



Queen Margaret University
EDINBURGH

UNIVERSITY COURT

UNCONFIRMED Minutes of meeting held on 8 February 2017

PRESENT

Dr Frances Dow CBE (Chair)
Dr David Banks
Carolyn Bell
Jim Bradshaw
Dr Richard Butt
Professor Graham Caie CBE
Ian Calder
Colin Duffus
Dr Anthony Falconer OBE
Cynthia Guthrie
Frank Lennon OBE

Ken McGarrity
Jackie Macdonald
Linda McPherson
Margaret O'Connor
Robert Rae
Megan Richardson
Dr Eurig Scandrett
Heidi Vistisen
Professor Petra Wend
Dr Laura Young MBE

IN ATTENDANCE

Carol Brennan	Acting Dean of School of Arts, Social Sciences and Management
Professor Fiona Coutts	Dean of School of Health Sciences
Gordon Craig	Head of Planning
Malcolm Cutt	Director of Operations and Finance
Irene Hynd	University Secretary (Secretary)
Gerry O'Hare	Governance Adviser (Minute Secretary)

1 WELCOME AND APOLOGIES

The Chair welcomed members and those in attendance to the meeting. Apologies were noted from Miller McLean.

2 CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3 DETERMINATION OF OTHER COMPETENT BUSINESS

(a) There was no other competent business determined.

(b) There was no business arising from the Items for Information.

4 CHAIR'S REPORT

- 4.1 The Chair reminded members that she would report regularly on key items of importance discussed at meetings of the Committee of Scottish Chairs (CSC) and the Committee of University Chairs (CUC). There had been no meetings of either committee since the last meeting of Court. The Committee of Scottish Chairs would meet next on 7 March 2017 and was likely to be pre-occupied by a number of issues appearing on the Court agenda. The CSC continued to enjoy a productive working relationship with Universities Scotland and with the Vice-Chancellors of Scotland's Universities.

MINUTE REDACTED – The record of discussion under Minute 4.2 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

- 4.3 The Chair congratulated Dr Laura Young on her nomination for the Evening Times' Scottish Woman of the Year award.

5 PRINCIPAL'S REPORT

Members RECEIVED a detailed report from the Principal (COURT (17) 01).

In addition to those matters highlighted in the report, the Principal provided further information on Universities Scotland's programme of work to support the Commission on Widening Access recommendations. There were three streams of work within the programme; articulation, admissions and bridging programmes. The Principal was leading the bridging programmes stream, which would focus on supporting transition from school or college to university. In this context, the Principal had given evidence to the Scottish Parliament's Education and Skills Committee. In response to a query, the Principal advised that participants at the three meetings included representatives from the HE and FE sectors, from schools, the SQA, Colleges Scotland, and critical friends from business and other sectors. Students were not represented currently.

Members were advised that, at its meeting on 14 December, the Senate had recommended that the University should not enter the Teaching Excellence Framework (TEF), unless material information became available before the 26 January 2017 submission deadline that suggested otherwise. Such information included any statement linking performance in the TEF to the allocation of international student visas, and/or confirmation of the position being adopted by other Scottish HEIs. As advised to Court members by email after the submission deadline, the University did not submit to the TEF, having undertaken a detailed internal analysis of the TEF metrics, and having derived intelligence that had confirmed that only a handful of Scottish institutions were participating.

6 MINUTES

- (a) The minutes of the meeting held on 7 December 2016 (COURT (16) MINS 05) were APPROVED.
- (b) Under Matters Arising, it was noted that, as a result of subsequent discussion, the loan repayment data within page 32 of the Audited accounts had been retained as presented to the 7 December meeting.

7 FINANCIAL UPDATE

The Director of Operations and Finance presented paper (COURT (17) 02) which provided an interim update on the financial position for 2016/17.

In relation to most budget headings, the position was broadly similar to that reported to the Court in December 2016. Staff costs continued to be on target and income from collaborations was expected to be close to the base target. Income from commercial services remained ahead of target due to the increased occupancy in accommodation.

Although final figures were not yet available for tuition fee income for 2016/17, there would be a shortfall in tuition fee income against budget. While overall student numbers were slightly above target, an issue had arisen in relation to some 25 postgraduate international students who had firmly accepted a place but who did not matriculate at the start of the session. This was an issue across the sector, and seemed likely to be a direct result of the Brexit vote in June 2016 and subsequent negative comments by the UK government in relation to international students. In response to a query, members were advised that a follow up survey of 'no-shows' by staff in the Admissions and Recruitment team suggested that Brexit and financial support for study were key factors, with a number advising that they had accepted an alternative offer from a University in England where more generous bursaries were available. The impact of this would be a shortfall in tuition fee income against budget of around £300k.

In addition, information currently available on the overall income for tuition fees, including second semester student starters, suggested a shortfall against budget for campus-based student tuition fees of a further £300k. In previous years, additional tuition fee income was identified and processed in the second half of the year, so it was possible this figure could reduce.

Taken together with the challenging additional income target of £250k, it was anticipated that the overall shortfall in income could be between £550k and £850k. Further detailed analysis would be undertaken as part of the half-year accounts exercise, and the results would be presented to the Executive Board and to the Finance & Estates Committee on 15 March 2017.

In the meantime, actions would be implemented to contain levels of expenditure for the remainder of the financial year. This would include deferring expenditure where possible without compromising the safe and effective operation of the University, and not filling posts which became vacant, other than where these are business critical.

MINUTE REDACTED – Part of the record of discussion under Minute 7 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

In discussion, members commented variously on the need to develop a longer-term plan for sustainability, but also to guard against actions that reduced capacity to grow future

income. Members would have a fuller opportunity to discuss in detail in the Away Day sessions that would follow later in the day.

8 BANKING ARRANGEMENTS

The Director of Operations and Finance presented members with a paper on the University's banking facilities (COURT (17) 03). Members CONSIDERED and APPROVED the transfer of the University's main banking relationship from Royal Bank of Scotland to Barclays. Court also approved the removal of recently retired Deputy Principal, Professor Alan Gilloran, from the list of authorised signatories on the Barclays accounts and the addition of Dr Richard Butt, Deputy Principal.

9 MASTERPLAN DEVELOPMENT STRATEGY

Members RECEIVED an update on recent activity and progress with the local land Masterplan Development strategy.

MINUTE REDACTED – Part of the record of discussion under Minute 9 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

10 SCOTTISH FUNDING COUNCIL – OUTCOME AGREEMENT 2017-20

Members CONSIDERED a further iteration of the draft Queen Margaret University Outcome Agreement (OA) which was being negotiated and developed with the SFC for 2017-20 (COURT (17) 05). Once submitted, the Outcome Agreement would be in place for a three-year period, but would be refreshed annually in line with any revised guidance issued by the SFC. Members NOTED that further consultation and drafting was required to finalise the document, which would be submitted to the SFC by 31 March 2017.

Members discussed the widening access targets contained in the Outcome Agreement and acknowledged the good work being undertaken by the University in this area. Members acknowledged the challenges presented to Universities in recruiting students from the least advantaged demographic, and the importance of schools, Colleges and Universities working together to close the attainment gap. In discussing the particular targets set for the recruitment of SIMD entrants, members supported the need to set suitably challenging targets, while recognising the limitations placed on the University in terms of achieving those targets. That included competition from other Universities in the region seeking to recruit such entrants.

Members would receive a further draft of the Outcome Agreement prior to its submission to the SFC. The Court granted delegated authority to the Chair to sign off the final submission on behalf of the University.

11 GOVERNANCE

11.1 Higher Education Governance (Scotland) Act 2016

Members received paper COURT (17) 06 which provided details on the commencement of the Higher Education Governance (Scotland) Act 2016 and the University's progress in complying with the requirements of the Act.

Members NOTED that the Higher Education Governance (Scotland) Act 2016 (Commencement, Transitory, Transitional and Savings Provisions) Regulations 2016 had been laid in Parliament on 24 November 2016, and came into force on 30 December 2016.

Specifically, the Regulations confirmed that provisions for membership of the governing body and composition of the academic board commenced on 30 December 2016. However, some transitional arrangements would apply in respect of the recruitment of the senior lay member, membership of the governing body (or court) and composition of the academic board (or senate). This meant that provisions for the recruitment, appointment and remuneration of the senior lay member would not come into force until 30 June 2017. This transitional period was designed to allow sufficient time for institutions to amend their current governance documents and to work towards full compliance with the 2016 Act over the transition period. Vacancies advertised on or after 30 June 2017 would be subject to the provisions in the 2016 Act.

Members were reminded that the University Court had been involved in detailed work on the University's compliance with the Act since the publication of the original Higher Education (Scotland) Governance Bill. The University was already in compliance with key sections of the Act.

In terms of the 'senior lay member' the University's revised Order provided for the Chair of Court to be 'appointed by the Court in accordance with its rules and procedures from time to time, not being a member of the staff of the University or a student'. This amendment provided the Court with the necessary freedom to appoint the Chair under whatever requirements were set out in the HE Governance (Scotland) Act, or any successor legislation, including by a process of election. The arrangements for conducting an election, including precise definitions of the eligible constituencies, would need to be developed, and set out in the Court Standing Orders. Such work would be informed by sector wide discussion on the matter.

As advised to members previously, the University's Order of Council requires to be amended to provide for the additional category of membership of '2 persons by nomination of a TU'. The maximum membership of the University Court would also need to be amended to 25 to accommodate Court's approval of the retention of the Senate appointee in membership of the University Court (paragraph 5, Paper Court (16) 50 refers).

The requirements for membership of the academic board of a higher education institution had now been met fully in the revised composition of the Senate, as agreed by the University Court at its meeting on 7 December (Paper Court (16) 50 refers).

11.2 Court Effectiveness Review

Members RECEIVED an update on implementation of the Review Action Plan (COURT (17) 07). In line with the agreed Action Plan and timetable for implementation, all but one item was complete.

11.3 Gender Representation on Public Boards (Scotland) Bill

Members RECEIVED and CONSIDERED a consultation paper on the practical application of the Scottish Government's draft Gender Representation on Public Boards (Scotland) Bill. The consultation was published on 5 January 2017 and would close at midnight on 17 March 2017.

The purpose of the Bill was stated as to 'redress gender imbalances on the boards of public bodies'. The Bill sought to achieve this by setting a gender representation objective for the non-executive member component of public boards and requiring certain action to be taken in the appointing of non-executive members, towards the achievement of the

objective. For the purposes of the Queen Margaret University Court, the role of 'non-executive director' was interpreted as Lay Court member.

The objective stated was that a public board has-

- (a) 50% of non-executive members who are female or who identify as female, and
- (b) 50% of non-executive members who are male or who identify as male.

The consultation paper had been presented to the Equality and Diversity Committee on 26 January 2017 for comment and advice, and to the Nominations Committee on 30 January 2017 for discussion. Based on those discussions, and on review of the draft proposals, a number of comments had been suggested as forming part of a Queen Margaret University submission to the consultation, should the University decide to submit. These included that:

- Diversity in the membership of governing bodies should not be confined to lay membership or to the protected characteristic of gender.
- The legislation could have an unintended and a perverse impact on the overall gender make-up of the governing body as it did not recognise the various categories of membership that made up the board (elected staff, TU or student members) and that the requirement to achieve equity in lay members (ie 50/50) might limit the Court's powers to achieve equity in the membership overall.
- In advertising and recruiting to the University Court, the Nominations Committee considered the matrix of skills required across the full membership of the board to as to ensure that it is effective in the discharge of its functions and primary responsibilities. Within the broader provision of achieving 40% of either gender, the board appointed on the basis of the recognised skills and expertise that a lay court member could bring to the overall Court.
- There was a case for stating that Universities should not be listed as being subject to the legislation as they are not public bodies.

In discussion, members agreed that the University should submit a response but did not reach a consensus on the substantive principle of achieving 50% of either gender by means of legislation. It was suggested that the response should comment on the extent to which the adoption of the Scottish Code of Good HE Governance had accelerated progress on gender balance and the appointment of women Chairs, without recourse to legislation. It was suggested also that the equality agenda should be refocused on other under-represented groups, although it was recognised that progress on gender provided a baseline from which to move forward. The draft response would be circulated to members prior to submission.

12 SENATE

Members RECEIVED the minutes of the Senate meeting held on 14 December 2016 (SEN (16) MINS 05). Two specific items of importance had been drawn to the attention of the Court, namely, Enhancement-led Institutional Review (ELIR) and the Teaching Excellence Framework (TEF) (Minute 5 above refers). Members noted that the University would participate in the first round of the new cycle of the QAA Enhancement-led Institutional Review – ELIR 4. It was expected that the University would submit its reflective analysis in semester one of 2017/18, with review team visits taking place in Spring 2018.

13 AUDIT AND RISK COMMITTEE

Members RECEIVED the minutes of the Audit and Risk Committee meeting held on 25 January 2017 (AUDIT (17) MINS 01). Two specific items of importance had been drawn to the attention of the Court:

- Minute 4: TRAC Return 2015/16 – Audit (17) 01 and (17) 01a
- Minute 5: Network Security – Audit (17) 02

Members NOTED that the TRAC Return 2015/16 detailed a sustainability gap of £6.6M for 2015/16. The Committee was satisfied that the production of the data included in the return complied with TRAC guidance.

Members NOTED that the update on actions arising from the Network Security audit had confirmed that the University remained at significant risk of system failure, but that this risk would reduce from ‘critical’ to ‘high’ by April 2017. Internal audit was content with progress in respect of the audit recommendations.

14 NOMINATIONS COMMITTEE

Members RECEIVED the minutes of the Nominations Committee meeting held on 30 January 2017 (NOM (17) MINS 01).

Members NOTED that 5 vacancies for Lay Court members required to be filled over the calendar year. Additionally, 3 Lay members would reach the end of their 3-year period of tenure, and one member would come to the end of a three year period of appointment on a committee of the Court. The Nominations Committee was seeking to fill these vacancies over the course of the calendar year. Appointment to a number of the committee vacancies would be deferred until after the current lay member recruitment round had concluded.

Members RECEIVED and NOTED a tabled paper that listed candidates shortlisted for interview as a result of the recent public advertisement of vacancies.

Members APPROVED the recommendations of the Nominations Committee that:

- Jim Bradshaw’s tenure on Court be extended to 30 April 2018, which would extend the period of Jim’s Convenership of the Finance and Estates committee to that date.
- Carolyn Bell be appointed to the Audit and Risk Committee.
- Ken McGarrity be appointed to the Finance and Estates Committee.

Members NOTED the arrangements for the inauguration of the Chancellor at the Graduation ceremony on 11 July 2017.

15 HEALTH AND SAFETY COMMITTEE

Members RECEIVED the minutes of the Health and Safety Committee meeting held on 15 December 2016 (HSC (16) MINS 05). There were no items brought to Court’s attention.

16 EQUALITY AND DIVERSITY COMMITTEE

Members RECEIVED the minutes of the Equality and Diversity Committee held on 26 January 2017 (EDC (17) MINS 01). The following items were brought to the attention of the Court:

- *Remit and Membership*: The ECU would work with the committee to review alternative arrangements for the recruitment of its membership. A sub-group would be established to progress this work.
- *Equality and Diversity Training*: Dates would be circulated to the Committee and to the University Court.
- *Public Sector Equality Duties*: The Scottish Government had amended the specific duties to introduce a new requirement on listed bodies to publish the gender composition of their boards and to produce succession plans to increase the diversity of their boards. The Scottish Government had suggested that it would collect monitoring data directly from governing body members through an anonymous online system in October 2016, with data returned to institutions by the end of the calendar year. To date, no such monitoring had been undertaken
- *Barriers to disclosure and good practice in encouraging disclosure in Scotland*: The ECU would work with the University to address disclosure rates for the Staff Survey in advance of the next staff survey.
- *British Sign Language (Scotland) act 2015*: The University's response to this would be included in its Outcome Agreement with the SFC.
- *Disability Confident Scheme*: As Queen Margaret University was a designated Disability Symbol 'two ticks' employer, it was automatically eligible to receive the Level 2 - Disability Confident Employer badge for 12 months on completion of the necessary paperwork.

17 DATES OF FUTURE MEETINGS

Court will meet on the following dates in 2017 and 2018:

5 April 2017
 28 June 2017
 4 October 2017
 6 December 2017
 7 and 8 February 2018
 4 April 2018
 27 June 2018

With the exception of the Court Away Days, all meetings commence at 4.00pm.