

**DRAFT MINUTE OF THE COURT MEETING (UC)  
UNIVERSITY OF THE HIGHLANDS AND ISLANDS  
HELD ON TUESDAY 19 JUNE 2012  
AT THE EXECUTIVE OFFICE, INVERNESS  
AT 11:00 HRS**

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**PRESENT:** Professor Matthew MacIver (Chair)  
Jack Watson (Vice Chair)  
James Fraser (UHI Principal and Vice-chancellor)  
Nathan Shields (UHISA President)  
Katrina Paton (UHI President Elect)  
Janet Hackel  
Drew Ratter  
Andrew Campbell  
Garry Sutherland  
Penny Brodie  
Aideen O'Malley  
Rt Hon. Lord William Prosser  
Hugh Morison  
Eileen Mackay  
Professor Norman Sharp  
Iain Scott  
Professor Bill McKelvey  
Andy Rogers  
Professor Anton Edwards  
Thomas Prag  
Dr Alistair Mair  
Dr Bruce Nelson

**IN ATTENDANCE:** Garry Coutts (UHI Rector)  
Dr Gordon Jenkins (Deputy Chair, Executive Board)  
Murray McCheyne  
Michael Gibson  
Dr Michael Foxley  
Martin Wright  
Fiona Larg  
Lorna MacDonald  
Dr Crichton Lang  
Dr Jeff Howarth  
Dr Neil Simco (in part)  
Ian Leslie (in part)  
Roger Sendall (minutes)

**APOLOGIES:** Dr Jana Hutt  
Dr Brian Chaplain  
Dr Fiona Skinner  
Professor Donald MacRae  
Professor Kenneth Miller  
Joe Moore  
Dr Brian Chaplain  
Euan Smith  
Ertie Nicholson  
Niall Smith

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ITEM	ACTION
<b>1 INTRODUCTION</b>	
<b>1.1 Welcome and Quorum.</b> It was noted that a quorum was present.	
<p>The Chairman welcomed Drew Ratter Chair of Shetland College and Andrew Campbell, Chair of Argyll College to their first Court meeting. The Chair also welcomed Katrina Paton, President Elect of UHISA who was shadowing the outgoing President Nathan Shields at his last Court meeting. The Chairman thanked Mr Shields on behalf of the Court for his valuable contributions to Court over the years and wished him every success for the future.</p>	
<b>1.2 Declarations of Interest:</b> It was noted that Thomas Prag was convenor of the Highland Council Planning Committee and therefore may have an interest in business item 8.1 relating to the Beechwood Research Hub.	
<b>2 MINUTES</b>	
<b>2.1 Approval of Minutes.</b> The Court resolved to approve the minutes of the meeting held on 20 March 2012 (UC12-022).	
<b>2.2</b> The Court resolved to approve the minutes of the special meeting held on 3 May 2012 (UC12-023).	
<b>2.3 Matters Arising.</b> Court noted the paper UC12-024.	
<b>3 Chairman/Principal Comments</b>	
<b>3.1 News and Events Roundup (UC12-025)</b> Court noted the content of the above paper.	
Court received a verbal report from the Chairman. The following points were highlighted:	
<ul style="list-style-type: none"> <li>• The Chairman thanked staff for organising the installation of the HRH the Princess Royal as the first University Chancellor on 7 June 2012 at Inverness Cathedral. He reported having received numerous expressions of gratitude and congratulation for providing such an enjoyable and successful occasion.</li> <li>• The Chairman was pleased to report good coverage of the event by local media including BBC Alaba and MFR but was disappointed at a lack of national coverage and it was noted that he would raise this issue with the BBC Trust.</li> </ul>	
Court received a verbal report from the Principal. The following points were highlighted:	
<ul style="list-style-type: none"> <li>• The Principal reported that he had written to HRH the Princess Royal to thank her for attending on 7<sup>th</sup> June to be installed formally as the university's first Chancellor.</li> <li>• The University had recently won two prestigious awards; the first was an award from JISC in connection with a case study on access and inclusion (ITEC 2012) and the second was an EU community award recognising excellence in a rural</li> </ul>	

health project.

- The University's series of public lectures into social responsibility had been well attended and had helped to raise the University's profile.
- The University had hosted two major academic conferences in Orkney on sustainability and heritage which had been very well attended.
- The Principal had been in discussions with BBC Alaba with regard to exploring opportunities to make educational programmes and further progress was anticipated with this for academic year 2013/2014.
- The Principal had attended a University of the Arctic conference attended by representatives from 143 higher education institutions, mostly located within the Arctic Circle, exploring ways to develop research links and student exchanges and collaborative partnerships. It was noted that the University of the Arctic was involved in 35 research themes and that UHI had significant involvement in at least 10 areas.

#### **4 Committees and Membership**

- 4.1** Court considered the paper UC12-026 prepared by the Secretary requesting approval for the re-appointment of the Chairman for a second term and the appointment of Drew Ratter as a member of Court in the capacity as his role of Chairman of the Board of Management of Shetland College, the appointment to Court of Andrew Campbell in his capacity of Chairman of the Board of Management of Argyll College. The paper also recommended the approval of the appointment of Iain Scott as a member of the Audit Committee and Andrew Campbell as a member of the Finance and General Purposes Committee.

The Secretary reported that the Nominations Committee had been consulted in advance of the meeting and that they had unanimously recommended the Court to approve all of the above proposals. .

The Vice Chair then formally requested that the Chairman be re-appointed for a second term of office and this proposal was unanimously supported by Court. Court then agreed to accept all recommendations of the Nominations Committee.

It was noted that appointments to the Remuneration and Fellowships Committee would not be progressed at this stage because of the high probability of Court being reconstituted as a result of proposals to amend governance arrangements within the next six to nine months.

#### **5 Governance**

##### **5.1 Ballet West Update**

Court received a verbal report relating to Ballet West from the Principal and Vice-chancellor. The Principal thanked the Chairs of SAMS and Argyll Colleges for their staff's considerable assistance in helping to achieve a successful managed withdrawal of UHI from its contract with Ballet West. It was noted that all outstanding assessments had now been completed and no students had asked to be placed at another institution.

##### **5.2 Options for Change**

Court considered the paper UC12-027 prepared by the Secretary setting out the current status of the options for change programme and recommending that the Court proceed with the establishment of a Transformation Implementation Group (TIG) as a priority action.

The Chairman noted that the establishment of the TIG had been delayed whilst uncertainty persisted with regard to the establishment of the Cabinet Secretary's governance working group. It was noted that this group had held its first meeting

immediately prior to Court.

The Chairman advised that he had corresponded with the Cabinet Secretary to express Court's severe disappointment at the non-inclusion of an independent member of Court on the Working Group. It was noted that whilst the Cabinet Secretary had not been willing to expand the membership of the group further that he had conceded that there would be appropriate opportunity for Court to engage with the process following receipt of the Working Group's report at the end of September 2012.

The Chair of the Risk Review Group (RRG) reported that at the recent meeting of the group held on 11 June, discussion had focussed on a potential risk of a TIG creating additional uncertainty for partnership staff and a concern that governor interference in academic workstreams through TIG may be counterproductive as it could frustrate partnership activities that were currently succeeding.

A number of members voiced concern that additional bureaucracy created by TIG and its associated working groups may have the potential to disrupt ongoing activities. Accordingly Court agreed that considerable thought must be given to the implications of allocating staff to service TIG and any associated work groups before proceeding particularly because resources were understood to already be stretched.

During the course of discussion on this item the following points were made:

- Court recognised that a need existed to establish a small group to oversee and progress recommendations made within the Capita Report. This was because the existing Court structure was not conducive to allowing substantial focus on key issues and a smaller forum was regarded as desirable for this purpose. One member commented that the existing governance structure was dysfunctional and did not permit constructive decision making.
- Establishment of a TIG could provide a smaller forum that would be suitable for considering strategic issues in detail thus ensuring that the University maintained control of the transformation agenda.
- The recent ELIR report highlighted significant good practice within the partnership. It would be very important for TIG to recognise this progress and to ensure that workstreams undertaken on behalf of TIG actually enhanced partnership working and did not impede activities that were already progressing as a result of good partnership working.
- Members felt that the TIG group must have a clear remit and timescale for delivery and be granted sufficient autonomy to empower appropriate staff to make decisions and therefore progress agreed recommendations contained within the Capita Report.
- A concern was highlighted that the Cabinet Secretary's involvement in developing new governance structures for the University may negatively affect the University's charitable status since OSCR held a dim view on Government interference with independent charities.
- Court recognised that establishment of TIG would inevitably create an additional administrative burden for staff. With this in mind the group must take care not to create additional work for staff rather to focus on empowering staff in an effort to speed up transformational change.
- A number of members were concerned that establishment of a TIG group would create unnecessary duplication of effort since there was considerable overlap with the Cabinet Secretary's own Working Group
- A majority of members felt that TIG would provide an opportunity for the University to retake the initiative in the transformation process and the ability to take a more focussed look at implementing Capita recommendations whereas the Cabinet Secretary's Working Group was more high level and governance orientated as opposed to concentrating on university functions. It was agreed that TIG should

be established in an effort to kick start changes and to ensure that the process was not delayed further over the summer months.

Following due consideration Court agreed to set up the TIG and it was noted that Chairman would invite members to hold a first meeting on either 3 or 10 July 2012.

The Chair of the Cabinet Secretary's Working Group reported that the group had held its first meeting immediately before Court. It was noted that he too had advised the Cabinet Secretary that he felt the group ought to include an independent member of Court. It was noted that the Cabinet Secretary did not wish to expand the size of the group and that he had advised that Court would have ample opportunity to contribute to the process following consideration of the Working Groups report due at 30 September 2012. The Chair of the working group advised that the Group had agreed a clear remit and that Court would be kept fully informed of progress.

Court noted a brief paper prepared by the Chair of Inverness College, reporting on progress with establishing a shadow sub-committee comprising of the Chairs of the nine FE colleges as a pre-cursor to the Cabinet Secretary's proposed FE Regional Board. It was noted that the NHC Board had not endorsed this approach to date.

### **5.3 Outcome Agreements**

Court noted the paper UC12-028 prepared by the Secretary providing an update on negotiations with the Scottish Funding Council (SFC) with regard to formulating an Outcome Agreement relating to HE activity for 2012/13. The Secretary reported that the SFC required institutions to deliver services in accordance with new outcome agreements (OA) and that future funding would be linked to delivery of agreed targets set out within the OA. The first OA for 2012/13 was currently being negotiated and was required to be finalised by 31 July 2012. It was noted that the negotiations were being progressed by the Secretary, Vice-Principal Academic and Vice-Principal Research and Enterprise in consultation with SFC and with the Executive Board. It was noted that UHISA would also welcome an opportunity to contribute to the process.

Concern was raised that academic partners had not been given sufficient opportunity to influence the content of the OA to date.

The Vice-Principal Academic reported that the OA for 2012/13 would be light-touch with the majority of delivery targets based on existing work streams and strategic targets, all of which had been progressed through prior consultation with academic partners. Furthermore, there would be opportunity for additional consultation through EB prior to final agreement. Academic partners could be reassured that there would be sufficient opportunity to contribute to the process for 2013/14.

Court agreed that the Chairman and Secretary be empowered to finalise the OA for 2012/13 following consultation with EB and on the basis that EB was satisfied with the deliverables.

### **5.4 Report from UHI Foundation**

Court received a verbal report from the Rector in connection with the Foundation business meeting held on 15 May 2012. The following key points were highlighted:

- Foundation had elected Gus MacAulay as Vice-Chair of Foundation following the resignation of Anne Clark earlier in the year.
- Foundation had agreed to reappoint Mr Joe Moore as a Court representative until his Foundation term expired in November 2012. This was to ensure continuity during the Options for Change process.
- Foundation had requested early sight of any proposals to amend university

governance structures as a result of the Options for Change process and the Cabinet Secretary's governance proposals and the Rector had confirmed that he would convene a special meeting for this purpose.

## 5.5 Report from UHISA

The Court received verbal reports from the UHISA President and the UHISA President Elect. The following points were highlighted:

- UHISA had made considerable progress in recent years and had grown substantially. UHISA was presently looking to build stronger links between FE and HE students across the partnership and it was noted that UHISA would require significant additional funding and support in future years to enable the association was to flourish and develop further.
- Katrina Paton would take up office as President of UHISA with effect from 1 July 2012. She would be supported in this role by Judith Crowe of NHC as Vice President.
- Court agreed that an active UHISA and an engaged student body was extremely important for the developing university and Court thanked the outgoing UHISA President for his sterling work and valuable contribution to the university.

## 5.6 High Level Risk Register

Court noted the HLRR UC12-029 incorporating changes agreed by RRG on 11 June 2012.

The RRG Chairman reported that the RRG had discussed proposals from the Secretary relating to defining risk appetite for the University in accordance with a portfolio based approach as well as proposed measures to improve awareness of risk management issues across the partnership through the development of a consistent approach to recording and scoring risks and the sharing of data and risk information through the Finance Directors Practitioners Group.

The Chair of RRG then drew Court's attention to amendments to risks 10, 12 and 14. Court suggested that the presentation of the HLRR may be improved by listing risks in descending score order. In addition, it was noted that mitigation text for risk 2 relating to research should be revisited.

VPRE

The meeting closed for lunch at 13.05 hours and was re-opened at 13.30 hours.

## 6 Academic

### 6.1 Academic Development

Court received a presentation from the Dean of Arts, Humanities and Business and the Dean of Science, Health and Education relating to the development of the academic curriculum. A copy of the presentation slides are appended to and form a part of this minute. The Chairman thanked the Deans for an informative and stimulating presentation.

During the course of discussion following the presentation, a concern was noted that provision of additional degree modules should not be at the expense of HNC or HND provision. It was noted that the University maintained a commitment to offer a broader curriculum and that HN awards would continue to play an important part in the University offering. That said, it was also recognised that in order for the University to meet its strategic aims of attracting more undergraduate students from outwith the area, that additional degree programmes were required in some subject areas as part of a wider offering.

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13.56  
A Rogers  
exit 14.00

## 6.2 ELIR Final Report

Court noted the paper UC12-030 provided by the Vice Principal Academic and comprising a summary report on the University of the Highlands and Islands Enhancement Led Institutional Review. It was noted that the full report would be published at the end of June and circulated to Court in due course. Court acknowledged that it was a good report and thanked the staff and students for their contributions in the review process.

## 6.3 Student Admissions Update

Court considered the paper UC12-031 prepared by the Director of Marketing, Communications and Planning comprising a summary of the current position in relation to the achievement or otherwise of student number targets for 2012/13. Court noted that the SFC had allocated a total of 4505 funded student places to the university for 2012/13 compared with c3200 in 2011/12 c3500 in 2010/11. Court noted that as well as meeting the overall target, the University was required to meet the target number of student places in individual funding cells and that this was a significant and challenging task. Accordingly, student registration and marketing initiatives were attracting considerable management effort at the current time and whilst there was still a considerable shortfall to make up in terms of FTEs before the new academic year, good progress had been made and early indications were that the university was currently on target to achieve an FTE population of around 4,800. Further work was progressing through marketing initiatives for new students and enhanced clearing process and a concentrated effort on securing continuing students in an effort to make up the shortfall.

## 6.4 Schools Liaison

Court noted the paper UC12-032 prepared by the Director of Marketing, Communications and Planning setting out proposals for increased engagement in schools through a variety of activities. Court noted that the activity must be co-ordinated in addition to and in a complimentary fashion with academic partner activities. It was noted that Court would like a substantive discussion on schools liaison projects on the next meeting agenda.

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14.25

## 6.5 Collaborative Delivery of Schools Supporting the Post 16 Agenda

Court noted the paper UC12-033 prepared by the Vice Principal Academic, detailing three strands of development work being pursued by the university in an effort to broaden HE opportunities for senior pupils in secondary schools across the Highlands and Islands region.

## 6.6 Student Retention Report Update

Court considered the paper UC12-034 prepared by the Vice-Principal Academic providing an update on work being undertaken to address UHI's non-continuation rates and statistics. It was noted that a full annual report would be submitted to the September Court meeting.

VPA

## 6.7 rDAP Implementation Plan

Court noted the paper UC12-035 prepared by the Vice-Principal Research and Enterprise incorporating a paper that had been submitted to the Research Committee in May 2012 relating to ongoing consultation and development work with Faculty Boards, Academic Council and the Title Management Group with regard to progressing rDAP for the university.

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## 7. Finance and Planning

### 7.1 Finance Report

Court noted the finance report UC12-036 prepared by the Director of Finance setting out the financial position of the university as at 30 April 2012 and including a budget reforecast for 2011/12.

**7.2 Budget 2012/13**

Court approved the budget paper UC12-037 prepared jointly the Principal and Vice-Chancellor and Director of Finance in accordance with the recommendation of the Finance and General Purposes Committee (FGPC) and the endorsement of the Executive Board.

Court noted that the budget had been developed in accordance with the following over-riding objectives:

1. To assist the university to deliver the Strategic Plan
2. To satisfy deliverables set out within the Outcome Agreement
3. To create a surplus equivalent to approximately 2% of turnover and
4. To enhance the unit of resource provided to academic partners through an increased total student income (TSI).

Significantly, it was noted that the TSI was directly related to achieving student number targets and that failure to achieve student number targets would result in a re-working of the budget in accordance with actual numbers.

Concern was raised that EO pay costs appeared to be growing substantially at a time when APs were under considerable pressure. It was noted that the pay costs included provision for the two new Associate Principal posts as proposed by the Cabinet Secretary and associated support and other partnership focussed posts agreed by Executive Board.

The Deputy Chair of Executive Board confirmed that full consultation had taken place with Executive Board and that following this process, the TSI had been increased by a further 400k for 2012/13 on the basis of a revised student target population of 5240 FTEs and that on this basis, EB had unanimously agreed (with the exception of one member who was not present) to endorse the budget and to recommend that FGPC progress the budget with Court.

**7.3 Revised Schedule of Delegation**

Court approved the revised delegated authorisation schedule UC12-038 which had been updated to take account of minor changes following the award of University Title and changes to committee structures.

**7.4 Bank Facility**

Court agreed to accept a recommendation of the Finance and General Purposes Committee to approve the bank facility letter UC12-039 provided by Clydesdale Bank.

**7.5 Management Accounts**

Court noted the management accounts for the period ended 30 April 2012.

**8. Estates****8.1 Beechwood Research Hub**

Court considered the paper UC12-040 prepared by the Secretary and Director of Enterprise providing Court with a synopsis of the business case for a possible UHI Research Hub to be progressed at the Beechwood campus site and seeking approval for a more detailed feasibility study.

It was noted that the proposal was entirely separate to the Inverness College UHI development that would also include research space within the main campus building. It was noted that Highlands and Islands Enterprise were keen to allocate funding to a research facility that was separate but complimentary to the new college development and that if UHI did not submit a proposal to develop a separate research hub on the

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Mackay  
15.30 hours

Beechwood site that the available grant would most likely be given to a competitor University to do the same.

It was noted that the proposal for consideration involved collaboration between UHI the National Health Service and the Scottish Agricultural College (SAC) with UHI acting as landlord and the other parties committing to a twenty five year lease.

A number of court members were concerned with regard to whether there was a genuine need to progress a separate research hub facility at Beechwood in addition to the Inverness College building and that any grant money may be better utilised if it were allocated to the College development. It was noted that the funders had ruled out this option and that the area plan was clear with regard to the vision of developing a separate research hub. On this basis Court agreed that further feasibility work should go ahead and that a full case be presented to Court in due course incorporating a full business case and rationale for the project including information on who would be responsible for running and administering the new centre.

## **9. Reports and Circulars**

**9.1** Court noted the report in connection with the assessment of compliance with Freedom of Information Scotland Act 2002 and Environmental Information (Scotland) Regulations 200 conducted by the Office of the Scottish Information Commissioner.

## **9.2 SFC Circulars**

Court noted the circulars issued by the SFC since the last meeting.

## **9.3 Reports from Committees of Court**

Court noted the minutes of the following meetings contained within the appendix to the Court papers;

Finance and General Purposes Committee - 19th April 2012  
Academic Council – 29th March 2012  
Executive Board – 22nd March and 26th April 2012  
Foundation – 15th May 2012 (draft)

## **10 Any Other Business**

None.

## **11 Date of Next Meeting**

11am on 25<sup>th</sup> September 2012

The meeting closed at 16:08