



Queen Margaret University
EDINBURGH

UNIVERSITY COURT

Confirmed Minutes of the meeting held on 3 October 2018

PRESENT

Dr Frances Dow CBE (Chair)	Melanie Moreland
Elaine Acaster OBE	Margaret O'Connor
Carolyn Bell	Robert Pattullo
Dr Richard Butt (<i>Minute 1-16, Minute 18</i>)	Sarah Phillips
Professor Graham Caie CBE	Stewart Sands
Colin Duffus	Dr Eurig Scandrett
Dr Anthony Falconer OBE	Dr Andrew Scott
Cynthia Guthrie	Professor Petra Wend (<i>Minute 1-16</i>)
Frank Lennon	Rebecca Wilson
Linda McPherson (Vice Chair)	Dr Laura Young MBE
Ruth Magowan	

IN ATTENDANCE

Professor Fiona Coutts	Dean of School of Health Sciences (<i>Minute 1-16</i>)
Gordon Craig	Head of Planning (<i>Minute 1-16</i>)
Malcolm Cutt	Director of Operations and Finance (<i>Minute 1-16</i>)
Irene Hynd	University Secretary (Secretary)
Fraser Rudge	Governance Adviser (Minute Secretary)
Steve Scott	Director of Campus and Commercial Services (<i>Minute 1-16</i>)

1. WELCOME AND APOLOGIES

The Chair welcomed members to the meeting of the University Court. Apologies were noted from Jackie Macdonald and Ken McGarrity.

2. CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3. DETERMINATION OF OTHER COMPETENT BUSINESS

There was one item of other competent business determined, to which Minute 18 below refers.

There was no business arising from the items provided for information.

4. CHAIR'S REPORT

The Chair reported that she had received, and had accepted on behalf of the Court, a letter from the Principal and Vice-Chancellor, Professor Petra Wend, in which Professor Wend had advised formally of her intention to retire at the end of the 2018-2019 academic session. The Chair advised members that there would be formal occasion for the University Court to express its appreciation of Professor Wend's significant contribution to the University over the 10 years of her tenure. The Court would return to this item later in its agenda (Minute 18 refers).

5. PRINCIPAL'S REPORT

Members received a detailed written report from the Principal on recent strategic developments within the University, and within the higher education sector generally. Members NOTED the student and staff activity taking place, and congratulated the individuals mentioned within the report on their success.

Members were informed that, in the period since the last meeting, Richard Lochhead had been confirmed as the Minister for Further Education, Higher Education and Science. Members noted that the University had interacted with Mr Lochhead in relation to his previous ministerial role, and that it would seek to build on that positive relationship.

The Principal updated members on national pay negotiations. All four campus trades unions had rejected the final UCEA offer of a 2% pay award (with a greater percentage uplift for the lower points on the pay scale), and were currently undertaking processes to ballot or consult members on industrial action. UCEA had recommended that employers implement the pay award backdated to 1 August 2018, and QMU had made such payment in September.

Discussions and consultations continued at UK level around the future funding of the Universities Superannuation Scheme (USS), with the possibility of significant increases being applied to both employer and employee contributions in order to reduce the existing and future deficit. The impact on QMU would be relatively small given the limited numbers of staff in membership of USS. Of potentially greater impact was the valuation of the Teachers' Pension Scheme for England and Wales, which was suggested as leading to an increase of around 7.2% in employer pension contributions. Members noted that the results of the valuation of the Scottish Teachers' Superannuation Scheme (the counterpart of the TPS) were awaited. This had been added to the University's risk register.

6. MINUTES

6.1 Minutes of the meeting held on 4 April 2018

The Unconfirmed minutes of the meeting held on 27 June 2018 were APPROVED as an accurate record. There were no matters arising that were not already on the agenda.

7. FINANCIAL UPDATE

Members RECEIVED an update on the draft financial outturn for the 2017/2018 academic session, and NOTED progress towards the completion of the statutory

accounts, which would be presented to the University Court for approval in December 2018.

Members were advised that the third quarter management accounts, noted by Court in June 2018, had reported a forecast deficit, prior to year-end pension adjustments, of £4.106 million. Members were advised also that, following preparation of the Q3 accounts, it had been identified that around £700k of the budget allocated for long-term maintenance works would likely slip into the 2018/19 financial year, with the consequence that the forecast deficit for 2017/18 would therefore reduce to £3.406 million.

Members were informed that, until the statutory accounts were completed, it was not possible to confirm the final outturn position for 2017/18. Members NOTED the following key points:-

- Tuition fee income was slightly higher than the position forecast at Q3;
- Staff costs were slightly lower than the position forecast at Q3, although were still higher than the initial budget for 2017/18; and
- Overall expenditure was below the position forecast at Q3 as a result of the transfer of a large element of long term maintenance works from 2017/18 into 2018/19.

These variances were expected to result in a final underlying outturn position that would show a lower deficit than the position reported in the Q3 accounts. A full analysis of the final out-turn position, and of the main variances against budget, would be provided to the Finance & Estates Committee at its meeting in November 2018.

8. Transformation Project

MINUTE REDACTED – the record of discussion under Minute 8 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

9. KEY PERFORMANCE INDICATORS

9.1 Quarter 4 (2017-18) Key Performance Indicators

Members RECEIVED the Quarter 4 report on Key Performance Indicators 2017-18. Members NOTED that some of the year-end figures had not been available at the time of writing and would be included in the Quarter 1 (2018-19) report.

Members were asked to NOTE in particular that cash income from fundraising and development had been revised from the third quarter forecast, such income being the highest on record.

9.2 Proposed Key Performance Indicators from 2018-2019

Members RECEIVED a paper setting out the planned approach to KPIs from 2018/19. The proposals had been considered by the Finance and Estates Committee and by the Executive Board. Members were reminded that the current suite of KPIs had been agreed following the publication of the QM150 strategic plan in 2016. The majority of KPIs remained relevant, but a number were being revised.

Members NOTED the projections provided within annex A of the paper, and that further work on long term projections would be undertaken throughout the 2018-2019 academic session. The Head of Planning advised that he intended to present projections to the first meeting of Court of each academic session. Quarterly reports on KPIs would follow the previous format, and Court would be informed if there was a significant change to any longer term projections during the year.

Targets associated with income generation had been projected forward, and financial KPIs reviewed to ensure a focus on key financial sustainability indicators. The Financial Strategy would be reviewed and updated as appropriate to ensure that, as a major enabling strategy, it reflected fully the actions being taken to secure future financial sustainability. Further consideration would be given to financial KPIs in light of the updated strategy.

Under staff and human resources, current KPIs related to questions from a previous staff survey. The measure relating to staff satisfaction would be removed temporarily on the basis that the University would not be conducting the staff survey in the 2018/19 academic session, the cost of which was approximately £40k under the current provider. An alternative indicator for staff satisfaction would be introduced in due course, and alternative survey providers were being researched.

Members queried if it was possible to introduce alternative measures in relation to the student experience as represented by participation in societies and engagement with the University. The Head of Planning agreed to investigate outwith the meeting.

The University Court NOTED the projections in annex A of the paper, that further work on long term projections would be undertaken throughout the year, and AGREED the KPIs for 2018/19 in annex B, and the proposed approach to monitoring achievement.

9.3 NSS 2018 Results

Members RECEIVED a detailed report and analysis on the University's performance in the National Student Survey (NSS) 2018.

Speaking to the paper, the Deputy Principal advised that overall satisfaction had increased by 5%, from 77% to 82%. This improvement had resulted in a considerable change in rankings, with QMU now in 10th place out of 18 Scottish HEIs, up 6 places from 2017. Student satisfaction had increased in the majority of categories within the survey, with the exception of learning resources, and in particular, IT resources. Members were advised that the survey had been completed by final year students in the period February to April 2018. Improvements arising from the significant investment in campus WI-FI and student desktops over the summer period had been too late to influence the 2017/18 survey outcome, but had nonetheless received positive feedback from students in other fora.

The most notable improvement in satisfaction by question was for 'feedback on my work has been timely' which increased by 21%, from 46% to 67%, reflecting recent work by the University in this area. There was a strong increase in satisfaction with the Students' Union (SU) (+11%), with 52% of students satisfied that the SU effectively represents students' academic interests, 1% above the Scottish average for this question.

The Deputy Principal thanked the University's staff and students for their hard work over the year.

Members were informed that, in response to the survey, and in line with previous years, results packs had been sent to Programme Leaders, Heads of Division, Deans and Campus Services in early September, with a deadline of early October for completed action plans. NSS results were available to all staff on the NSS results intranet Hub, and to students, along with all main student experience surveys, through the Student Surveys Hub site.

The Chair advised that further discussion of the results would take place at upcoming meetings of the Student Experience Committee and the Senate. The Chair thanked members of staff for their work to improve student satisfaction, and the Students' Union for encouraging students to complete the survey.

10. SCOTTISH FUNDING COUNCIL

10.1 Annual Statement on Institution-led Quality Review for 2017/18

Members HOMOLOGATED the Chair's Action taken to APPROVE the University's Annual Statement to the Scottish Funding Council on Institution-led Quality Review for the 2017/18 academic session.

10.2 Court Statement of Assurance to the Scottish Funding Council

Members HOMOLOGATED the Chair's Action taken to APPROVE the Court statement of Assurance to the Scottish Funding Council.

11. SCOTTISH CODE OF GOOD HE GOVERNANCE 2017

Members NOTED the status of actions agreed in relation to ensuring the University's Compliance with the revised Scottish Code of Good Higher Education Governance (2017). The University Secretary advised that the University would include a statement within its annual report and statutory accounts to confirm its alignment with the Code and its compliance with its requirements.

12. SENATE

Members RECEIVED the minutes of the Senate meeting held on 20 June 2018. A number of items had been drawn to the attention of Court, including an update on the work of the Transformation Project, the University's receipt of the draft Outcome and Technical reports from the 2017/18 Enhancement-led Institutional Review (ELIR), the third quarter report on progress against key performance indicators, an analysis of the University's performance in the 2019 Guardian league table, and an update on the Portfolio Review.

13. FINANCE AND ESTATES COMMITTEE

Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 26 September 2018. There were no specific matters brought to the attention of Court.

A member raised a concern in relation to the rescheduling of the meeting, suggesting that insufficient Lay Court members had been present, in contravention of governance requirements. Members were advised that the meeting had been rescheduled at the request of the Convener, and that the number of Lay Court members available to attend matched that of the original meeting date.

(Secretary's Note: Review of the attendees recorded confirms that three Lay Court members were present at the meeting, in line with the requirements for quoracy).

It was noted that Scottish Enterprise had offered to provide support to the University's land development strategy. The Director of Campus and Commercial Services advised that the form of support had yet to be agreed, but might include support for project management.

14. AUDIT AND RISK COMMITTEE

Members RECEIVED the minutes of the Audit and Risk Committee meeting held on 19 September 2018 and NOTED that the University had started a procurement and tender process for the appointment of Internal Auditors.

15. NOMINATIONS COMMITTEE

Members APPROVED the RECOMMENDATION that Lay Court Member Cynthia Guthrie be reappointed for a further three year period of tenure to 30 November 2021.

16. HEALTH AND SAFETY COMMITTEE

Members RECEIVED the minutes of the Health & Safety Committee meeting held on 19 September 2018. There were no specific matters brought to the attention of Court.

A member queried wording within Item 7.1 concerning access on campus for the purpose of risk assessment, to which clarification was provided by the Convener and the lay Court member who had attended the meeting.

17. Senior Management Remuneration Committee¹

Minutes of the Senior Management Remuneration Committee meeting held on 19 September 2018 were tabled.

The Vice-Chair, in her capacity as SMRC Convener, reported that the Draft Senior Management Remuneration Review Policy presented to the University Court on 27 June 2018 had been revised in light of discussion at that meeting, and circulated to members electronically for approval. The Policy had been approved by a significant majority (15 members) with 2 members abstaining. Formally therefore, the Policy had been approved by the University Court. The Elected Academic staff member had provided detailed comments, which had been discussed at the Committee, and welcomed as useful. A number of the issues had been addressed by the Court in June under its discussion of compliance with the revised Scottish Code. The Convener reiterated that

¹ *The Principal and Members of the Executive Board, (with the exception of the Secretary), withdrew for this item.*

the revised policy was a 'live' document and that the timing of its approval meant that this was to be regarded as a transitional year. It was to be expected therefore that implementing its provisions would highlight areas for development or clarity.

One such area identified had been the development of SMART objectives, with the Committee recommending that the process would benefit from further transparency and consistency. To assist in this, the Committee had agreed that an external expert be commissioned to support the development of SMART objectives 'fit for purpose' for the Higher Education context. Varying views were expressed concerning the cost and time involved in such an exercise. The SMRC Convener assured the Court that the Committee would commission a short, sharp piece of work.

18. Any other competent business

18.1 Arrangements for the recruitment and appointment of the next Principal and Vice-Chancellor

The Chair advised that, as reported at Minute 4 above, she had accepted on behalf of the Court, formal notice from Professor Wend announcing her intention to retire at the end of the 2018-2019 academic session. The position of Principal attracted a minimum six month period of notice. Arrangements would now be put in place to recruit a successor to Professor Wend. The Chair advised that she was committed to ensuring wide-ranging consultation with stakeholders at various stages of the appointment process.

A paper setting out early proposals for the composition of a selection committee was tabled. In discussion, members commented variously on the need for the committee's composition to reflect the interests and perspectives of a range of stakeholders, with the suggestion that the draft membership was too focused on those with a higher education background. The Chair advised that the recruitment and appointment arrangements would align fully with the guidance set out in the Scottish Code of Good Higher Education Governance (2017) and with the provisions of the Higher Education (Scotland) Act 2016. A wide range of stakeholders, including trade unions and professional services staff, would be consulted at key stages of the process. This would include canvassing views on the person specification and providing feedback on presentations made by short-listed candidates.

Members AGREED that Lay Court members should account for a minimum of three members of the selection Committee, and that the services of a search firm should be procured to assist in the recruitment process. The Chair would work with others to identify a shortlist of search companies for consideration.

In response to a query, the Chair confirmed that the appointment timescale would be subject to appropriate risk management arrangements, and incorporated into the corporate risk register.

The Chair concluded by inviting members to provide comments or make representation to her by email.

19. DATES OF FUTURE MEETINGS

Court will meet on the following dates in 2018 and 2019:

5 December 2018 at 3.00 pm
6-7 February 2019 (Court Away Days)
3 April 2019 at 3.00 pm
26 June 2019 at 3.00 pm

20. ITEMS FOR INFORMATION

Members RECEIVED a copy of the 2018 edition of the Court Members Handbook, and copies of relevant press cuttings and press releases.