

**MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON WEDNESDAY 14 JUNE AT 14:00 HRS
NESS WALK, INVERNESS**

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

IN ATTENDANCE: Diane Rawlinson – (Vice Principal Further Education)
Professor Crichton Lang (Deputy Principal)
Fiona Larg (Chief Operating Officer & Secretary)
Dr Jeff Howarth (Vice Principal Enterprise)
Lydia Rohmer (Vice Principal Tertiary Education) (VC)
Iain MacMillan (Vice Principal Strategic Harmonisation/Organisational Efficiencies)(VC)
Professor Neil Simco (Acting Vice Principal Research)
Roger Sendall (Head of Governance & Records Management)
Holly Scrimgeour (HISA President – Designate)

APOLOGIES: Garry Coutts
Andy Rogers
Max Haddow Mendes

ITEM

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. Item 7.

2 MINUTES OF MEETINGS

2.1 Approval of Court Minutes

The Court resolved to approve the minutes of the meeting held on 22nd March 2017 (UC17-125).

2.2 Matters Arising

The Court noted the Matters Arising paper UC17-1127.

2.3 Review of Delegated Decisions: None

2.4 Minutes from Committees of Court

The Court reviewed the draft minutes of the following committee meetings:

- UC17-128a - Finance and General Purposes Committee of 2nd June 2017.
- UC17-128b - Audit Committee of 29th May 2017.
- UC17-128c – Further Education Regional Board of 11th May 2017.
- UC17-128d – Academic Council of 15th March 2017.
- UC17-128e – Communication & Behavioural Change Group of 29th March 2017 and 9th May 2017.
- UC17-128f - Nominations Committee of 12th April 2017

The following points were highlighted:

- The Chair of Audit reported that the Audit Committee had completed a mini-competition to identify external auditors for the University in accordance with the approved APUC framework. It was noted that Ernst & Young had submitted the strongest tender and Court accepted a recommendation from the Audit Committee to re-appoint Ernst and Young as the University's external auditors on this basis.
- The Chair of Audit highlighted concerns reported at sections 4.4 and 4.7 of paper UC17-128b in relation to unsatisfactory and slow progress with implementing the agreed consistent framework of information security policies and mandatory training modules across all partners and the failure of four assigned colleges to complete externally facilitated effectiveness review before 31st March 2017 as required by the FE governance code.
- Court noted the critical importance of implementing robust information security policies across all partners and for ensuring that all staff had undertaken appropriate training. Court noted that information and cyber security risks posed a real and present threat to institutions as evidenced recently by a massive ransomware attack affecting the NHS and they directed that the Partnership Council must address this issue as a top priority. It was noted that this may include denying staff access to University systems if appropriate training had not been completed.
- The Chair of FERB highlighted significant concerns in relation to the cost of implementing National Bargaining backdated to 1st April 2017. This was identified as a major financial risk to the viability of partner colleges unless National bargaining was fully funded by government or appropriate alternative arrangements could be agreed for partner colleges. Discussions were continuing.

- It was noted that the Scottish Government and SFC recognised that the University's partner colleges were in a unique position with staff delivering FE and HE programmes. It was suggested that a window of opportunity may exist to develop and present a special case to government for partner staff to operate under a common contract distinct from National Bargaining and with terms and conditions that were better suited to the University's vision of creating an integrated tertiary institution.
- The Deputy Principal highlighted item 8 of UC17-128d in relation to the draft Learning, Teaching and Enhancement Strategy considered by Academic Council and a significant improvement in HESA Non-Continuation statistics as reported at item 14 of the minute.
- Court noted that the Communication and Behavioural Change Group had completed its remit and been disbanded. It was noted that a new sub group would be established to monitor progress with agreed actions.

3 CHAIRMAN/PRINCIPALS COMMENTS

The Vice Chair and the Principal and Vice Chancellor each provided Court with a verbal report in relation to their recent activities. The following points were noted:

- The Vice Chair had attended a productive meeting of the CUC and specialist equalities training for Governors run by the Leadership Foundation. The Vice Chair had also participated in interviews for new assigned college board members for Inverness College UHI.
- The Principal and Vice Chancellor was pleased to report on the University's success in achieving Athena Swan Bronze accreditation and receipt of formal notice from the Privy Council that the University's application for rDAP had now been formally approved. Suggested nominations for consideration for honorary doctorates were invited from Court members.
- Court recorded special thanks and gratitude for the Deputy Principal in leading on the delivery of rDAP and for the hard work, dedication and commitment of all staff involved over the past eleven years in working towards this significant achievement.
- Good progress was being made with regard to implementing a new senior management team and behavioural change programme.

4 COMMITTEES & MEMBERSHIP

4.1 2017 Court Appointments Process Update

Court approved the recommendations set out within paper UC17-129.

4.2 Strategic Programme Assurance Group

Court agreed to establish the above sub group to monitor progress with the behavioural change programme. It was noted that the composition of the group had previously been agreed to include the Chair of Court plus two Court members and two AP Board members. Members were asked to contact the COOS if they wished to participate in the group.

All

4.3 UHI Foundation – 2017 Rector Election Results

Court noted paper UC17-130 providing a summary of the results of the 2017 Rector election. It was noted that the Foundation had duly re-elected Anton Edwards as Rector and Chair of Foundation for a further period of three years.

Court congratulated the Rector on his success.

5 STRATEGY & PLANNING**5.1 Impact of Brexit**

Court discussed paper UC17-131 prepared by the Vice Principal Enterprise and the Director of European & International Development including a proposed consistent approach and position for the University partnership to adopt and communicate to key stakeholders with a view to securing the best outcome for the University.

Court considered that the document was a useful aide memoire and agreed that the University should campaign and lobby on multiple fronts to secure the best outcome for the region. This should include dialogue with the Scottish Office and Westminster as well as Scottish Government and SFC.

5.2 Student Residences Update

Court noted paper UC17-132 providing an update on progress with Phases 2 and 3 of the Student Residences Project.

6 GOVERNANCE

6.1 Appointments to Assigned College Boards of Management

Court approved paper UC17-133.

6.2 Consultation on HE Governance Code

Court approved paper UC17-134.

6.3 Externally Facilitated Effectiveness Review – Draft Development Plan

Court approved the draft development plan UC17-135.

7 FINANCE & PERFORMANCE

7.1 Academic Partner Financial Monitoring – Update

Court noted papers UC17-136 and paper UC17-137 in relation to Public Audit Committee Section 22 Reports & Lessons Learnt from identified issues at Moray and Leys Castle colleges.

7.2 2016/17 Quarter 3 Reforecast

Court noted paper UC17-138.

7.3 2017-18 University Budget

Court considered paper UC17-139 comprising the draft 2017/18 Budget for the University recommended for approval by the Finance and General Purposes Committee. Following due consideration Court agreed to accept FGPC's recommendation and to approve the budget as presented within paper:

During discussion the following points were highlighted:

- The draft budget had been considered by Partnership Council on 1st June with comments from that meeting presented to FGPC on 2nd June 2017.
- Partnership Council had identified serious concerns about the possible impact of implementing national bargaining on college budgets and a risk of financial failures within colleges as a result. Partnership Council had agreed to progress the budget for approval in accordance with a particular caveat in relation to retaining a high degree of flexibility within the budget so that the University could divert funds to assist partners if this became necessary.
- FGPC had noted these concerns and agreed to recommend Court approve a flexible budget for 2017/18 as detailed within paper UC17-139.
- Court recommended that the narrative should be amended to specifically highlight that no provision was included within the budget to address the cost of implementing National Bargaining.
- The DoCR would circulate an explanatory note to Court members in relation to identifying and illustrating activities that had attracted additional income this year.

DoCR

7.4 Critical Performance Indicators

Court noted paper UC17-140.

7.5 Update on 2016/17 HE activity targets and 2017/18 applications.

Court noted paper UC17-141.

7.6 Finance Systems Convergence Project

Court discussed paper UC17-142 providing an update in relation to continuing difficulties and delays with the project resulting from the poor performance of the service provider Technology One. It was noted that the issues had been discussed by PC and FGPC and that further information had been requested to understand the full implications of a possible decision to withdraw from the project including legal, financial and practical considerations. However, in the meantime, the University would continue to work with Technology One who maintained that they were confident of delivering a functioning system before 1st August 2017.

7.7 Strategic Investment Fund

Court approved paper UC17-143 seeking in principle approval to establish an investment fund utilising up to £2.5M of retained reserves.

It was noted that eligibility criteria for the fund would be developed through PC and FGPC with successful projects managed via the University's Programme and Project Board and FGPC as appropriate.

8 ACADEMIC BUSINESS

8.1 Update on rDAP

Court was delighted to note the formal approval of rDAP by the Privy Council as reported at section 3 above.

9 RISK MANAGEMENT

9.1 Corporate Risk Register

Court noted paper UC17-144.

10 REPORTS

10.1 HISA REPORT

Court noted paper UC17-145.

12.2 UHI Foundation

Court noted paper UC17-146 comprising a draft minute of the Foundation meeting held on 17th may 2017.

13 DATE OF NEXT MEETING: 20th September 2017.

Court noted that this was the final meeting for the following members and Court recorded its thanks for the commitment and dedication of these members and for their service to the University and region over many years.

- Eileen Mackay
- Kenny Miller
- David Alston
- Malcolm Burr
- David Worthington
- Gill Berkley
- Luke Humberstone