore was provided as indicative rather than prescriptive data. Further work would be necessary to identify actual figures. Members noted that none of the models were mutually exclusive and that an amalgam of the four models may be appropriate. Following due consideration the Court agreed to refer all four options to the consultants for consideration.

The Court noted the importance of all partners engaging in the process to identify a common solution. In addition the potential risk of change being imposed upon UHI by government was acknowledged and recognised as a genuine possibility if the partnership were unable to agree upon a common objective in a reasonable timeframe because of the significant financial pressures that faced UHI. It was noted that UHI may be able to secure additional funding from government to facilitate changes to its structure, however, that government would rightfully expect change to be enacted swiftly and would expect to be kept fully informed throughout the process.

The Court felt that the selection of external consultants and the design of an appropriate project brief would be critical to the success or failure of the project to identify a suitable structure. The nature of the problems under consideration required ownership by all involved and it would be essential for the consultants to have full engagement with academic partners and free access to financial information to identify a viable solution that would achieve support from the partners and executive office. It was felt that the PTWG, having the confidence of the Academic Partners, was the most appropriate body to manage the project.

Following due consideration it was agreed to instruct the UHI Secretary to draft a comprehensive project brief for external consultants for approval by an extended PTWG that would include the Chair of Court and the Principal . The extended PTWG may also include student representation. The terms of reference for the consultants would be circulated to members of Court and to SFC for comments and consideration. The extended PTWG would then act as the project board for the consultancy exercise. It was noted that dialogue would be maintained with academic partner boards, the Funding Council, Scottish Government and other key stakeholders throughout the process.

6.2 Report from Academic Partner Chairs Committee (APCC)

The Chairman provided a verbal report on the outcome of the first APCC meeting held on 11th May 2011 that had been set up following a recommendation by PTWG.

It was noted that APCC provided a useful format for in-depth discussion on issues affecting the partnership and that full attendance by Chairs or members of academic partners boards was strongly encouraged.

The Terms of Reference for APCC UC11-024 were approved.

6.3 Report from UHI Foundation

The Court received a verbal report from Anton Edwards regarding the Foundation

Exit
J Hutt
@1pm
N Sharp
A Mair
P MacKenzie
@14:35

business meeting held on 7th April 2011 and a meeting of a Foundation Working Group held on 13th May 2011 to consider improving engagement with the local community. The Court noted the draft minutes of the business meeting that were appended to the Court papers.

The Court considered a letter to the Chairman and Principal and Vice Chancellor UC11-025 from the Foundation Rector and a note prepared by the Vice Principal Academic regarding cancelled courses (UC11-025a).

The Court welcomed the letter and use by Foundation of its constitutional right to formally add an item to the Court agenda for consideration.

It was noted that the Principal and Vice Chancellor would attend the next scheduled business meeting of the Foundation on 17th November to provide a general report on UHI business and to discuss the issue of cancelled courses.

Principal

6.4 Report from UHISA

The Court received a verbal report from the president of UHISA. It was noted that UHISA had elected Katrina Paton as Vice President also that UHISA was in the final stages of agreeing a new constitution. It was anticipated that this would be available for consideration by Court in December 2011.

The President of UHISA reported concerns that communications with students had been poor relating to the issue over cancelled courses reported at 6.3 above and he sought an assurance that lessons would be learned and information shared between academic partners to ensure a consistency of approach and to prevent mistakes being repeated.

In discussion on this item the Court noted that cancelled courses had the potential to severely impact upon the reputation of the organisation however that because of economics it was sometimes inevitable that difficult decisions would need to be made to cancel unviable programmes. The Court was pleased to note that such instances were rare and that measures were now in place to offer affected students alternative programmes.

Lastly, the UHISA President reported a concern amongst students that cost-saving initiatives were removing too many front line services.

6.5 High Level Risk Register (HLRR)

The Court noted the content of the HLRR (UC11-026) as at 1st May 2011. It was noted that the Risk Review Group (RRG) had met on 4th May 2011 and that a number of amendments arising from that meeting including the amalgamation of some reputational risks still required processing. The amended risk register would be considered by RRG at the beginning of August.

It was noted that the HLRR was designed to represent risks to the UHI company only. It was felt that a separate HLRR should be developed for UHI as a whole and that in order to progress this academic partners should be encouraged to share their own risk registers with the RRG.

RRG

6.6 UHI Representation on External Bodies

The Court noted the content of paper UC11-027 listing representation by UHI on external

bodies and committees.

6.7 SFC Circulars

The Court considered the content of the SFC circulars and consultations summarised in the appendix to the Court papers. Noted.

6.8 Reports from Committees of the Board

The Court considered the minutes of the following committee meetings;

1. Health and Safety Committee 17th May 2011
2. Equal Opportunities Committee July and December 2010
3. Finance and General Purposes Committee 22nd February and 6th April 2011
4. Academic Council
5. Audit Committee 15th February 2011
6. Executive Board 24th February, 10th and 24th March and 28th April 2011
7. UHI Foundation 7th April 2011
8. Risk Review Group 1st February 2011

Dr Nelson enquired about an issue raised in the Audit Committee minutes of 15th February 2011 relating to Audit Committee concerns over the financial sustainability of an Academic Partner and the mechanism for informing Court of such issues. It was noted that concerns of this nature would always be reported to the Finance and General Purposes Committee in the first instance and escalated to Court by FGPC if necessary to do so.

7 ACADEMIC

7.1 Retention of Students – Progress report

The Court welcomed Dr Heather Fotheringham to the meeting to present the paper UC11-028 providing an update on the ways in which UHI is addressing challenges associated with student retention.

In the course of discussion it was noted that the Court would like to see more quantitative data and impact analysis relating to who was dropping out of courses and the reasons why. Noted.

Dr
Fotheringham

Exit
D MacRae
W Campbell
@14:35

8 FINANCE AND PLANNING

8.1 Report from the Finance and General Purposes Committee (FGPC)

The Court accepted a report from the Chair of FGPC relating to the meeting held on 17th May 2011.

The Court ratified the decision of FGPC for the Executive Office to take on responsibility for the management of the Centre for History (CFH) with effect from 1st August 2011 following a decision by North Highland College. The Court supported the stance taken by FGPC to act swiftly on this issue to ensure continuity of service for students and to provide

security for staff employed at this strategically important centre.

The Court was advised that the FGPC decision had not been unanimous and it was understood that the issue would be examined again after 12 months to consider if it would be appropriate for the management of the CFH to pass to another academic partner in due course.

Exit
J Watson
@ 14:48

Budget for 2011/12 and outline budgets for 2012/13 and 2013/14

- 8.2 The Court approved the paper UC11-029 comprising the budget for 2011/12 previously considered by FGPC and outline forecasts for 2012/13 and 2013/14 based on estimated income. It was noted that these were required to be provided to the SFC by 30th June 2011. The Court noted that the 2011/12 position resulted in a £487k deficit that must be addressed either through income generation or via cost savings by Executive Office so as to break even at year end.

Secretary

The Court noted that the outline forecasts for 2012/13 and 2013/14 were based on an assumption of an 8% reduction in SFC grant funding year on year and that this would result in a substantial deficit that was untenable. Actual figures on grant income would not be available before November 2011.

Exit
T Pragg
@ 15:05

Court members were concerned that the current financial model was unsustainable and that significant measures should be taken to develop a sustainable model for UHI without compromising the quality of teaching by Academic Partners. In response to concerns expressed at approving deficits in later years the Principal indicated that these figures should be seen as the basis for a dialogue with SFC on UHI's financial sustainability and he indicated that a meeting was scheduled with SFC on this topic on 27 June 2011. However, Court felt that additional SFC funding should not be regarded as a long term solution and that significant effort should be focussed on identifying and progressing solutions to reduce overheads and move UHI towards a more sustainable position.

It was noted that a new Finance Director had been appointed and that the name of the appointee would be circulated as soon as formalities were completed.

Exit
J Moore
@15:15

Concern was raised at the level of the overhead allocated to Executive Office. The Principal expressed concern at further reductions in Executive Office without a clear understanding of how EO functions would be executed within the partnership. Court agreed that when the new Finance Director was in post a challenge group including Mr Michael Gibson would be established to examine EO in detail in terms of function and allocation.

Strategic Plan – Timescale and Process

- 8.3 The Court noted the paper UC11-030 relating to the schedule and process for production of the UHI 2012-15 strategic plan.

8.4 Celebration Committee

The Court noted the content of paper UC11-031 detailing outline arrangements for the UHI Title Celebration event on 25th August 2011.

8.5 Vice Chancellor's Medal proposal

The Court approved the recommendation set out in the paper UC11-032 to establish a

new award to recognise the outstanding contribution of recently retired academic partner and executive office employees to be awarded at graduation ceremonies.

9 ANY OTHER BUSINESS

None.

10 DATE OF FUTURE MEETINGS:

Thursday 6th October 2011

Tuesday 13th December 2011

Wednesday and Thursday 18th and 19th January 2012 An Comann

Tuesday 27th March 2012

Tuesday 19th June 2012

There being no further business the meeting closed at 15.30 pm.

Appendix 1. STRATEGIC PLANNING SESSION – Summary of key points.

Court felt that the draft strategic vision was heavily biased towards local and regional activities and as a result was too limiting. There was unanimous agreement that the vision statement should be widened to encompass UHI aspirations to succeed in providing education beyond the region to reach out nationally and internationally and to attract interest and stimulate growth from sources outside the Highlands and Islands for the benefit of the region and for academia in general.

Court felt that the language used in the vision statement was too broad and that greater effort should be focussed on defining specific goals and using substantive numbers to identify targets and goals. Otherwise there was a danger that the strategic plan would be too similar to other organisations and consequently become of little value.

The strategic plan should attempt to define the character of the organisation and set out what the University would look like and its core activities twenty years from now.

It was felt that C21C and the success of blended learning initiatives currently being pursued by UHI had the potential to become a major defining characteristic of the university. These should be highlighted in the vision which should clearly demonstrate that UHI was not a traditional university. UHI should celebrate and build on its tertiary nature as this was a significant strength and opportunity that made UHI different from its competitors and attractive to the growing numbers of students who are seeking flexible learning programmes.

Court agreed that the University and its partners were tertiary in character and that this should be unequivocally embraced as a defining characteristic of the institution.

Greater consideration should be given to establishing partnerships with other organisations that could assist UHI to deliver learning within the region on programmes that were not within UHI core competencies. UHI itself should focus on delivering academic excellence in relevant key subjects and should not attempt to provide every course itself but should focus on its strengths. Research activity should be complementary to this curriculum and should also focus on areas of excellence rather than being piecemeal.

The Court would like to engage more fully in the process to develop the strategic plan. It was agreed that a specific session should be organised by the Director of Marketing, Communications and Planning for Court members to attend utilising a different format, perhaps breaking the Court into smaller groups to discuss the issues as this was considered more conducive to developing a shared vision statement than the more formal arena of the Court.