

**MINUTE OF THE SPECIAL COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON THURSDAY 19th JANUARY 2012
AT THE NEWTON HOTEL, NAIRN
AT 09:00 HRS**

PRESENT: Professor Matthew MacIver (Chair)
Jack Watson
Wilma Campbell
James Fraser
Janet Hackel
Dr Jana Hutt
Professor Anton Edwards
Professor Donald MacRae
Dr Bruce Nelson
Michael Gibson
Dr. Fiona Skinner
Eileen Mackay
Nathan Shields
Thomas Prag
Norman Sharp
Aideen O'Malley
Dr Brian Chaplin
Murray McCheyne
Dr Alistair Mair
Andy Rogers
Joe Moore
Hugh Morison
Penny Brodie
Professor Bill McKelvey
Niall Smith
Dr Michael Foxley

IN ATTENDANCE: Gary Coutts
Gordon Jenkins
Martin Wright
Fiona Larg
Alun Hughes
Lorna MacDonald
Dr Crichton Lang
Dr Jeff Howarth
Dr Iain Morrison (in part)
Roger Sendall (minutes)

APOLOGIES: Professor Kenneth Miller
Iain Scott
Ertie Nicholson
Allan Wishart
Rt Hon Lord William Prosser
Jean Urquhart

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome and Quorum	
<p>It was noted that a quorum was present and the Chairman opened the meeting.</p>	
<p>The above apologies were noted.</p>	
<p>The Chair reported that Willie Prosser and Garry Sutherland were both unable to attend the meeting on medical grounds. It was noted that the Court wished them a speedy recovery.</p>	
1.2 <u>Declarations of Interest:</u> None	
1.3 <u>Notification of other business:</u> None.	
2 CAPITA REPORT	
2.1 Discussion of Capita report	
<p>Court considered the final report "Outline Business Case for a new Operating model" dated 10th January 2012 in the context of An Comann discussions held the preceding day.</p>	
<p>The Chairman noted that the primary purpose of the meeting was to develop a common view on the Capita report for communication to AP Boards of Management. The aim was to inform AP boards of Court's thinking in the context of the report and to enable them to consider the issues and to feed comments into a special meeting of Court planned for 22nd February at which meeting the Court intended to make its final decision on how to progress with recommendations made within the report.</p>	
<p>The Chairman also highlighted the need for Court to agree an interim response to the report in advance of a meeting of AP Chairs and Principals and UHI with the Cabinet Secretary for Lifelong Learning and Education (at his request) on 31st January. Court noted the political significance of this request which underlined the need for the partnership to work together to construct its own reform agenda and to communicate a strong and joined up message to the Minister or risk having changes imposed upon it.</p>	
<p>Section 2.2 below sets out the primary elements of Court's agreed position. To avoid repetition the remainder of this section provides a summary of other significant comments and issues raised during discussion in bullet format not intended for inclusion in the agreed position statement.</p>	
<ul style="list-style-type: none"> • Court agreed to continue discussion of the posts of Deputy Principal and Transformational Director at its meeting on 22nd February but agreed that a post, reporting directly to the Principal, was necessary to oversee transformational change. Court agreed to the rapid establishment of a Transformation Implementation Group (TIG) for this purpose. • Court agreed that the TIG should report directly to Court through its Chair. 	Secretary

- It was agreed that TIG must have clear and unambiguous terms of reference also that the composition of TIG must reflect appropriate representation from the partnership and include an appropriate balance of skills and expertise to deliver a successful outcome.
- It was noted that Court was minded to recommend Option 8 as a useful and pragmatic approach to facilitating structural change. It was agreed to request Capita to provide a definitive list of all of their recommendations.
- Comment was noted that Option 8 appealed to the majority of Court members because it represented the “path of least resistance”. Concern was expressed that the option would not satisfactorily address issues of financial sustainability. A modified and more ambitious version of Option 8 should be developed.
- Court noted that successful institutional change may require significant changes to be made to the way government deals with the partnership, The Minister and SFC should be asked to identify how they could assist the partnership to deliver a coherent and connected tertiary programme within the Highlands and Islands and assist progression towards rDAP.
- Court noted that the financial recommendations within the report were weak. In particular the recommended aim to retain an annual financial surplus of between 2 and 4% was regarded as wholly inadequate for future re-investment and for asset maintenance.
- Court noted that greater clarity was required for the small specialist colleges with regard to how their activities would integrate within the favoured tertiary model.

2.2 Position Statement

Court agreed to direct the Principal and Vice Chancellor of the University to prepare a draft position statement for issuance to Academic Partner Boards of Management in advance of the planned meeting with the Cabinet Secretary on 31st January and the special meeting of Court scheduled for 22 February 2012.

It was noted that the draft statement should encompass the following points drawn from the discussion session and outline how the Court was minded to proceed with facilitating necessary change. It was noted that the Principal would circulate a draft statement to members for comment as soon as possible.

- Court welcomes the report from Capita and believes that it gives a thorough analysis of the challenges facing the University and its Academic Partners.
- Court commends Option 8, the Building Blocks approach as setting out a starting point for a journey of change for the UHI partnership. Court recognises the relevance of the Building Blocks, namely Trust, Vision, Governance, Management, Shared Services, Regionalisation & Post 16 Reform, Financial Transparency, Financial Resilience & Sustainability, Research, Student Voice, Teaching and Learning, Skills & Capacity and endorses their importance. Court notes that many initiatives to support these building blocks are already underway in the partnership.
- Court recognises that Option 8 does not provide definitive solutions for all UHI’s

Principal &
Vice
Chancellor

challenges in terms of governance and financial sustainability but affirms its support for the direction set out in the report and seeks to build upon this starting point.

- Court recognises the importance of the political context and in particular the importance attached to UHI's success by the Cabinet Secretary.
- Court endorses the proposal that change must seek to engender a high degree of trust throughout the partnership.
- Court acknowledges the fact that in governance and financial terms the status quo is not tenable and that the UHI partnership must change to be financially sustainable.
- Significantly Court recognises that change must both respect the autonomy of the Academic Partners whilst also providing the university with sufficient delegated authority to deliver an efficient service to students and customers.
- Court recommends the proposal that the University should be a tertiary partnership and will consider further the concept of establishing a single overarching body for funding and planning FE and HE in the Highlands and Islands with tdap and university title. Such a body would be charged with receiving and distributing HE and FE funding to deliver a coherent and connected tertiary programme within the Highlands and Islands.
- Court affirmed its ambition to develop an institution that is as committed to research excellence as it would be to tertiary training and teaching programmes.
- Court agreed to the rapid establishment of a Transformation Implementation Group (TIG) to carry forward the delivery of the new institution. The TIG would report directly to Court through its chair.
- Court agreed that the detailed proposals contained in the Capita report and the programme of transition through the blocks identified should be considered by TIG.
- Court agreed that a proposal to set up a new Executive Board comprising SMT and AP Principals as proposed by Capita should be implemented forthwith.

3. RESERVED BUSINESS

The Principal and Vice Chancellor provided Court with a verbal report in connection with some serious allegations of misconduct against a member of staff of an NHC subcontractor and other associated quality assurance issues that had implications for a number of UHI students and which represented a serious reputational risk to the university. The Principal explained that a member of staff of the subcontractors concerned had been suspended pending a criminal investigation and that a number of additional measures had been enacted by the university to ensure student safety and to examine and address issues related to the allegations.

It was agreed that a check that appropriate disclosure requirements were in place throughout the partnership would be carried out as a matter of urgency.

Dr Morrison
in
attendance

Principal