



## **UNIVERSITY COURT**

### **Minutes of meeting held on 8 October 2014**

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#### **PRESENT**

Keir Bloomer (Chair)	Mark Laing
Fergus Boden	Brian Leggat
Jim Bradshaw	Jackie Macdonald
Ian Calder	Miller McLean
Professor Bob Cormack	Margaret McPhail
Johnny Elmer	Margaret O'Connor
Dr Anthony Falconer OBE	Judith Sischy OBE
Prof Alan Gilloran (Minute 1-19)	Professor Petra Wend (Minute 1-19)
Dr Anna Gregor CBE	Olga Wojtas
Dr Lindesay Irvine	

#### **IN ATTENDANCE** (Minute 1-19)

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 Margaret O'Connor, who was attending her first meeting of the Court, and Linda McPherson, who had been unable to attend the meeting.

Apologies were noted from Craig Cathcart, Linda McPherson and Robert Rae.

#### **2 MEMBER RETIRAL**

The Chair advised members that the meeting would be the final meeting attended by Margaret McPhail, who was due to demit office on 30 November 2014, having served as a Court member since 1 December 2008. The Chair expressed the Court's sincere gratitude to Margaret for the significant expertise that she had contributed to the business of the Court over six years of diligent service, including three as Convener of the Audit

Committee. During her period of office, Margaret had consistently supported QMU in the development and shaping of its strategic direction, drawing on her capacity for critical thinking, pragmatism and her ability to engage, influence and enable others. As a token of Court's appreciation, the Chair presented Margaret with a commemorative gift. Margaret McPhail then thanked the Court and shared her thoughts and reflections on her time in office.

### **3 CONFLICTS OF INTEREST**

There were no conflicts of interest declared.

### **4 DETERMINATION OF OTHER COMPETENT BUSINESS**

The Chair proposed, and members agreed, that the order of business be revised so that Agenda Items 12 (a) and 12 (b) concerning the Senior Management Remuneration Committee minutes and a proposed Senior Management Remuneration Review Policy and Procedure be taken at the end of the meeting as reserved business for Court members only (Minute 20 below refers). There was no other competent business.

### **5 CHAIRMAN'S REPORT**

In the context of changes to the SFC financial memorandum, the Chair reported that the University, and the sector, would need to remain alert to any moves toward increased government control, either direct or indirect, over the University's actions and the risk such moves might pose to freedom of action for the University.

### **6 PRINCIPAL'S REPORT**

Members RECEIVED a detailed report from the Principal (COURT (14) 27) highlighting recent news and developments that involved or impacted upon the University.

The Principal noted in particular the following matters:

- Universities Scotland would submit written evidence to the Smith Commission on further devolved powers for the Scottish Parliament. Members were advised that the focus of the submission would be on funding arrangements and immigration.
- HEFCE had advised that the Quality Assurance function currently undertaken on behalf of the HE sector by the QAA was intended to be opened to tender. The Principal advised that Universities Scotland had taken the position that the QAA was in fact a sector body and not a body auditing HEIs on behalf of the government. This would be relevant to assessing the need to put the contract for QA arrangements out to competitive tender.

### **7 MINUTES**

The minutes of the meeting of Court held on 25 June 2014 (COURT (14) MINS 03) were APPROVED as a correct record.

## **8 MATTERS ARISING**

In relation to item 8.2 of the minutes of the June meeting of Court, the Deputy Principal advised members that sector-wide discussions on an agreed statement of academic freedom had not resulted in a final agreed position and that the University had instead continued to progress its development of a statement of academic freedom for the University through the Academic Freedom Working Group reporting to the Senate. Members noted that the first meeting of this group had taken place on 25 September 2014 with a further meeting planned to discuss a draft working statement of academic freedom. The Deputy Principal advised that the Group expected to report substantive progress on the statement to the December meeting of Senate.

## **9 SENATE**

- 9.1 Members RECEIVED the minutes of the Senate meeting held on 25 June 2014 (SENATE (14) MINS 04).
- 9.2 Members NOTED in particular the discussion at Senate concerning progress against key performance indicators relating to student recruitment, the International Student Recruitment Strategy and the associated review of resource allocation. Members NOTED that the University had established the International Strategy Board to oversee a more coordinated approach to the delivery of the international strategy, including international recruitment activity and provision of transnational education.

## **10 NOMINATIONS COMMITTEE**

- 10.1 Members RECEIVED a report on the outcome of the meetings of the Nominations Committee held on 27 August 2014 and 5 September 2014 (COURT (14) 28).
- 10.2 Members NOTED the following appointments formally approved by the Court by correspondence following the meetings of the Nominations Committee:

*Appointed for a three year period with effect from 1 October 2014:*

- Linda McPherson: Recently, Scottish Enterprise – Senior Director Food and Drink, Tourism and Textiles;
- Margaret O'Connor: Service Manager, Adult Wellbeing Resources, East Lothian Council.

*Appointed for a three year period with effect from 1 December 2014:*

- Professor Graham Caie: Recently, Chair, National Library of Scotland Governance Committee, Vice President of the Royal Society of Edinburgh.

- 10.3 Members AGREED to the recommendations of the Nomination Committee that:

- Linda McPherson be appointed to the Finance and Estates Committee for a period of 3 years with effect from 1 October 2014; and
- Malcolm Cutt, Director of Operations and Finance, be appointed to the Board of QMU Enterprises.

## **11 AUDIT COMMITTEE**

Members RECEIVED the minutes of the Audit Committee meeting held on 16 September 2014 (AUDIT (14) MINS 03) and NOTED in particular the audit recommendations arising from the reports on the 2013/14 internal audit programme and the Audit Committee discussion of the draft internal audit plan for 2014/15.

## **12 FINANCE AND ESTATES COMMITTEE**

Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 23 September 2014 (FEC (14) MINS 03) and NOTED that all particular items to be highlighted were on the agenda and would be discussed later in the meeting. Members were advised that in relation to increased occupancy rates in the student accommodation referred to in the minutes, a full analysis of these rates would be conducted and reported to the FEC.

## **13 HEALTH AND SAFETY COMMITTEE**

13.1 Members RECEIVED the minutes of the Health and Safety Committee meeting held on 18 September 2014 (HSC (14) MINS 03) and NOTED in particular the following matters.

13.2 Discussions would be held with the trade unions on the issue of workplace stress and the identification and reporting of instances of workplace stress in response to trade union representations on this issue. Members were advised that while the University was not complacent on the issue of workplace stress, a number of measures had been implemented to mitigate the risk of workplace stress and as a result the University had reported relatively low levels.

13.3 There had still been limited action taken by East Lothian Council in relation to the safety concerns surrounding the campus exit slip road and steps were being taken to have the matter escalated to a more senior level within East Lothian Council.

## **14 STUDENT RESIDENCES**

Members RECEIVED a verbal update from the Director of Operations and Finance in relation to progress on the potential student residences transfer. It was noted that the issue had progressed significantly and that a further update would be provided to the Court at its December meeting.

## **15 FINANCIAL OUTTURN 2013/14 AND UPDATE**

15.1 Members CONSIDERED a paper (COURT (14) 30) which provided an update on the draft outturn position for 2013/14. Members noted that a full analysis of the final outturn position and of the main variances against budget would be provided to the Finance and Estates Committee at its meeting in November.

15.2 Members NOTED that the current draft accounts indicated a surplus for the year of £300k. This figure was £200k lower than the projected out-turn at the third quarter and reported to the Court at its meeting in June. It was noted, however, at that meeting it was reported that, in the event that the student residences transfer was not completed by 31 July, then the outturn position would be around £500k worse (i.e., about breakeven). Draft accounts had been prepared for QMSS and indicated an overall loss of £1,059k, which was in line with

budget. The University's share of this loss was £353k. Members noted that the underlying position (excluding the adjustments associated with QMSS) was thus an improvement of around £150k on the position reported in June.

## **16 KEY PERFORMANCE INDICATORS**

- 16.1 Members RECEIVED a paper (COURT (14) 31) which provided a provisional report on the University's KPIs for the fourth quarter of 2013/14.
- 16.2 Members then RECEIVED a paper (COURT (14) 32) which presented to the Court the proposed KPI targets for 2014/15.
- 16.3 Members discussed the following matters contained within the proposed targets:
- Members queried a staff absence rate target of 6%, with members suggesting that the rate proposed was high if benchmarked against public and private sector norms. Members AGREED that further detail on the historical data and the proposed target (including a breakdown of the long term and short term absence rates) should be provided to the Court before this particular target was finalised.
  - Members considered whether the SIMD20 target of 13% was realistic. Members were advised that the target would be challenging considering that other HEIs had similar targets and there was a limited pool of applicants in this category. Members NOTED that the University was seeking further information from SFC in relation to this demographic and how this would impact on the proposed target. The University would be assisted in achieving this target through the academies programme.
  - Members queried whether the University had adequately provided for long-term maintenance cost on the campus. Members were advised that the targets had regard to pre-determined maintenance and that immediate costs associated with maintenance costs were lower given the current stage of the campus life-cycle. Members NOTED that there may be a need to revisit the resource allocation for long-term maintenance over time.
- 16.4 Members AGREED the KPI targets for 2014/15, subject to the absence rate target being reviewed.
- 16.5 Members then RECEIVED a paper (COURT (14) 33) containing an analysis of the results of the 2014 National Student Survey (NSS).
- 16.6 In discussion, members queried the decreased rating on the question concerning satisfaction with the Students' Union (SU). The Student President indicated that the SU was keenly aware of the results and advised that, where students were actively involved with the SU, there were high levels of satisfaction reported to the SU. To some extent, there might be a perception of the SU as being limited to social events and facilities and as such, the results of the NSS may not reflect actual satisfaction with the other services offered and provided by the SU. The key challenge for the SU was to increase student participation. To this end, the SU had invested in further marketing and had employed an events and marketing coordinator to assist in further developing opportunities for students to actively engage with the SU. The SU had seen a steady increase in clubs and societies memberships in the current academic session.

16.7 Members then RECEIVED a copy of the One Year Follow-Up report on the QAA Enhancement-Led Institutional Review (COURT (14) 34). Members HOMOLOGATED Chair's action to approve the report.

## **17 SCOTTISH FUNDING COUNCIL**

17.1 Members RECEIVED the Annual Statement on Institution-Led Review of Quality 2013-2014 (COURT (14) 35) and HOMOLOGATED Chair's action to approve the report to the SFC.

17.2 Members RECEIVED the University Court Statement of Assurance to the Scottish Funding Council (COURT (14) 36) and HOMOLOGATED Chair's action to approve the statement to the SFC.

17.3 Members NOTED a paper (COURT (14) 37) which set out the timetable and process for the negotiation of the University's 2015/16 Outcome Agreement with the SFC and which advised members of the time-scale for the submission of the University's annual self-evaluation report to the SFC. The University Secretary advised that major changes to the University's Outcome Agreement were not expected but that the December Court meeting would provide an opportunity for discussion of a revised version of the agreement.

## **18 SCOTTISH CODE OF GOOD HIGHER EDUCATION GOVERNANCE**

18.1 Members NOTED and ENDORSED a paper (Court (14) 38) which benchmarked the University's compliance with the Main Principles and Supporting Guidelines set out in the Scottish Code of Good Higher Education Governance (Code).

18.2 Members also NOTED and ENDORSED a return of information provided to the Committee of Scottish Chairs in early August 2014 concerning the University's compliance with the Code specifically as it related to:

- Gender balance on governing bodies and actions related to diversity; and
- Remuneration Committee remits and setting of remuneration policy by governing bodies.

18.3 Members APPROVED amendments (COURT (14) 39) to the Terms of Reference of the Senior Management Remuneration Committee (SMRC) designed to reflect more explicitly the requirement in the Code that the policies and processes used by the SMRC be determined by the Court and that the reports to the Court from the SMRC provide sufficient detail to enable the Court to satisfy itself that the decisions made have been compliant with its policies.

18.4 Members APPROVED amendments (COURT (14) 40) to the Court Standing Orders as notified at its meetings on 2 April 2014 and 25 June 2014. The approved changes related to setting out the basis for the granting of delegated authority to the Chair.

18.5 Members NOTED that a further change to the Court Standing Orders would be required to reflect the requirement that the Chair of the Court may be selected from both internal and external candidates but that such amendment would have to be delayed until such time as the required amendments had been made to the Queen Margaret University, Edinburgh (Scotland) Order of Council 2007. The University Secretary advised members that the University had been consulting with the Scottish Government on this change and that a

meeting had been arranged with a representative of the Higher Education Funding and Governance Branch for this purpose.

**19 QM150**

- 19.1 Members RECEIVED a paper (COURT (14) 41) which provided an update on the QM150 project.
- 19.2 Members NOTED in particular that the QM150 Project Group had agreed that the work completed to date could be structured so as to set out the vision, mission, principles and values. The views of the Project Group would be considered at a SMT away day at the end of October, with a view to finalising the vision and mission text and developing the key elements of the related strategy.
- 19.3 Members also noted that, in order to give this process enough time and to allow for the development of related operational plans, the overall plan for the QM150 Project had been reviewed. It had now been planned to focus the work in 2014/15 on developing the strategy based on the vision from 2015, with 2015/16 being an interim year where, with the strategy in place, operational plans could be updated accordingly.

**20 MINTUE REDACTED - The record of discussion under Minute 20 was reserved business for Court members only and is exempt from disclosure under Section 33 (1) (b) and 38 (1) (b) of the Freedom of Information (Scotland) Act 2002.**

**21 DATE OF NEXT MEETING**

Court will meet on the following dates

3 December 2014

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.