

**DRAFT MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON TUESDAY 17th MARCH 2015 AT 12:00 HRS
IN ROOM EO1, EXECUTIVE OFFICE, NESS WALK, INVERNESS**

PRESENT: Garry Coutts (Chair)
Professor Clive Mulholland (UHI Principal and Vice-chancellor)
Dr Michael Foxley – (Chair of UHI FE Regional Board)
Professor Fiona McLean (Vice Chair)
Dr David Alston
Willie Printie
Gillian Berkeley - VC
Eileen Mackay
Peter Campbell – in part
Angus Ross
Anton Edwards
Malcolm Burr
Professor Kenneth Miller
James MacDonald
Dr David Worthington - VC
Rachel Parker
Matthew Cameron – in part
Iseabail Mactaggart

IN ATTENDANCE: Fiona Larg (Chief Operating Officer & Secretary(COOS))
Dr Jeff Howarth (Vice Principal Enterprise)
Professor Ian Bryden (Vice Principal Research & Specialist)
Mike Devenney – VC (Vice Principal Further Education)
Crichton Lang (Deputy Principal)
Roger Sendall (Corporate Governance Manager)

APOLOGIES: Andy Rogers
Vicki Nairn

ITEM	ACTION
1 INTRODUCTION	
1.1 Welcome and Quorum.	
It was noted that a quorum was present.	
1.2 Declarations of Interest:	
None.	
1.3 Notification of any other Business.	
None.	
1.4 Starring.	
The following items were starred for discussion:	
<ul style="list-style-type: none"> • 2.3 Minutes from Committees of Court – (UC15-002a, UC15-002c and UC15-002e) • 6.1 Review of UHI Governance arrangements as a Regional Strategic Body • 6.4 Student Representation Project – HISA Constitution • 6.7 Severance Policy • 9.1 Corporate Risk register • 10.1 UHISA Report • 10.2 Foundation Report 	
2 MINUTES OF MEETINGS	
2.1 Approval of Court Minutes	
The Court resolved to approve the minutes of the meeting held on 17 th December 2014 (UC14-111).	
2.2 Matters Arising	
The Court noted the Matters Arising paper UC15-001.	
2.3 Minutes from Committees of Court	
The Court reviewed the minutes of the following committee meetings:	
<ul style="list-style-type: none"> • UC15-002a – Finance and General Purposes Committee of 5th March 2015 and the related papers UC15-002b, UC15-002c and UC15-002d. • UC15-002e - Audit Committee 4th March 2015 • UC15-002f – Further Education Regional Board 13th February 2015 • UC15-002 – Incorporated Colleges Nominations Committee 12th February 2015 • UC15-002h – Remuneration Committee 9th February 2015 	
The following points were highlighted:	

- It was noted that FGPC had highlighted a need to make strenuous efforts to attempt to remove the University from the requirements of the ONS decision to reclassify Incorporated Colleges as Public Bodies. It was noted that this issue would be pursued with the Cabinet Secretary for Education and Lifelong Learning. In addition it was noted that the COOS would provide members with a briefing note in relation to the key challenges and issues affecting the University partnership that were attributable to the ONS decision. This would serve as a useful resource for ensuring that members were able to lobby with a consistent message.
- Court noted that FGPC had received a presentation from the Finance Director in relation to development of the University's operating plan and some key issues facing the partnership. It was noted that FGPC had recommended requesting Court to consider agreeing a position statement to clearly identify that the current partnership model was not sustainable or in the best interests of the University or individual partners and that alternative models should be identified, evaluated and considered. The Chair explained that the Finance Director would provide members of Court with a presentation immediately following today's meeting and it was agreed that Court should consider the recommendations made by FGPC in June once members had had opportunity to consider and reflect upon the issues identified.
- Concern was raised that the new governance model proposed for delivering Shared Services throughout the partnership (UC15-002c) did not fully convey the basis upon which the concept for delivering shared services had originally been agreed with perhaps too much emphasis on delivering a smooth transition of staff into the new service (with conditions that were at least equivalent to their existing terms) as opposed to focussing on delivering an improved and more cost effective service for end users. Court noted the importance of moving to a shared service for LIS activity by 1st August 2015 and agreed that there was a need to re-validate the sense of the proposals for the end users within this timeframe.
- The Chair of the Audit Committee reported some Academic Partners may be maintaining two risk registers with only certain risks shared with the University on the agreed partnership template. Court resolved to encourage APs to maintain just one register on the agreed template.
- Court noted that the Audit Committee had expressed concern that management were taking too long to complete agreed management actions relating to internal audit reports with too many actions being given revised action dates. It was noted that the Principal had undertaken to address this issue with the Senior Management Team.

COOS

Chair

3 CHAIRMAN/PRINCIPALS COMMENTS

- The Principal reported advised members that Moray College UHI had recently parted company with their Principal following mutual consent. Interim arrangements had been established.
- The Principal advised members that the University's REF performance figure reported at the December meeting of Court (65% 4 and 5 star research quality) was incorrect. The University had actually performed better than this with 69% of research achieving 4 and 5 star quality ratings outperforming all of the new Scottish universities in terms of quality.

4 COMMITTEES AND MEMBERSHIP

4.1 Remuneration Committee Terms of Reference

Court approved paper UC15-003 comprising amended terms of reference (TOR) for the committee.

4.2 Audit Committee Terms of Reference

Court approved paper UC15-004 comprising amended terms of reference (TOR) for the committee.

5 STRATEGY & PLANNING

5.1 Discussion on Merger with Inverness College

Court was disappointed to note that merger discussions between the University and Inverness College UHI had been discontinued following a meeting with all Academic Partner Chairs and Principals at which a number of APs had expressed strong views that they did not wish a merger to proceed. This was on the basis that they feared that a merger would be detrimental to the partnership.

Court noted that the COOS would continue to develop a generic framework document to map out how a merger with an Academic Partner may work in future should this situation change.

COOS

Court noted that there was also a need to test assumptions relating to the status quo since there was a possibility that SFC and SG were not fully aware of the difficulties or challenges affecting the partnership as a result of the complex structural arrangements and that they would view discussions over possible mergers and structural changes as a battle for power rather than a desire to develop a more effective and sustainable delivery model for the region.

5.2 Strategic Plan & Critical Performance Indicators (CPIs)

Court considered paper UC15-005 comprising the draft 2015/20 University Strategic Vision and Plan. Following due consideration Court resolved to endorse the draft plan and noted the following key points:

- A review of the appropriateness of the CPIs would be conducted after the first year.
- CPI5a would be replaced with a more simple measure of the total number of awards issued.
- Efforts should be made to identify appropriate indicators to measure the University's impact on the local economy.

5.3 Draft Key Performance Indicators (KPIs)

Court considered paper UC15-006 providing an update on progress with the development of a suite of KPIs to function as a management tool designed to build upon the CPIs contained within the draft 2015/20 Strategic Plan.

6 GOVERNANCE**6.1 Review of UHI Governance Arrangements as a Regional Strategic Body**

Court was pleased to note that the SFC had completed scrutiny of the University's governance arrangements and processes for operating its new role as a Regional Strategic Body and that accordingly effective from 1st April 2015 the SFC would no longer fund the assigned colleges, instead the full amount of funding for further education would be provided to the University who in turn would fund the colleges.

6.2 Attendance of AP Principals at FERB

Court considered paper UC15-008 containing a recommendation to reject a request from the Assigned College Chairs that the Principals of assigned colleges be permitted to attend FERB meetings as a matter of routine in an attendance capacity.

The Chair of Shetland College reported that the Assigned College Chairs were unanimous in seeking the attendance of their Principals and further explained that the basis for this request was to provide the Chairs with access to support and advice from their Principals on complex issues for situations where they did not feel well enough informed also to provide an inclusive forum that would assist the University partnership to develop and build trust.

Court rejected the request on the basis that the attendance of the Principals would adversely affect the balance between independent members and executive participants and would likely frustrate the ability of FERB to focus on regional and strategic priorities. Court noted that all FERB business was routed through FEEB and so the Principals already had opportunity to comment upon issues and influence the agenda of FERB. Principals were also represented at FERB by the Chair and Depute Chair of FEEB. In addition, it was noted that the Chair of FERB would be able to permit attendance of Principals for particular items of business if necessary. Court further agreed that efforts should be made to ensure that all items considered by FERB were addressed within written papers with a clear executive summary and that no issues would be presented as verbal reports thus ensuring that members had opportunity to consider and reflect upon issues under discussion in good time before a meeting.

Further it was noted that FERB was not an appropriate arena for addressing issues of mistrust and building partnership confidence because not all APs were represented. It was agreed that a new forum may be needed to bring together members of Court with AP Chairs and Principals on an annual basis. Previously An Comann had served this purpose, however, a number of APs did not value the format of An Comann and a new forum should be established.

6.3 Effectiveness Review of University Court & Committees

Court approved paper UC15-009.

6.4 Student Representation Project – HISA Constitution

Court approved paper UC15-010 comprising a constitution document for a new Highlands and Islands Students' Association that would encompass both HE and FE students subject to the following minor amendment:

- Addition of a clause to ensure that the University's Internal Audit Service had appropriate access to the records, people and premises of the new association to provide Court with an acceptable level of assurance.

Item was actually taken after 7.4.

Chair/
Principal

6.5 Revised Remuneration Policy

Court approved paper UC15-011.

6.6 Living Wage

Court approved paper UC15-012

6.7 Severance Policy

Court approved paper UC15-013 subject to minor amendments.

6.8 Equality and Diversity Progress Report

Court approved paper UC15-014.

6.9 UHI Membership of 30% Club

Court approved paper UC15-015.

6.10 Code of Good Governance for Scotland's Colleges

Court noted paper UC15-016.

7 FINANCE AND PERFORMANCE

7.1 Performance Dashboard for Academic Partners

Court noted paper UC15-017 providing a first attempt at presenting a dashboard of performance metrics for each AP. Court was pleased with the style and format of the report and it was agreed to further develop this style of reporting with trend analysis data and performance measures against CPI and KPIs. It was also noted that a single page showing performance of APs against each other would be regarded as beneficial.

7.2 Q2 Reforecast

Court approved paper UC15-018

7.3 HE & FE 2014/15 Student Numbers

Court noted papers UC15-019 and UC15-019b detailing the current position and early statistical return in relation to HE and FE student numbers for 2014/15.

7.4 Financial memorandum Between UHI and Assigned Colleges

Court approved paper UC15-020 comprising the draft financial memorandum (FM) between the University and assigned colleges required as a condition of funding in accordance with the University's status a Regional Strategic Body. It was noted that some AP Principals had expressed concern at the need within the FM to obtain consent from the University before transferring funds to an Arm's Length Foundation (ALF). Court agreed that this was an important clause because the University was required under the Post 16 Act to ensure the sustainability of education provision within the region which could potentially be undermined by such transfers. It was noted that AP BOMs had been asked to agree the FM as soon as possible and Court resolved to aim towards finalising the document before 15th April 2015.

Enter P
Campbell
1:30

7.5 Inverness Campus Partnership Facility Progress Report

Court noted paper UC15-021.

8 ACADEMIC BUSINESS

8.1 Transfer of Pre- Registration Nurse Training from Stirling to UHI

Court noted paper UC15-022.

8.2 Research Grants

Court noted paper UC15-023.

8.3 rDAP Update

Court noted paper UC15-024.

9 RISK MANAGEMENT

9.1 Corporate Risk Register

Court noted paper UC15-025

10 REPORTS

10.1 UHISA

Court noted paper UC15-026.

10.2 Foundation

Court noted paper UC15-027.

11 ANY OTHER BUSINESS

None

12 DATE OF NEXT MEETING

16th June 2015