

EDINBURGH NAPIER UNIVERSITY
UNIVERSITY COURT

**Minutes of the meeting held on Monday 12th December 2011
at 3.45 pm in the Castle Room, Craighouse Campus**

Present: Professor G.C. Borthwick (Chairman); Professor Dame J.K. Stringer (Principal & Vice-Chancellor); Ms M. Ali; Professor A. Burns; Professor J. Duffield (Vice-Principal, Strategy, Resources & External Relations); Ms K. Dudgeon; Mr W. Gallagher; Mr R. Hare; Mr R. Kemmer; Mr G. Kildare; Mr S. Logie; Mr G. McCarra; Mr R. MacLennan; Mr B. Rigby; Dr P. Stollard; Ms M. Stephenson (Vice-Chair); Mr R. Sweetman; Mr T. Zanelli

Apologies: Dr J. Boyle; Mr M. Connarty; Lady Clark of Calton (Chancellor's Assessor); Professor R. Mackenzie (Vice-Principal, Commercialisation); Mrs P. Woodburn

In attendance: Mrs M Cook (Director of Human Resources); Mr D Cloy (Clerk to Court); Ms J Mackenzie (Director of Finance, Planning & Commercial Services); Dr G Webber (University Secretary)

1. WELCOME AND OPENING REMARKS

- 1.1. The Chairman welcomed everyone to the second meeting of the 2011/12 Academic Session.
- 1.2. The apologies were noted.

2. PRESENTATION: NAPIER STUDENTS' ASSOCIATION: KEY ISSUES AND ACTIVITIES

- 2.1. Mr Tom Zanelli (President, Napier Students' Association) gave a presentation on the key issues and activities concerning the Association in its role representing the University's student body.
- 2.2. Discussion followed on some of the matters outlined, including social space and issues of student satisfaction, during which activities underway to consider and address these were noted.
- 2.3. Thereafter, Court welcomed the presentation.

Part A For discussion and decision

3. MINUTES OF THE MEETING HELD ON 10 OCTOBER 2011 UC(11/12)15

- 3.1. The minutes of the meeting held on 10th October 2011 were **approved**.

4. MATTERS ARISING

- 4.1. No matters arising were identified.

5. PRINCIPAL'S REPORT

UC(11/12)16

- 5.1. The Principal introduced her written report to Court, and highlighted the University's draft response to the Scottish Government's pre-legislative paper on post-16 education. The key points from the University's draft response, which focus on areas which impact on Edinburgh Napier particularly, were outlined. Court members were encouraged to provide input to the draft response and were invited to send their comments and feedback to the Principal.
- 5.2. The Universities and Colleges Admissions Service (UCAS) application statistics for 2012, published on 28 November 2011, were highlighted. These showed an overall decline in the number of applicants of 12.9% compared to the same point in 2010. It was noted that application statistics were volatile and constantly changing and that the UCAS Board meeting on 9 December had reported that applications in some areas were beginning to rise, with greater activity and a spike in applications expected in January. No conclusions could yet be drawn on these data.
- 5.3. The Principal updated Court on the recent Universities Scotland Executive Committee and Scottish Funding Council (SFC) joint meeting which she had attended. It was noted that the University's Grant letter from the SFC for 2012/13 was due to be published on 19 December and that indications had been given that research funding would be more greatly concentrated within a smaller number of research intensive Universities. It was noted that this scenario presented challenges to the University and that further development of strategy to ensure growth in research and knowledge exchange would be required.
- 5.4. Thereafter, Court **noted** the report.

6. APPROVAL OF THE ANNUAL REPORT AND AUDITED ACCOUNTS 2010/11

UC(11/12)17

- 6.1. The Finance Director introduced the paper which was presented to enable the Court to discharge its statutory responsibilities in respect of the Financial Statements for 2010/11. It was noted that the statements had previously been approved by the Finance & Commercialisation Committee and the Audit Committee. In her opening remarks the Finance Director highlighted the operating surplus of £618k, which was broadly in line with forecasts, and the retained surplus of £4.37m as compared to the surplus of £4.99m last year. It was noted that these results included the gain on the disposal of the Craighouse campus. It was further noted that the balance sheet of the University remained strong with total net assets having increased to £70m from £58m in 2009/10. It was noted that this outcome would allow the scheduled

repayment of loans and further prioritised investment in key strategic areas to enable growth.

- 6.2. Thereafter the Court: **approved** the report and financial statements for 2010/11; **authorised** the Chair of Court, the Principal and the Finance Director to sign the financial statements on its behalf; and **authorised** the Chair of Court, the Principal and Finance Director to sign the letter of representation.

7. REVIEW OF CURRENT FINANCIAL POSITION UC(11/12)18

- 7.1. The Finance Director introduced the paper which gave Court an update on the University's financial position to 31st October 2011. It was noted that variances against budget were mainly due to timing issues and that the results overall gave no cause for concern.
- 7.2. Thereafter, Court **noted** the report.

8. KEY PERFORMANCE INDICATORS ANNUAL REVIEW UC(11/12)19

- 8.1. The Vice Principal (Strategy, Resources and External Relations) introduced the paper which presented for Court's information the Key Performance Indicators that are used to monitor progress towards the University Strategy 2015. It was noted that, in response to feedback received from Court previously, a set of additional measures had been included to provide more information on the University's progress against the Strategic Objectives *to be academically excellent* and *to develop confident, employable graduates*.
- 8.2. Improvements in student satisfaction and retention were highlighted, whilst it was recognised that further work was needed to improve performance in these areas. The decline in non-commercial research & knowledge transfer (R&KT) income, reflecting the concentration of research funding into Russell Group Universities, was noted as was the increase in commercial R&KT income, which was recognised as an area for further growth and development to compensate. Strong performance in international student numbers and growth in overseas delivered programmes were highlighted, as was the achievement of a reduction in staff costs as a percentage of total University income to 57.7% from the historic high of 63.5% in 2009. The decline in staff satisfaction was also highlighted, and it was noted that a range of activities intended to address and improve this situation were planned and underway.
- 8.3. Discussion followed, which focussed around the issue of the decline in staff satisfaction. It was noted that the Principal and her Executive team were very concerned that the decline in overall satisfaction recorded by last year's survey had not been reversed and that all were committed to ensure that progress was made to address the issues identified by this year's survey. An outline was given of activities planned and underway to focus on these issues for the rest of the session and beyond.
- 8.4. Court members welcomed the inclusion of the additional measures on academic excellence and also provided a number of suggestions as to potential enhancements to the presentation of future KPIs, including greater incorporation of sector benchmarks where possible, and greater granularity in some measures surrounding graduate employment and staff satisfaction.

8.5. Thereafter Court **noted** the report

9. STUDENT ENROLMENTS TO ACADEMIC YEAR 2011/12 UC(11/12)20

9.1. The Vice Principal (Strategy, Resources and External Relations) introduced the paper which presented, for Court's information, a summary of the enrolled student population as at 14 November 2011, and provided an indicative forecast for the year-end position for 2011/12. It was noted that the University may exceed targets for Home and EU undergraduate full-time students, which may render the University liable to repay fees for each enrolled student over and above the Scottish Funding Council's prescribed priority and non-priority Consolidation Limits. It was noted, however, that the forecast breach of consolidation had been revised downwards from 200 places to around 50, and that the consequent financial penalty would be significantly less than previously anticipated.

9.2. Discussion followed during which it was noted that, given the complexity involved in managing this area, the level of variance achieved was very good however further efforts would be made to attempt to narrow the gap further in future years.

9.3. Thereafter, Court **noted** the report.

10. AUDIT COMMITTEE ANNUAL REPORT 2011* UC(11/12)21

10.1. The Convenor of the Audit Committee, Mr Gallagher, introduced the annual report from the Audit Committee. It was noted that the Committee believed that the University was operating adequate and effective control systems.

10.2. It was noted that an amendment was required to the External Audit Report, to correct and clarify certain information presented regarding the sale of the Craighouse campus, which was outlined in detail to Court members. In addition, a minor amendment was also identified as being required to the Internal Audit Report concerning inclusion of omitted details within the activity summary table. It was agreed that the Auditors should be asked to consider these amendments and re-issue the reports, which would be circulated to Court members once received.

10.3. Thereafter, Court **noted** the report.

11. MERCHISTON CO-LOCATION PROJECT: PLANNING SUBMISSION

11.1. The University Secretary provided a brief presentation on progress with the Merchiston Co-Location project, illustrated by graphics which showed the visual impact of the project as submitted with the planning application.

Part B For information

12. ACADEMIC BOARD MEETING 11 NOVEMBER 2011

UC(11/12)22

12.1. The Principal introduced the minutes of the meeting of the Academic Board held on 11 November, and highlighted the Board's discussions on progress regarding Enhancement Led Institutional Review (ELIR) and consideration of the annual report on student surveys. The Principal also highlighted the provision of funding by the Indian Council for Cultural relations for a visiting Chair and other posts to facilitate research in the area of Tagore Studies. It was noted that this development would impact positively on the University's reputation in India.

12.2. Court **noted** the minutes.

13. HONG KONG CAMPUS UPDATE*

UC(11/12)23

13.1. The Principal introduced the paper which provided Court with a status report regarding a potential opportunity for the development by one or more foreign Universities of a new campus in Hong Kong. The background to this opportunity, along with details of the context and fit with the University's International Strategy and preparatory work undertaken by the University to date were highlighted. The reasons for considering the development of an overseas campus, the market conditions, competitive position of the University and next steps to be undertaken were also outlined. It was noted that, following completion of due diligence and the development of a financially robust business case, the matter would be referred back to Court to seek a decision. It was further noted that, depending on timing, this may be at the March 2012 meeting, or a special meeting of Court may be required. It was further noted that there would be an opportunity to consider the matter further at the Court/PEG Strategy day in February.

13.2. Discussion followed during which a number of points were noted.

13.3. Thereafter Court **noted** the report.

14. UPDATE ON CHAIR OF COURT APPOINTMENT

UC(11/12)24

14.1. The Vice Chair of Court introduced the paper which provided Court with an update on progress with the appointment of a new Chair of Court, to take office upon the expiry of the term of the current Chair.

14.2. Court **noted** the report.

Part C Not intended for discussion

15. REPORTS FROM COURT COMMITTEES

15.1. Court received and **noted** reports from the following standing committees:

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| 15.a | Finance & Commercialisation Committee held on 5 December 2011 | UC(11/12)26 |
| 15.b | Health and Safety Committee meeting on 26 October 2011 | UC(11/12)27 |
| 15.c | Human Resources Committee meeting on 8 November 2011 | UC(11/12)28 |
| 15.d | Students' Association Committee meeting on 29 November 2011
The Chair of Court highlighted the 'good news' stories from the Students' Association, appended to the report. | UC(11/12)29 |

15.2 It was noted that the report of the Audit Committee meeting held on 5 December 2011 would be circulated when available.

16. DATE OF FUTURE MEETINGS AND EVENTS

16.1. The dates of future Court meetings were **noted**.

*Denotes a paper to which an exemption under the Freedom of Information (Scotland) Act 2002 applies.