

**DRAFT MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON FRIDAY 25TH APRIL 2014 AT 09:30 HRS
IN ROOM EO1, EXECUTIVE OFFICE, NESS WALK, INVERNESS**

PRESENT: Garry Coutts (Chair)
Crichton Lang (Acting UHI Principal and Vice-chancellor)
Michael Foxley (VC)
Rachel Parker in part
Fiona McLean
Willie Printie
Andy Rogers
David Worthington
Michael Gibson
Anton Edwards
Willie Printie
Bill McKelvey
Alistair Mair

IN ATTENDANCE: Iseabail Mactaggart
Penny Brodie
Janice Annal (VC)
Fiona Larg (Chief Operating Officer & Secretary)
Jeff Howarth
Neil Simco
Lorna MacDonald
Ian Bryden (VC)
Mike Devenney
Roger Sendall

APOLOGIES: Matthew Maclver
Jana Hutt
Bruce Ritchie
Brian Chaplin
David Alston
Vicki Nairn
Drew Ratter
Malcolm Burr
Gillian Berkeley
Eileen Mackay
James MacDonald
Emma Lawrie
Kenneth Miller
Aideen O'Malley
Niall Smith
Norman Sharp
Iain Scott
Ertie Nicholson
Bruce Nelson
Donald MacRae
Andrew Campbell

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome and Quorum.	
<p>It was noted that a quorum was present. It was noted that Professor MacIver was unable to attend the meeting and that he had asked Mr Coutts to chair the meeting in his absence.</p> <p>The Chair welcome Iseabail Mactaggartt to her first meeting. It was noted that Ms Mactaggartt was in attendance as a representative of Highlands and Islands Enterprise and a member of the Shadow Court.</p>	
1.2 Declarations of Interest:	
<p>It was noted that Dr Foxley was the Regional Lead for Further Education in the Highlands and Islands region.</p>	
1.3 Notification of any other Business. None	
5.1 Update on new Articles of Association	
<p>The Chair thanked members of Court for attending the meeting at short notice and apologised for any inconvenience caused. It was noted that there had been an unforeseen delay in progressing new Articles of Association for the University and that as a result it had not been possible to reconstitute Court in advance of this meeting as originally planned. The delay was attributed to comments made by Scottish Government advisors to the draft Articles of Association that had prevented the Privy Council from issuing conditional approval for the University to progress a special resolution to adopt new articles. Dialogue was continuing with interested parties, specifically, this was in relation to Article 27 and references to Further Education responsibilities funded by sources that were distinct from Government and whether or not such activity should be addressed within the University's Articles of Association or via the separate Academic Partnership Agreements. It was noted that Court considered that the Articles should not be amended further and that such issues should be addressed within partnership agreements. It was noted that the VPFE and Chair of FERB would progress such agreements and establish a code of practice as a priority. It was noted that the COOS would advise the Privy Council of Courts decision and that the amended Articles would be recirculated to Court as soon as they were available.</p>	<p>Chair of FERB & VPFE</p> <p>COOS</p>
2 MINUTES OF MEETINGS	
2.1 Approval of the Shadow Court Minutes	
<p>The Court resolved to approve the minutes of the meeting held on 7th February 2014 (SUC14-010).</p>	
2.2 Approval of Court Minutes	
<p>The Court resolved to approve the minutes of the meeting held on 17th December 2013 (UC13-093).</p>	

2.3 Matters Arising.

The Court noted the Matters Arising paper UC14-011.

Item 1 – Committee Membership. It was noted that Court had previously highlighted a need to populate Committees of Court with continuing members as soon as possible following reconstitution of Court. The delay in progressing new Articles of Association had delayed this process and Court was concerned that this may be detrimental to good governance of the University. It was noted that all members of the new Court had now been identified and that the Chair would progress population of Court Committees with continuing members as an immediate priority.

Chair/
COOS

Item 4 – FERB Chair/Independent Members. Court was pleased to note that Dr Foxley had accepted an offer of the appointment of FERB Chair effective from 1st June 2014. It was noted that remuneration for the position would only be permitted following approval of the new Articles. Court noted that interviews for two independent member vacancies would continue on 8th May.

2.3.1 University Direct

Court noted that the Project Board would be meeting later in the day to review the business case for the University Direct proposal and in particular to discuss where and when to locate the first tranche of activity. It was noted that a final decision with regard to whether or not the project would offer a 2014/15 cohort would be made on 22nd May through the Project Board and FGPC. It was noted that Court would receive a full report on the project at its next meeting.

Dean L&T

2.3.2 UHI Oil and Gas Ltd

The COOS reported that the proposed joint venture company (Oil and Gas Ltd) remained on hold by mutual agreement. The venture would be re-assessed later in the year and FGPC would be kept informed of any developments as appropriate. It was noted that Court considered that if the company was activated in due course that the Board must include appropriate representation of non-executive directors.

The separate new MSc programme focussing on underwater survey and drilling techniques was fully funded and progressing for delivery in 2015/16.

3 CHAIRMAN/PRINCIPAL'S COMMENTS

The Acting Principal reported that he was currently engaged with Universities Scotland who were currently preparing for all eventualities and uncertainty associated with the September referendum on Scottish independence. Court noted that the University as a registered charity was legally obliged to remain wholly impartial on the issue. Areas under consideration included, student mobility, UK wide research funding and membership of Research Councils. The Principal was also involved in dialogue and maintaining relations with the Scottish Funding Council, Scottish Government, Skills Development Scotland and Highlands and Islands Enterprise.

The Chair advised that he had recently attended meetings of the Committee of University Chairman (CUC) in Glasgow and London.

4 COMMITTEES AND MEMBERSHIP

4.1 Research Committee

Deferred until after 7.1

5 GOVERNANCE

5.1 Update on Revised Articles of Association

Item discussed after 1.3.

5.2 Internal Audit Report – Scottish Code of Good HE Governance

Court noted the above report prepared by the Internal Audit Service (UC14-013) comprising a review and assessment of the University's current corporate governance arrangements against best practice as defined by the new Scottish Code of Good HE Governance.

5.3 Acceptance of Gifts Policy

Court approved paper UC14-014 presented by the Chief Operating Officer and Secretary setting out University policy for the acceptance of gifts by officers and contractors of the University consistent with requirements of the Bribery Act.

It was noted that the policy would be communicated to all staff and that it would be made published on the website and within a Boardpad Reading Room. It was noted that Court felt that there would be a benefit in seeking formal sign off from members on an annual basis to confirm that members were aware of such policies in the interests of good governance.

COOS &
CGM

6 FINANCE AND PLANNING

6.1 Management Accounts

Court noted the management accounts for the six month period ended 31st January 2014 (UC14-015).

6.2 Q2 Reforecast

Court approved the 2013/14 Quarter 2 reforecast (UC14-016) based on the management accounts for the six month period ended 31st January 2014.

The Finance Director reported that work was progressing on the Q3 reforecast and that the Finance Director was currently engaged with partners through the FDPG in an effort to review resources and identify efficiency savings across the partnership. Court noted that the EO finance team would have a significantly increased workload and responsibilities as a result of changes to FE funding arrangements and the assignation of colleges to UHI effective from 1st August. The Finance Director explained that efforts were being progressed to try to work smarter and to limit the need for increased resources, however, it was likely that some degree of increased resource would be needed.

Court noted that some functions that the University would take on after 1st August had previously been performed by SFC and it was agreed that SFC should be asked to transfer adequate resource to the University to compensate these responsibilities.

COOS FD

It was noted that SFC had provided the incorporated colleges with £100k each on a one off basis to facilitate preparation for ONS, however, no additional funds had been allocated to the University.

6.3 2014/15 SFC Funding Announcement

Court noted that the Funding Announcement had not been published to date. An announcement was expected before 14th May and would be circulated in due course.

6.4 Inverness Campus Partnership Facility

Court considered paper UC14-018 prepared by the Vice Principal Enterprise comprising an update on progress with regard to establishing an SDB funded partnership facility on the Beechwood campus site. The Vice Principal Enterprise reported that the project was dynamic and progressing rapidly with significant changes and development occurring on a regular basis and he requested that Court authorise the Chair to agree final sign off for the project in the absence of a Court meeting in July. During discussion the following points were noted:

- It was noted that Court was unwilling to grant final approval for such a significant project by Chairs action. It was resolved that all members should be granted opportunity to comment and contribute towards the final approval process and it was agreed that this could be done via communication or an electronic survey tool such as survey monkey.
- Court was concerned that too many factors remained uncertain with the project and that the final costs had yet to be defined. Indeed Court was anxious that greater clarity was needed with regard to identifying the University's maximum exposure to any risks.
- It was agreed that the Finance and General Purposes Committee would maintain close scrutiny of the project and of associated cash-flow and funding risks in particular. Appropriate contingency plans should also be developed in the event that costs escalated.
- Further detail was requested to articulate how the facility would benefit the Highlands and Islands region as opposed to just Inverness and surrounding areas.
- Court would require a full report on the project at its next meeting scheduled for 18th June.

VPE

Enter R
Parker
@10:30

9.2 UHISA Report

Court received a verbal report from the President of UHISA. The following points were highlighted:

- The UHISA President reported that UHISA as an organisation was poorly resourced and not fit for purpose. It was argued that £200k of additional funding was needed to address issues and to establish a paid secretariat to support student representatives and to ensure continuity of the association from one year to the next.
- The UHISA President stated that participation and engagement in University governance and business and attendance at meetings by members of the UHISA executive committee was difficult due to the dispersed nature of the partnership requiring frequent long distance travel that was disruptive to studies and stressful and this model was not considered as sustainable for the long term.
- It was noted that the University was currently participating in a project to improve Student engagement across HE and FE sectors funded by the Scottish Funding Council reporting in 2015, however, the UHISA President felt that more urgent action was needed for UHISA right now.

Members thanked the UHISA President for her report and congratulated her on delivering a difficult message. Members were concerned that the issues identified within the report had not been communicated to Court earlier and were a matter of surprise.

The following actions were agreed:

- Court requested the Acting Principal to provide Court with a detailed and balanced report into the issues raised by UHISA for consideration at the next meeting of Court scheduled for 18th June.

6.5 Residences

Court noted a confidential paper UC14-019 provided by the COOS providing an update on progress with the project to deliver student residences at numerous locations around the partnership.

6.6 Shared Services

Court considered paper UC14-020 providing an update on developments to establish a shared services company to deliver shared services throughout the University partnership. Court approved the recommendations contained within the paper including establishment of a Commissioning Board to supersede the Shared Services Project Board that would include non-executive membership and the COOS.

Court noted that financial modelling relating to the operation of the new company and the benefits it would deliver had not been provided to date. The company was expected to begin operation on 1st August 2014 and Court would require assurance and evidence of these prior to granting final approval for a transfer of resources.

6.7 Highland Science Academy

Court noted paper UC14-021 providing an update on progress with the Highland Science Academy initiative launched jointly by the University with HIE and the Highland Council.

Exit R
Parker
10:46

6.8 SFC HE Outcome Agreement 2014/15 to 2016/17

Court noted the above final outcome agreement UC14-021a with the Scottish Funding Council including associated measures and targets.

Court noted that the language used to describe progression between levels of education should be amended in future documents to describe learning as a “journey” or “pathways to achievement” as opposed to a “ladder”.

7 ACADEMIC BUSINESS

7.1 Research Strategy

The Vice Principal Research introduced paper UC14-022 seeking approval for a draft high level research strategy for the University that once approved would be published on the University’s website.

The document was approved subject to the following amendments:

- The strategy should be expanded to map research against key sectors of economic development.
- Bullet 5 of the document should include a description about “legacy” and how the University would develop and grow talent.
- The tone of the document was regarded as too inward facing and members felt it would be enhanced if language was modified to a more customer orientated style.

4.1 Revised Membership of Research Committee

Court approved paper UC14-012 setting out revised membership for the Research Committee subject to the addition of an independent member and student representation.

Exit Dr
Foxley
@11:45

7.2 Research Student Governance

Court approved paper UC14-023 outlining proposed changes to research student governance.

7.3 Gaelic Language Plan

Court approved paper UC14-024 comprising the Gaelic Language Plan 2014-18.

Exit VPR
@11:46

8 RISK MANAGEMENT

8.1 High Level Risk Register

Court noted paper UC14-025 providing an update on University proposes for recording and monitoring risk across the partnership and incorporating new style strategic risk reports. Court welcomed the new format reports and requested that full risk reports be published within a Boardpad Reading Room for the convenience of members who were keen to explore risks that did not appear on the HLRR.

9 REPORTS

9.1 Report From Foundation

Court noted paper UC14-026 setting out the process for election of new University Rector.

9.2 Report From UHISA

Item considered after 6.4

9.3 Minutes of Committee Meetings

Court noted the minutes of the following committee meetings:

- Finance and General Purposes Committee - 12th February 2014 14-016
- Audit Committee – 26th February 2014 AU14-016
- Further Education Regional Board – 14th January and 12th March 2014 14-009, 14-015
- Higher Education Partnership Policy and Resources Committee – 19th December 2013 and 13th February 2014 13-051, 14-010
- Academic Council – 12th December 2013 and 27th March 2014 AC13-026

10 ANY OTHER BUSINESS

It was noted that members would appreciate papers being published on Boardpad as soon as possible before a meeting.

11 DATE OF NEXT COURT MEETING

It was noted that the next scheduled meeting of Court was 18th June 2014 15:30 to 17:30