



Queen Margaret University

EDINBURGH

UNIVERSITY COURT

Minutes of meeting held on 6 April 2016

PRESENT

Dr Frances Dow CBE (Chair)
Jim Bradshaw
Professor Graham Caie CBE
Craig Cathcart
Professor Bob Cormack
Dr Anthony Falconer OBE
Professor Alan Gilloran
Dr Anna Gregor CBE
Cynthia Guthrie

Dr Lindesay Irvine
Mark Laing
Miller McLean
Linda McPherson
Margaret O'Connor
Robert Rae
Judith Sischy OBE
Heidi Vistisen
Professor Petra Wend

IN ATTENDANCE

Dr Richard Butt
Dr Fiona Coutts
Gordon Craig
Malcolm Cutt
Irene Hynd
Gerry O'Hare
Steve Scott

Dean of School of Arts, Social Sciences and Management
Dean of School of Health Sciences
Head of Planning
Director of Operations and Finance
University Secretary (Secretary)
Governance Adviser (Minute Secretary)
Director of Campus and Commercial Services

1 WELCOME AND APOLOGIES

The Chair welcomed members and those in attendance to the meeting. Apologies were received from Ian Calder, Jackie Macdonald and Adam Roe.

2 CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3 DETERMINATION OF OTHER COMPETENT BUSINESS

There was no other competent business.

4 PRINCIPAL'S REPORT

Members RECEIVED a report from the Principal (COURT (16) 05) which highlighted academic developments, staff and student news and a range of external engagements.

The Principal specifically highlighted the following items in the report:

- Overall, undergraduate applications received by the UCAS deadline were up year on year, and the outlook currently looked very positive for the 2016/17 admissions cycle. Applications to postgraduate courses were also slightly up year on year.
- On 10 February, the University hosted visits from four Scottish Government ministers. This included the First Minister, who gave a keynote speech on the subject of health to an audience including the University's Nursing and Allied Health professions students.
- Feedback received following the strategic dialogue visit from the Scottish Funding Council on 9 March was extremely positive. The SFC board members praised the University's staff and students, and described the University's culture as 'remarkable'.
- The University had won the 'Innovation in Business' category at the Edinburgh Chamber of Commerce's annual awards.
- Detailed work continued on the findings of the staff survey, with the Staff Survey Working Group (SSWG) having met for two '3x3' reviews of the findings. As reported at the last Court meeting, the group engaged in discussions as to 3 areas to celebrate, 3 to investigate and 3 to improve. Schools and directorates were currently in the process of a more localised 3x3 exercise. A detailed report would be made to the June meeting of Court.
- The University had been re-accredited under the Customer Service Excellence (CSE) scheme for a further three years. The award recognised service excellence in Accommodation Services, Sports & Leisure, LRC and Conference & Events.

The Principal reported also on the following matters not specifically highlighted in the report.

The Commission on Widening Access (COWA), of which the Principal was a member, had published its final report in March. The report contained a number of hard hitting recommendations that would impact upon the University. All universities in Scotland would have to ensure that the diverse population of the country was reflected in the student population. One of the targets would be to achieve a minimum of 10% of the student population from an SIMD20 background. While Queen Margaret University was already delivering excellent results in terms of widening access, increasing the number and percentage of SIMD20 students recruited was a challenge. There was a limited pool of applicants, from which all universities were trying to recruit.

Members questioned the sanctions or consequences for failing to meet the recommended targets in the report. The Principal stated that there was no clear guidance on this, but as the targets would be linked to the Outcome Agreement, there could be a loss of funding were targets not met. Conversely, there would be no additional funding or incentives from the SFC to help or encourage universities to meet the targets. The Principal stated that there was an acceptance that a whole sector approach was needed to widen access and that it would be necessary to look at a range of measures and not just SIMD20 students in isolation.

The Chair informed members that the Chairs of Scottish universities would be meeting with the Chair of the SFC. Items for discussion would include the report and the uncertainty surrounding it. Once more was known, the topic would be brought back for Court members to discuss at a future meeting.

5 MINUTES

- (a) The minutes of the meeting of Court held on 4 February 2016 (COURT (16) MINS 01) were APPROVED as a true record.
- (b) Members RECEIVED the notes of the Court Away Days held on 4 and 5 February 2016. The substantive item relating to the Court Effectiveness Review would be addressed later in the agenda (paragraph 8 refers).
- (c) There were no other matters arising.

6 SCOTTISH FUNDING COUNCIL

6.1 Outcome Agreement

Members NOTED the approved Queen Margaret University Outcome Agreement 2016-17, which had been submitted to the SFC on 29th February. A final version would be published once the final Outcome Agreement funding for 2016-17 was announced.

6.2 SFC Outcome Agreement Funding – Indicative Allocations

The Scottish Funding Council had released details of indicative funding allocations for 2016/17.

Members NOTED that Queen Margaret University's core revenue funding had been reduced by 2%; this compared favourably with the sector average of a 3.1% reduction. Confirmation of final funding allocations would be advised to the University by the end of April. This would include strategic funding not included in the indicative allocation ie funding for the final tranche of funded places for the academies, for the Acting for Stage & Screen programme, and the Disabled Students Premium. In an additional Ministerial Letter of Guidance, the Cabinet Secretary had also directed the SFC to reinstate funding for widening access student places, including those for the Associate Student scheme. Confirmation of that funding was also awaited.

The sector budgets for the research excellence and the research postgraduate grants had been maintained in cash terms. QMU had received the planned increase in Research Excellence Grant (REG) for 2016/17 based on the phasing in of the grant calculated using REF 2014 results. This gave an allocation for 2016/17 of £680,000 compared with £520,000 in 2015/16.

The Knowledge Exchange and Knowledge Transfer grants had been amalgamated into the University Innovation Fund, with QMU's overall allocation increasing from £334,000 in 2015/16 to £350,000 in 2016/17. The total allocation to QMU for research and knowledge exchange for 2016/17 was £1,291,000.

Members NOTED that there was no visibility in terms of future funding beyond 2016-17.

The Principal informed members that Universities Scotland was working to benchmark the funding of Scottish Universities with that of international competitors in order to inform future discussions with the Scottish Government.

7 HIGHER EDUCATION (SCOTLAND) GOVERNANCE BILL

Members RECEIVED a paper which updated Court on the key components of the Higher Education Governance (Scotland) Bill as passed (hereinafter referred to as 'the Bill'), and set out the implications of the Bill's provisions for the University Court and the University Senate in particular.

The Bill had completed its passage on 8 March 2016 and was now an Act of the Scottish Parliament intended 'to make provision about the composition of and appointment to the governing bodies and academic boards of higher education institutions; and to revise provision about the academic freedom of various persons carrying out activities at higher education and certain other institutions'.

The Bill set out a number of requirements of Higher Education Institutions to appoint the senior lay member of the governing body (the Chair), and to include various persons within the membership of the governing body. It also set out a number of requirements in terms of Academic Boards.

In terms of the implications for the governance arrangements at QMU, the recent amendment to its Order of Council (September 2015) accommodated fully the requirements of the Bill in terms of appointment of the QMU Chair. The University was also fully compliant in terms of the appointment process. The process for conducting an election, including precise definitions of the eligible constituencies, would need to be developed, and then set out in the Court Standing orders. That work would be informed by sector wide discussion on the matter. There were also implications for the University in terms of the composition of the Court and of the Senate (as set out in the paper).

The Bill was likely to receive Royal Assent by May or June 2016, but it was not expected that the substantial provisions of the resulting Act would come into force until later in the year, after a new Scottish government had been formed. Different provisions might well commence at different times and it was likely that the more substantial and complex matters would be commenced later.

The Bill's requirements would result in amendment to the governing instruments of each of the HEIs in Scotland (save for the OU). In recognition of this, and of the lengthy process involved in securing Privy Council/parliamentary approval for such amendment, full adoption of the requirements of the Bill would be subject to a period of transition, expected to be 4 years.

There would be further discussions on the implications of the Bill for the University's governing instruments at future meetings of Court.

Members noted that a Working Group had been established to review the Scottish Code of Good HE Governance, with membership including Keir Bloomer.

8 COURT EFFECTIVENESS REVIEW

Members RECEIVED a paper setting out the agreed actions arising from the Court's discussion of the Court Effectiveness Review Final Report. A report of the Court's discussion of the Review report and recommendations is contained within Paper Court (16)

06. Members approved the Action plan and timescale as set out in the paper (Paper Court (16) 10).

9 LOCAL LAND – MASTERPLAN DEVELOPMENT STRATEGY

Members RECEIVED an update on progress with the University's proposed Masterplan Development Strategy for land around the Craighall campus.

A project steering group had been established under the convenership of the Principal to monitor and progress the various work streams of the project. In addition, the Executive Board had set up a project control structure for the project, with the Director of Operations and Finance having been appointed as Project Controller. The project control structure also set out the arrangement for ensuring that regular reports were received by the Court, with the Court being identified as the Investment Decision Maker (that is, the body which is responsible for taking any final decisions relating to the progression of the project).

The concept and strategy for the innovation park had been prepared with the help of external consultants (CAMSCI) and this appointment had been extended to include development of a full business case.

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.

Members confirmed that this item should be a standing item on the Court agenda.

10 MID-YEAR REVIEW TO 31 JANUARY 2016

(a) Members RECEIVED the management accounts for six months to 31 January 2016

The Director of Operations & Finance reported that the University was on target to achieve a surplus of £400k.

Members noted that there was currently an adverse variance in terms of collaborative fee income, although the position had improved. An expansion in overseas collaborative activity in Greece and Singapore would contribute to an improved position for 2016-17

In response to queries concerning exposure risk in Greece, the Principal advised that the recent QAA audit confirmed the robustness of the arrangements with QMU's Greek partner, and included a number of commendations (paragraph 12 below refers). All overseas partnerships were based in sterling so as to avoid any exchange rate risk, with a *de minimis* charge applied also.

Members noted that stretch targets for tuition fee income included in the original budget had not been met fully. The Convener of the Finance and Estates Committee advised that the FEC was fully aware of this, having scrutinised the position closely. The budget would be subject to tight control for the remainder of the financial year.

(b) Members RECEIVED the mid-year report on KPIs

The Head of Planning highlighted key points from the report. The number of students recruited from the rest of the UK had increased. The number of SIMD20 and articulation students recruited was below target. There was an acceptance that

SIMD20 students were being recruited by the research intensive institutions, and that all universities were competing for the same limited pool of candidates.

A concern was expressed concerning the impact of contextualised admissions on academic standards. Members were advised that some selecting or over-subscribed courses had entry requirements that were set beyond what was required to be successful on the programme. The entry requirements reflected supply of, and demand for, places. The University would accept students who met the minimum requirements rather than the 'going rate'. The Chair acknowledged that it was a difficult issue. There was an entry rate at which someone might struggle with the demands of University but there was also a need to identify potential in those who might not have been given the opportunity to study before.

11 STUDENTS' UNION

Members RECEIVED the final audited accounts for the Students' Union to 31 July 2015. An in-year surplus was reported as an end of year deficit as a result of an accounting adjustment. The accounts had been approved by the Board of Trustees.

The Principal congratulated the Student President on her recent re-election and informed the members of the newly elected Vice-President.

12 SENATE

Members RECEIVED the minutes of the Senate meetings held on 10 February 2016 (SENATE MINS 01) and 23 March 2016 (SENATE 16 MINS 02).

Members NOTED in particular the successful QAA review of the University's partnership with AKMI Metropolitan College (AMC) in Greece.

13 FINANCE AND ESTATES COMMITTEE

Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 17 March 2016.

The Convener of the FEC confirmed that, in light of the reported reduction in SFC funding for the University for 2016-17, and the increases in pension contributions, inflation and National Insurance changes, there was the equivalent of a 5% reduction in funding. The position going forward would be challenging, there being an estimated £1.2M gap to meet the loan covenant. University management was assessing how this gap could be filled and had arranged to report further at an additional meeting of the Finance & Estates Committee in May. In response to a query, the Director of Operations & Finance advised that an approach to the lender would be premature at this point.

The Principal reported on measures being undertaken by the executive to bridge the estimated gap. The budget would be discussed further at the next meeting of the Executive Board, at which all options would be considered with a view to ensuring the longer term sustainability of the University.

14 NOMINATIONS COMMITTEE

Members RECEIVED a verbal report from the meeting of the Nominations Committee held earlier in the afternoon.

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

The Nominations Committee had agreed to pause and reflect on candidates before approaching anyone else. Court members were invited to suggest appropriate candidates to the University Secretary.

Court Members APPROVED a number of recommendations of the Nominations Committee as follows ie that:

- Miller McLean's tenure on Court be extended to 31 December 2017. This was in recognition of the potential loss to the University of significant financial expertise during a period of some financial uncertainty.
- Dr Anthony Falconer and Jackie Macdonald be appointed to serve on the Court for a further 3 years to 31 August 2019.
- Appointment to two imminent vacancies on the Audit Committee be held over until after the forthcoming recruitment round was completed.
- Dr Anthony Falconer be appointed to the Nominations Committee to replace Professor Bob Cormack who was demitting office at the end of August 2016.

Members were advised that the timetable for recruiting new lay members was intended to allow the Committee to make recommendations to the Court on 22 June. However the Committee sought delegated authority from the Court to appoint successful candidates should the timetable slip and it not be possible to make recommendations on 22 June. The Court AGREED to delegate authority to the Nominations Committee to appoint successful candidates.

Members were advised that the position of Vice-Chair would become vacant at the end of September 2016 when Mark Laing formally stepped down from the position. The Secretary would put in place a formal process of election before the next meeting of the Court in June 2016.

15 HEALTH AND SAFETY COMMITTEE

Members RECEIVED the minutes of the Health and Safety Committee meeting held on 16 March 2016. There were no items brought to the attention of the Court.

16 EQUALITY AND DIVERSITY COMMITTEE

Members RECEIVED the minutes of the Equality and Diversity Committee meeting held on 8 March 2016.

Members NOTED that a number of members of the Nominations Committee had undertaken the unconscious bias training and that the recent International Women's Day event would be an annual event.

17 MEMBERS' RETIRAL – PROFESSOR ROBERT CORMACK AND SHEILA WILLIAMS

The Chair advised members that the meeting would be the final Court meeting attended by Professor Bob Cormack, who was stepping down from his position after 6 years. On behalf

of the University Court, the Chair thanked Bob for his conscientious service to the Court. Bob had served the Court with distinction, as a Court member and through various committees. As a token of Court's appreciation, the Chair presented Bob with a commemorative gift. The Chair also advised that Sheila Williams' term of office as an elected staff member of Court was about to come to an end after a period of three years, but that Sheila was eligible to stand for re-election.

18 DATES OF NEXT MEETINGS

Court will meet on the following dates:

22 June 2016
5 October 2016
7 December 2016
8-9 February 2017 (Court Away Days)
5 April 2017
28 June 2017