

**MINUTES OF THE COURT MEETING (UC)
UNIVERSITY OF THE HIGHLANDS AND ISLANDS
HELD ON WEDNESDAY 22 MARCH 2017 AT 15:30 HRS
MURRAYSHALL HOTEL, SCONE PERTHSHIRE**

PRESENT: Garry Coutts (Chair)
Professor Fiona McLean (Vice Chair)
Professor Clive Mulholland (UHI Principal and Vice-chancellor)
Dr Michael Foxley – (Chair of UHI FE Regional Board)
Angus Ross
Malcolm Burr
Andy Rogers
Luke Humberstone
Dr David Alston
Gillian Berkeley
Anton Edwards

IN ATTENDANCE: Irene Peterson – (Acting 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)
Diane Rawlinson (Vice Principal Further Education – Designate)
Iain MacMillan (Vice Principal Strategic Harmonisation/Organisational Efficiencies)
Roger Sendall (Head of Governance & Records Management)
Jane Hayes Independent Audit – item 2 only
Simon Fowler Technology One – item 3 only

APOLOGIES: Willie Printie
James MacDonald
Iseabail Mactaggart
Eileen Mackay
Peter Campbell
Dr David Worthington
Professor Kenneth Miller
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. None additional.

2 2017 EXTERNALLY FACILITATED EFFECTIVENESS REVIEW RESULTS – INDEPENDENT AUDIT REPORT

The Court considered paper UC17-105 comprising the results of the above review of the University Court, Academic Council, Further Education Regional Board, Finance and General Purposes and Audit committees presented by Jane Hayes of Independent Audit.

The following points were highlighted:

- Engagement with the online survey was very good and had attracted an average response rate of 83% across the five bodies under review. In addition, a significant number of respondents had provided narrative comments and a number of consistent themes and issues were identified.
- There was a clearly identified need to reduce the length of Court and committee papers. Currently too much detail and management information was provided within meeting documentation. Court and committee members want shorter papers with clear recommendations and executive summaries. Detailed analysis and background information should be available to members within reading rooms or upon request.
- All the committees that participated within the review would be asked to formally consider the findings detailed within the report at their next meeting and to take appropriate actions.
- Court considered that the review had been a valuable exercise and it was noted that the Chair would circulate a note to members of his initial thoughts in terms of actions to address identified concerns.
- The process of the review via the Thinking Board questionnaires was considered to be useful and the University’s subscription to this service meant that surveys could be repeated providing an opportunity for trend analysis.

COOS

Chair

Exit J Hayes

3 FINANCE SYSTEMS CONVERGENCE PROJECT – TECHNOLOGY ONE

Court received a presentation from Simon Fowler of Technology One in relation to significant delays and issues with implementing a new finance system for the University in accordance with the agreed contract and remedial actions taken by Technology One to resolve these problems.

The following points were noted:

- Technology One provided reassurance that they were fully committed to resolving the problems identified during the project and that additional resource was being deployed to resolve issues with a view to meeting a revised go live deadline of 1st August 2017.
- Delays to the project were broadly attributed to Technology One having underestimated the complexity of UHI requirements and the level of resource required to configure the finance systems in line with the ITT and defined UHI requirements.

- The University had not paid its licence fee for 18 months due to dissatisfaction with the level of service provided by Technology One. It was noted that the Board of Technology One would be asked to waive this fee on the basis that the University had received no benefit from subscription to the service to date.

4 MINUTES OF MEETINGS

4.1 Approval of Court Minutes

The Court resolved to approve the minutes of the meeting held on 28th November 2016 (UC16-106).

4.2 Matters Arising

The Court noted the Matters Arising paper UC17-107.

Item 5 Brexit – Close liaison with Government was continuing to ensure that the risks of denied access to European structural funds and political uncertainty in relation to Brexit and UK Government funding as a potential result of possible Scottish independence were understood.

4.3 Review of Delegated Decisions: None

4.4 Minutes from Committees of Court

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

- UC17-108a - Finance and General Purposes Committee of 2nd March 2017.
- UC17-108b - Audit Committee of 1st March 2017.
- UC17-108c – Further Education Regional Board of 8th February 2017.
- UC17-108d – Academic Council of 7th December 2016.
- UC17-108e – Remuneration Committee of 28th November 2016.
- UC17-108f – Communication & Behavioural Change Group of 16th February 2017

The following points were highlighted:

- The Chair of FGPC reported that the committee had considered the Moray College (MC) recovery plan, a draft Section 22 report prepared by Audit Scotland and the outcome of discussions with SFC in relation to their funding of a Voluntary Severance Scheme for the college which was understood to be depend on the University increasing the colleges allocation for FE activities. It was noted that the committee had recommended that the recovery plan should be strengthened to include a full review of the curriculum offered by the college and that the scope of the VSS should be increased and offered to all staff.

It was further noted that FE principals had met and agreed an amended FE funding methodology that would result in MC receiving an increase in FE income of circa £240k in academic year 2017/18 that it was hoped would be sufficient to unlock approximately £450k of additional SFC funding for a VSS. This approach was supported in principle by Court and it was noted that the proposal would be considered in detail by a special meeting of FERB on 24th March 2017.

- The Chair of FERB highlighted the excellent performance of UHI partners within the official performance indicator data published by the SFC for academic year 2015/16 with 5 of 8 colleges outperforming the best in Scotland.
- The Deputy Principal reported that the University through Academic Council had decided not to enter TEF2. Only five Scottish HEIs had chosen to participate in the initiative.
- Communication and Behavioural Change Group - Some concerns were expressed that the pace of the behavioural change programme was too slow and that whilst good progress was clearly being achieved, a clear programme of work and key milestones had not been agreed to date. It was noted that Principal wanted the overall programme to be owned by the new SMT and that this structure was still developing. It was noted that the Group would meet to discuss progress the following week.

5 CHAIRMAN/PRINCIPALS COMMENTS

The 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 Chair commented on a successful meeting with the Deputy First Minister and Minister for Further Education Higher Education and Science and University Strategy event held earlier in the day. A separate record of the proceedings of this event is available.
- It was noted that applications for the Vice Principal International & External Engagement position would close on 31st March 2017.
- The Chair was disappointed to report that four APs had arranged to hold their graduation ceremonies on the same day this year and he encouraged SMT to try to better coordinate celebration events to avoid such clashes in future.

6 COMMITTEES & MEMBERSHIP

6.1 2017 Court Appointments Process

Court noted paper UC17-109.

7 STRATEGY & PLANNING

7.1 UHI's ESIF DSW Programme – Risk Analysis

Court discussed paper UC17-110 prepared jointly by the Vice Principal Enterprise and the Director of European & International Development setting out the current risks to the DSW programme in the context of the United Kingdom's decision to exit the European Union. The paper presented two options for consideration by Court in relation to how the University should proceed with the remainder of the programme post 2018.

The following points were highlighted during discussion:

- There are significant challenges in relation to securing firm legal commitments from SFC and Scottish Government to underwrite the ESIF DSW Intervention budget of £29M for UHI projects. These issues are complicated by Brexit and the possibility of a second Scottish Independence referendum and whilst key contacts within the Managing Authority are reported to be confident that funding will be available they are currently not in a position to provide the University with a letter of comfort or other such guarantee.
- A number of the University's key strategic priorities and developments are reliant on receiving funding beyond the term of the approvals secured to date. Such projects include 27 postgraduate scholarships with a 2017/18 start date and the creation and appointment of new staff roles (within academic partners) for sector engagement.
- The financial exposure risk of pursuing the recommended option (option a) post 2018 would be reduced by terminating employment contracts of new staff within two years. In addition APs would also be able to limit their exposure by offering new appointments on a fixed term basis, however, this may adversely impact upon the quality of applications received. This issue should be considered by Partnership Council.
- Following due consideration Court agreed to progress in accordance with the first option identified within the paper; this being to *“Commit to the proposed revised work-stream activities which stretch to AY21-22, with a budget allocation totalling £20.8M without full, formal approval of funding, but accepting the proposed interim Managing Authority arrangements”*.

VPE

8 GOVERNANCE

8.1 HE Governance Act

Court noted paper UC17-111.

8.2 Equality Reports

Court approved paper UC17-112.

9 FINANCE & PERFORMANCE

9.1 Academic Partner Financial Monitoring – Update

Court noted paper UC17-113.

9.2 Quarter 2 Management Accounts

Court noted paper UC17-114.

9.3 2017-18 SFC HE & FE Indicative Funding Announcement

Court noted paper UC17-115.

9.4 Financial Regulations

Court approved paper UC17-116 as recommended by FGPC.

9.5 Final Draft of 2017- 2020 Regional Outcome Agreement

Court approved paper UC17-117.

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

Court noted paper UC17-119.

10 ACADEMIC BUSINESS

10.1 Update on rDAP

Court noted paper UC17-120.

10.2 Highlands & Islands Regional Schools Group Update

Court noted paper UC17-121.

11 RISK MANAGEMENT

11.1 Corporate Risk Register

Court noted paper UC17-122.

12 REPORTS

12.1 HISA REPORT

The president of HISA provided a verbal report on a successful Student Council event and on recent student elections to HISA.

12.2 UHI Foundation

Court noted paper UC17-123.

It was noted that an election for a new Rector would be held in the Summer.

13 DATE OF NEXT MEETING: 14th June 2017.