

EDINBURGH NAPIER UNIVERSITY
UNIVERSITY COURT

**Minutes of the meeting held on Monday 15th December 2014
at 3.45 pm in the Rivers Suite, Craiglockhart Campus**

Present: Dr G. Forbes (Chair); Professor A Nolan (Principal & Vice-Chancellor); Ms M. Ali; Mr N. Ballantyne; Ms J. Boyle; Lord Brodie (Chancellor's Assessor); Dr V. Ellis; Mr W. Gallagher; Mr R. Hare; Dr S. Jiwa; Mr R. Kemmer; Mr S. Logie; Mr B. Rigby; Professor A Scullion; Professor A. Sambell (Vice Principal, Deputy Vice Chancellor); Mr D Smith; Dr P. Stollard; Mr R Strachan; Mr R. Sweetman; Mrs P. Woodburn; Mr N Woodcock.

Apologies: Mrs M Cook (Director of Human Resources); Mr M. Connarty; Mr R. Maclennan.

In attendance: Mr S Belfer (Finance Director); Dr S Cairncross (Dean, FECCI); Mr D Cloy (Clerk to Court); Mr I McIntosh (Dean, FHLSS); Mr A Quickfall (Head of Planning); Professor G Stonehouse (Dean, Business School); Dr G Webber (University Secretary).

Observing: Mr A McFarlane (Planning Officer)

1. OPENING REMARKS, WELCOME AND APOLOGIES

- 1.1. The Chair mentioned the Pre-Court Strategy Presentation on the development of the University's Internationalisation Strategy which had taken place prior to the meeting, in which members had noted the range of activity underway to take forward this important element of Strategy 2020.
- 1.2. The Chair welcomed members to the meeting and welcomed Alan McFarlane (Planning Officer) who was observing the meeting as part of his professional development. It was noted that Andrew Quickfall (Head of Planning) was in attendance at the meeting given his responsibilities around the Key Performance Indicator and Outcome Agreement items.
- 1.3. The apologies were **noted**.

Part A For discussion and decision

2. MINUTES OF THE MEETING HELD ON 27 OCTOBER 2014 UC(14/15)16

- 2.1. The minutes of the meeting held on 27 October 2014 were **approved**.

3. MATTERS ARISING

(i) Trade Unions Dispute (minute 6.2)

- 3.1. The Principal reported that the dispute between the University and its recognised trade unions, EIS and Unison, in relation to the inclusion of staff representatives in the membership of the Academic Structures Advisory Board had now been resolved and that all parties were working well together.

4. GOVERNANCE MATTERS

(a) Amended Sub-Group Protocol

UC(14/15)17

- 4.1. Court received the paper which presented the protocol to regulate the creation of Ad-Hoc Court Sub-Groups, and sought approval of a revision as requested following discussion by Court at its meeting on 27 October 2014.
- 4.2. Court **approved** the revision to the Protocol for Creation of Ad-Hoc Court Sub-Groups by deleting the text highlighted in parenthesis.

(b) Academic Board Membership Tenure

UC(14/15)18

- 4.3. Court received the paper which outlined a proposal to extend, exceptionally, the tenure of elected Academic Board members whose terms of office expire between January and March 2015 to the end of the 2014/15 session to enable the Board to function effectively prior to its re-constitution (necessitated by the academic structure change) ahead of the next session.
- 4.4. Court **approved** the proposal.

(c) Creation of Assistant Principals

UC(14/15)19

[The Deans left the meeting during discussion of this item]

- 4.5. Court considered the paper which outlined a proposal for the creation of three Assistant Principal Roles, as recommended by Remuneration Committee. In response to a members' query it was confirmed that these roles would come under the auspices of Remuneration Committee. It was noted that, as these roles were responsible for delivery of key areas of the University Strategy, it was considered appropriate that their performance and reward should be managed through Remuneration Committee. In response to further queries from members it was confirmed that the roles were considered to reflect current organisational needs but it was expected that portfolios would change in the future as the organisation developed. Further explanation and clarification of the role parameters was also given. With regard to responsibility for the Research & Innovation portfolio it was noted that a Director of Research & Innovation had been appointed, and that this was an Academic leadership role reporting to the Vice Principal (Deputy Vice Chancellor). It was noted that a revised organisational chart reflecting recent and forthcoming changes would be brought to Court in due course.
- 4.6. Thereafter, Court **approved** the establishment of the three Assistant Principal Roles outlined, as recommended by Remuneration Committee, and **delegated authority** to the appointment committee established by Nominations

Committee to take forward the appointment process and make the appointments.

(d) Policies and Processes for Conduct of Remuneration Committee Business

UC(14/15)20

- 4.7. Court received the paper which presented the Policy and Procedures for the Conduct of Remuneration Committee Business, as recommended by the Remuneration Committee. It was noted that the sentence in paragraph 3 under “Context” would be re-worded to reflect the full range of options available as outcomes to the Committee, including the possibility of no award.
- 4.8. In discussion it was noted that the Policy would be considered in relation to the requirement within the new SFC Financial Memorandum to have regard for public sector pay policy, and would be amended to reflect this if appropriate. It was further noted that a separate policy would be brought to Court for approval through Remuneration Committee regarding severance payments in order to meet the requirements of the new Financial Memorandum. In relation to the current position where the outcomes of Remuneration Committee are reported to the lay members and Chancellor’s Assessor only under reserved business, a member requested that consideration be given in future to ways in which more information about the decisions made by Remuneration Committee and the rationale behind them could be shared with all Court members.
- 4.9. Thereafter, Court **approved** the Policy and Procedures for the Conduct of Remuneration Committee Business subject to the amendment to paragraph 3 outlined and consideration of the requirement within the Financial Memorandum as noted.

(e) Potential HE Governance Bill

UC(14/15)21

- 4.10. Court received the paper which highlighted the Scottish Government’s Consultation Paper on a Higher Education Governance Bill and the work underway with Universities Scotland to develop a sector response. Court agreed that their discussion would focus on two key areas of the consultation regarding the appointment of Chairs of Court and membership of Governing Bodies.
- 4.11. With regard to the proposal concerning appointment of Chairs, it was noted that the University’s process in selecting and appointing its Chair of Court already reflected good practice and mirrored much of the process proposed in the consultation, however a range of concerns were expressed about the proposal that Chairs be elected at the final stage of the process by an undefined electorate including external stakeholders. It was noted that the proposal was inconsistent with practice elsewhere in the public sector and there were concerns around equality issues and issues of competency arising from such a process. Concerns were expressed around the workability of defining an electorate as outlined (in vague terms) in the consultation, and there was concern that an externally imposed Chair would not be conducive to a good relationship with the governing body. There were also concerns about the potential pool of candidates who would be willing to stand under the process proposed. Counter to this, a view was expressed that the democratic process of electing Chairs would lead to greater accountability and give a stronger connection to stakeholders. With regard to the proposals concerning

membership of Governing Bodies and the nomination of staff members by trade unions, the principle of an increased staff presence on Court was welcomed, but different views were expressed as to how this should be best achieved. A view was expressed that trade union representation would strengthen the staff voice and bring a different perspective to the work of Court. Counter to this, it was suggested that the election of additional staff members by all staff in the relevant category would be more democratic than having staff members nominated by trade unions, which did not represent all staff. It was also suggested that representation on Court by special interest groups was contrary to the good governance principle of collective responsibility whereby governors discharge their duties in the interests of the institution and not as representatives of any interest group or other constituency.

- 4.12. It was agreed that Court's response to the consultation should be positive, welcoming the underlying principle of greater transparency and increased staff representation but noting concerns around the detailed models proposed. It was agreed that the response would seek to capture the range of views expressed but would acknowledge that there was not unanimous agreement on all points.
- 4.13. Thereafter, Court **delegated authority** to the Chair to submit a contribution, reflecting Court's discussion, on behalf of Court. Court also **noted** that the Principal would in parallel contribute to the sector-wide response that Universities Scotland was expected to make.

(f) Honorary Degrees and Fellowship Regulations

UC(14/15)22

- 4.14. Court received the paper which presented revised Regulations and Procedures for the Award of Honorary Degrees and Fellowships, as recommended by the Honorary Awards Committee and Academic Board.
- 4.15. Thereafter, Court **approved** the revised Regulations and Procedures for the Award of Honorary Degrees and Fellowships.

5. PRINCIPAL'S REPORT

UC(14/15)23

- 5.1. The Principal introduced her written report and highlighted that the new SFC Financial Memorandum had now been published. The Principal also highlighted the Counter-Terrorism and Security Bill which proposed a new UK-wide statutory duty for universities and a range of other bodies which would have significant implications for universities. Members raised concerns around the workability of the proposed legislation.
- 5.2. The Principal also reported that the University's Research Excellence Framework (REF) results would be published the following day and that Court members would be provided with a position statement ahead of the results being made public later in the week.
- 5.3. Thereafter, Court **noted** the report.

6. APPROVAL OF THE ANNUAL REPORT AND AUDITED ACCOUNTS 2012/13

UC(14/15)24

- 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 2013/14. It was noted that the statements had previously been approved by the Finance & Property Committee and the Audit & Risk Committee. It was noted that the report presented a positive set of results and a number of areas of note from the financial statements were highlighted.

- 6.2. The Chair of the Finance & Property Committee (F&PC) highlighted the paragraph within the report which made explicit the responsibility of Court members regarding awareness of audit information. The Chair of the Audit & Risk Committee (A&RC) reported that the new procedure (approved as part of the Court Effectiveness Review) whereby the Chair of F&PC attended the A&RC meeting for discussion of the financial statements to provide F&PC feedback, had operated for the first time and had worked well.
- 6.3. In response to a members' question, it was confirmed that the University no longer had any property or financial interest in the Craighouse site. It was suggested that a communication regarding this to staff might be helpful.
- 6.4. Thereafter Court **approved** the Annual Report and Financial Statements for 2013/14, **authorised** the Chair of Court and the Principal to sign the Financial Statements on its behalf and **authorised** the Principal and the Finance Director to sign the Management Letter of Representation on its behalf.

7. REVIEW OF CURRENT FINANCIAL POSITION* UC(14/15)25

- 7.1. The Finance Director introduced the paper which provided Court with the Quarter 1 forecast for 2014/15 and financial results for October 2014 year to date, as considered previously by the Finance & Property Committee. It was noted that a surplus was now forecast and the areas of contribution to this improved position were outlined. The year to date position was outlined and variances against budget explained. It was noted that some areas of Capital expenditure were not expected to fall within the year as expected.
- 7.2. Thereafter, Court **noted** the report.

8. DEVELOPING OUR STRUCTURE TO SUPPORT STRATEGY 2020 UC(14/15)26

- 8.1. The Principal introduced the paper which presented, for Court's information, the recommendation to revise the University's academic structure, which was approved by Academic Board at its meeting on 5 December 2014. At that meeting the Board approved the disestablishment of the three existing Faculties and the formation of a single Business School through the merger of three current schools. This will take effect from 1 August 2015, at which point the academic structure will consist of six schools.
- 8.2. Discussion followed around the formation of a single Business School during which it was noted that the Business School already operated in a highly integrated manner, that opportunities for further integration and streamlining had been identified by the current Heads of School and it was expected that it would continue to be successful in its new configuration. It was noted that staff

in the Faculty were keen to see the next steps towards implementation of the new structure and it was confirmed that the University's organisational change process was being followed and that progress and outcomes would be communicated in line with that process as it moved on. Further work being taken forward with regard to support structures, committee structures and internal School structures was noted. The broad range of consultation undertaken was outlined and it was noted that staff had been satisfied with the level of communication undertaken and had felt engaged in the process. It was noted that the proposal regarding the creation of a School of Humanities and Social Sciences which had not been taken forward would be kept under review.

8.3. Thereafter, Court **noted** the revised academic structure as approved by Academic Board.

9. AVAILABILITY OF A VOLUNTARY SEVERANCE SCHEME UC(14/15)27

9.1. The Principal introduced the paper which provided Court with an update on the development of a Voluntary Severance Scheme (VSS), for which Court approval would be sought in March 2015. It was noted that further work was being undertaken to define the proposed Scheme.

9.2. Court **noted** the update.

10. DRAFT OUTCOME AGREEMENT 2015/16 UC(14/15)28

10.1. The Vice Principal introduced the paper which presented Court with the 'well-developed draft' of the University's 2015/16 Outcome Agreement with the Scottish Funding Council. It was noted that the refreshed version for 2015/16-2016/17 was an updated version of the existing agreement which had been amended to reflect Strategy 2020.

10.2. Discussion followed during which the complexity of the widening participation measures was recognised, and work underway in order to meet the outcomes in this area was highlighted.

10.3. Thereafter Court:

- **Received** the well-developed draft of the University's 2015/16 Outcome Agreement
- **Approved** this draft as the final submission subject to incorporation of further feedback and any necessary updating of data, and **delegated authority to the Chair of Court approve the final submission.**

11. KEY PERFORMANCE INDICATORS ANNUAL REVIEW UC(14/15)29

11.1. The Principal introduced the paper which presented the agreed set of University Key Performance Indicators (KPIs), which are used to monitor progress towards the University Strategy 2020. It was noted that the indicators were presented with indicative trajectories for each of the measures to 2020 using 2013/14 as a baseline and that future presentation of the KPIs would present updated figures against the interim milestones presented. It was noted

that further work would be undertaken to develop the measures where appropriate and that an underlying set of performance measures to accompany supporting strategies such as the Academic Strategy were being developed.

11.2. Discussion followed during which it was clarified that performance measures for Health and Safety were considered by Court through the annual Health and Safety Report.

11.3. Thereafter Court **noted** the report.

12. STAKEHOLDER ENGAGEMENT PLAN

UC(14/15)30

12.1. The Principal introduced the paper which presented Court with a report of discussions at the University Leadership Team on developing the University's approach to Stakeholder Engagement, further to Court's indication that it would wish to see a Stakeholder Engagement Plan developed for the University. A possible approach to corporate-level external stakeholder engagement which was focussed on clarifying responsibility and accountability for managing those corporate relationships which are critical to delivering Strategy 2020 was outlined. The intention to develop a Stakeholder Engagement Plan which would relate to the organisational structures developed to support Strategy 2020 was noted.

12.2. Discussion followed during which members noted the importance of delegating responsibility to local areas to understand and engage with appropriate stakeholders as part of their objectives. It was also suggested that an "account management" approach be considered in order to manage certain key stakeholder relationships.

12.3. Thereafter Court **endorsed** the approach outlined in the paper towards the implementation of a new corporate Stakeholder Engagement Plan.

13. AUDIT & RISK COMMITTEE ANNUAL REPORT 2014*

UC(14/15)31

13.1. The Convenor of the Audit & Risk Committee introduced the annual report from the Audit & Risk Committee. It was noted that, based on the auditors' opinions, the Committee believed that the University was operating adequate and effective control systems. A number of issues from the reports were highlighted and thanks were extended to staff within the University Secretary's Office for their good work in managing the process and ensuring actions were implemented and followed through.

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

Part B For information

14. ACADEMIC BOARD MEETING 5 DECEMBER 2014

UC(14/15)32

14.1. Court **noted** the minutes from the meeting of the Academic Board of 5 December 2014.

15. UPDATE FROM TRANSNATIONAL EDUCATION SUB-GROUP

15.1. Court **noted** an update from Dr Stollard on the work of the Transnational Education Sub-Group.

16. KEY RISKS MONITORING SCHEDULE* UC(14/15)33

16.1. Court **noted** the paper which provided the first assessment of confidence in the management of the University's top risks for academic year 2014/15.

17. ELIR REFLECTIVE ANALYSIS UC(14/15)34

17.1. Court **noted** the update on the University's preparations ahead of the Enhancement-Led Institutional Review (ELIR) in February/March 2015, and noted the submission of the Reflective Analysis and case study to the QAA on 12th December 2014.

Part C Not intended for discussion

18. REPORTS FROM COURT COMMITTEES

18.a Finance & Property Committee meeting on 1 December 2014 UC(14/15)35

18.1. It was noted that the report of the meeting of the Finance & Property Committee held on 1 December 2014 would be circulated to members as soon as available.

18.b Audit & Risk Committee meeting on 1 December 2014 UC(14/15)36

18.2 It was noted that the report of the meeting of the Audit & Risk Committee held on 1 December 2014 would be circulated to members as soon as available.

19. DATE OF FUTURE MEETINGS AND EVENTS / ADDITIONAL UPDATES

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

19.2. The Chair invited the Napier Students' Association (NSA) Sabbatical Officers to briefly update Court on significant activity currently underway within the NSA. Court **noted** the update provided.

19.3. The Chair updated members on progress with the Chancellor appointment process. Court **noted** the update.

Part D: Reserved Business

20. Report from the Remuneration Committee held on 17 November 2014

20.1. All officers in attendance, observers and members of Court, other than the Chancellor's Assessor and lay-members, withdrew from the meeting to allow reserved business to be conducted.

20.2. The report from the Remuneration Committee meeting held on 17 November 2014 was **noted**.

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