



UNIVERSITY COURT

Minutes of meeting held on 3 December 2014

PRESENT

Keir Bloomer (Chair)	Mark Laing
Fergus Boden	Brian Leggat
Jim Bradshaw	Jackie Macdonald
Professor Graham Caie	Miller McLean
Ian Calder	Linda McPherson
Craig Cathcart	Margaret O'Connor
Professor Bob Cormack	Robert Rae
Dr Anthony Falconer OBE	Judith Sischy OBE
Prof Alan Gilloran	Professor Petra Wend
Dr Anna Gregor CBE	Sheila Williams
Dr Lindesay Irvine	Olga Wojtas

IN ATTENDANCE

Irene Hynd	University Secretary (Secretary)
Dr Richard Butt	Dean of School of Arts, Social Sciences and Management
Dr Fiona Coutts	Dean of School of Health Sciences
Malcolm Cutt	Director of Operations and Finance
Steve Scott	Director of Campus and Commercial Services
Riley Power	Governance Officer (Minute Secretary)

1 WELCOME AND APOLOGIES

The Chair welcomed members and those in attendance to the meeting. Particular welcome was extended to new Court members Linda McPherson and Graham Caie who were attending their first meeting of Court.

Apologies were noted from Johnny Elmer.

2 CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3 DETERMINATION OF OTHER COMPETENT BUSINESS

There was no other competent business.

4 CHAIRMAN'S REPORT

The Chair reported on a number of meetings that he had attended in his capacity as Chair, including the most recent meeting of the UCEA Board at which the preparations for the next round of pay bargaining and issues related to university superannuation schemes were discussed. The Chair had also attended a session provided by Skills Development Scotland which considered the impact of the Commission for Developing Scotland's Young Workforce (the 'Wood Report'), and a roundtable meeting on internationalisation in higher education.

5 PRINCIPAL'S REPORT

Members RECEIVED a detailed report from the Principal (COURT (14) 42) highlighting recent news and developments that involved or impacted upon the University.

Speaking to the report, the Principal highlighted the following in particular:

- In conjunction with the University's Disability Week, the University had hosted a highly successful event with Sir Jackie Stewart during which he discussed his struggle with dyslexia.
- In October, the Scotland Food and Drink board had met on campus and toured the University's new Scottish Centre for Food Development and Innovation.
- The First Minister had announced a cabinet reshuffle resulting in Angela Constance becoming the new Cabinet Secretary for Education and Lifelong Learning.
- The Scottish Government had launched a public consultation on a higher education governance bill. Universities Scotland would develop a sector wide response to the consultation, but each university would provide an institutional response also.

6 MINUTES

The minutes of the meeting of Court held on 8 October 2014 (COURT (14) MINS 04) were APPROVED as a correct record.

7 MATTERS ARISING

In relation to Minute 8 of the minutes of 8th October, the Deputy Principal reported that the Academic Freedom Working Group had agreed a draft statement which would be discussed by the Senate on 10 December 2014.

8 SENATE

8.1 Members RECEIVED the minutes of the Senate meeting held on 22 October 2014 (SENATE (14) MINS 05).

8.2 The Principal advised that the key matters arising from the Senate meeting had been included on the Court agenda and would be discussed in detail throughout the meeting.

9 NOMINATIONS COMMITTEE

- 9.1 Members RECEIVED the minutes of the Nominations Committee meeting held on 19 November 2014 (NOM (14) MINS 02).
- 9.2 Members APPROVED the draft role description for members of Court included as an appendix to the minutes.
- 9.3 Members APPROVED the draft role description of the Vice-Chair of Court subject to appropriate revisions being made to the role description of the Chair, to which the Vice-Chair role description made reference.
- 9.4 Members NOTED progress by the Committee on the development of a statement on goals and policies with respect to the equality and diversity characteristics of the lay membership of Court.

10 AUDIT COMMITTEE

- 10.1 Members RECEIVED the minutes of the Audit Committee meeting held on 20 November 2014 (AUDIT (14) MINS 04) and NOTED in particular the following matters:
- Subject to minor amendments to the narrative sections of the accounts, the Committee endorsed the audited financial statements for 2013/14 and the accounting policies which had been used in the preparation of the financial statements, and recommended their approval to Court.
 - In relation to the Internal audit annual report 2013/14, the committee noted the auditor's opinion that the University's systems provide a reasonable basis for maintaining control and that the control framework provides reasonable assurance regarding the effective and efficient achievement of strategic objectives.
 - The Audit Committee had agreed that the risk of having to meet additional pension costs due to contribution rate changes should be considered for inclusion in the Corporate Risk Register.
 - Members welcomed the significant progress made in recent years in implementing internal audit recommendations
- 10.2 Members NOTED the 2013/14 Annual Report from the Audit Committee (COURT (14) 43) and its opinion that the University Court has in place appropriate resources and procedures to enable it to discharge satisfactorily its responsibilities as described in the statement of "Responsibilities of the University Court" included in the annual statutory accounts.

11 FINANCE AND ESTATES COMMITTEE

- 11.1 Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 19 November 2014 (FEC (14) MINS 04) and NOTED that all particular items to be highlighted were on the agenda and would be discussed later in the meeting.
- 11.2 Members RECEIVED the 2013/14 Annual Report from the Finance and Estates Committee and NOTED the overall conclusion of the Committee that it was satisfied that it had discharged its responsibilities in accordance with its terms of reference, as delegated by the Court.

12 EQUALITY AND DIVERSITY COMMITTEE

- 12.1 Members RECEIVED the minutes of the Equality and Diversity Committee held on 7 October 2014. There were no specific matters highlighted for the attention of Court.

13 SENIOR MANAGEMENT REMUNERATION COMMITTEE

- 13.1 Members RECEIVED the minutes of the Senior Management Remuneration Committee meetings held on 13 October 2014 and 24 November 2014.
- 13.2 Members considered the Senior Management Remuneration Review Policy and Procedure being recommended by the SMRC, which was attached as an appendix to the minutes of the meeting held on 24 November 2014. The Vice Chair of Court provided members with an overview of the policy, the key elements of which had been brought before Court previously at its October 2014 meeting (Minute 20 refers).
- 13.3 Members APPROVED the confirmed Senior Management Remuneration Review Policy and Procedure.

14 STUDENT RESIDENCES

- 14.1 The Director of Operations and Finance advised that the transfer of the student residences to the University's ownership was progressing, but had not yet been completed. In view of the current position, the statutory accounts provided to the Court had been prepared on the basis that the residences had not been transferred into the University's ownership.
- 14.2 The Chair reminded members of the resolutions previously adopted by the Court, dated 19 November 2014, which had set out the specific terms of the transaction. Having been invited to do so by the Chair, members CONFIRMED their continued agreement with the terms of the resolutions.

Secretary's note: A copy of the resolutions is attached to the file copy of the minutes.

15 ANNUAL ACCOUNTS

- 15.1 Members CONSIDERED paper (COURT (14) 53) which set out the Annual Sustainability Assurance Report from the Court to the Scottish Funding Council. Members NOTED in particular that the report concluded that the University had assured itself that its academic and other strategies had taken account of the environment in which it expected to be operating as an institution, and were taking the University in a direction whereby the University and its core publicly supported activities should be financially sustainable.
- 15.2 Members AGREED to authorise the submission of the statement to the SFC.
- 15.3 Members CONSIDERED the audited financial statements for Queen Margaret University and its subsidiary and associated companies for the year ended 31 July 2014 (COURT (14) 45). Members NOTED the University and the Group results for the year and associated cash flow and balance sheet analysis. Members also NOTED the detailed analysis of the University's financial situation which included comparisons of the 2013/14 financial statements with financial forecasts and the previous year's results.

- 15.4 Members ENDORSED the accounting policies used in the preparation of the accounts and APPROVED the audited financial statements.
- 15.5 Members CONSIDERED a management representations letter (COURT (14) 46) to be provided to the external auditors and AUTHORISED the Chair of Court to sign this letter on behalf of the Court.
- 15.6 Members NOTED the external audit report from Grant Thornton for the year ended 31 July 2014 (COURT (14) 47).
- 15.7 Members NOTED the 2013/2014 internal audit report from KPMG (COURT (14) 48).
- 15.8 MINTUE REDACTED - The record of discussion under Minute 15.8 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

16 MANAGEMENT ACCOUNTS

Members NOTED a report on the University's financial performance against budget for the first quarter of 2014/15 (COURT (14) 50). Members NOTED that the overall projected surplus as at 31 October 2014 was £28k. This represented a favourable variance of £333k against the budgeted deficit of £305k.

17 RISK MANAGEMENT

Members NOTED the University's updated Corporate Risk Register (COURT (14) 51). In relation to references to marketing activity within the register, members were provided with clarification over the nature of University marketing activities and the capacity of the marketing team to manage these activities. Members also reiterated the recommendation of the Audit Committee that the register should include the risk of unfunded pensions and unanticipated pension liabilities.

18 KEY PERFORMANCE INDICATORS

Members RECEIVED a report (COURT (14) 52) on first quarter 2014/15 key performance indicators and an update on the outturn position for 2013/14. Members NOTED in particular that the performance measure for absence rates had been amended to show the percentage of working days lost and that targets had been set to the UCEA benchmark. Members noted that if all absences were included, the 2013/14 figure was above target at 3.3% however if long-term absences were excluded, this figure was approximately 1.6%.

19 SCOTTISH FUNDING COUNCIL

- 19.1 Members NOTED the Outcome Agreement Self-Evaluation 2013/14 (COURT (14) 54). In response to a query on increasing conversion rates for SIMD40 applicants, members were advised that this was being actively addressed through the work of the new Outreach and Community Engagement team.
- 19.2 Members CONSIDERED the near-final 2015/16 Outcome Agreement (COURT (14) 55) that was being developed and negotiated with the SFC. Members NOTED that the Agreement was a roll forward of the 2014-15 Agreement, which would be updated to reflect progress in a number of the agreed outcomes. This would include updated statements on

research to reflect the post REF research and knowledge exchange strategy being developed by the Research Strategy Committee.

- 19.3 Members APPROVED the approach that had been adopted to review and update the narrative and outcomes. Members also APPROVED the recommendation that the Chair be provided with delegated authority to approve the final version of the Outcome Agreement prior to its submission on 28 February 2015.

20 SCOTTISH CODE OF GOOD HIGHER EDUCATION GOVERNANCE

- 20.1 Members RECEIVED an update on progress with amendments to the University's Order of Council. Members noted in particular that the Privy Council had advised the University that its advisers would provide opinion on the University's proposals in early 2015.
- 20.2 Members also CONSIDERED and ENDORSED the University's proposed approach to responding to the Scottish Government consultation paper on a higher education governance bill. A draft response would be circulated to Court members before the closing date for submission of 30 January 2015.
- 20.3 Members AGREED to grant the Chair delegated authority to approve the final response to the consultation paper on behalf of the Court.

21 STRATEGIC THEME: SOUTH EAST OF SCOTLAND ACADEMIES PARTNERSHIP

Members received a presentation from the Deputy Principal, Alan Gilloran, on the South East of Scotland Academies Partnership. The presentation focussed on four key aspects of the programme:

- The history and rationale for engaging with the academies partnership
- How the project has developed at the University
- The continuing significance of the academies partnership to the University
- External recognition of the University's role in the academies partnership.

22 DATE OF NEXT MEETING

Court will meet on the following dates

4-5 February 2015 (Court Away Days)
1 April 2015
24 June 2015

All meetings (other than the Away Days) commence at 4.00 pm.

APENDIXS REDACTED

The details of the appendix is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.