

University of the Highlands and Islands

University Court Meeting

18 March 2020, 14:00 to 16:30

EO1 Ness Walk Inverness and by Video Conference

Present

Garry Coutts (Chair)

Fiona McLean (Vice Chair) by telephone

Andy Rogers (Chair of FGPC) by telephone

Willie Printie (Chair of Audit) by telephone

Rosemary McCormack by VC

Anton Edwards (Rector) by VC

Andrea Robertson by VC

Natasha Morgan by VC

Gareth Davies by VC

Michael Foxley (Chair of FERB)

Alistair Dodds

David Sandison by VC

Poonam Malik by VC

Sarah Helps by telephone

Crichton Lang (Principal & Vice Chancellor)

Alan Simpson (HISA President) by VC

Brian Crichton by VC

Sara O'Hagan by VC

Lesley Cole by VC

Kirsty Macpherson by phone

In attendance: Fiona Larg (Chief Operating Officer & Secretary), Roger Sendall (Head of Governance & Records Management), Lydia Rohmer (Vice Principal Tertiary) By VC, Diane Rawlinson (Vice Principal Further Education).

1. * WELCOME AND APOLOGIES

The chair opened the meeting and welcomed the new members.

It was noted that a quorum was present.

Apologies were received from Linda Kirkland, Roddy Burns and Neil Simco.

1.2. Declarations of Interest

The Chair declared an interest in item 4.1.1.

The Vice Chair, Chair of Audit and Chair of FERB each declared an interest in item 4.1.2.

The interim Principal & Vice Chancellor declared an interest in item 4.2.

Dr Crichton Chair of Perth College UHI declared an interest in item 11 – Reserved business.

It was noted that these members would leave the meeting for these items.

1.3. Notification of Any Other Competent Business

None.

1.4. Starring

Items 6.1 and 8.1 were starred for discussion.

2. MINUTES OF MEETINGS

2.1. Minute of meeting held on 27 November 2019

The minute of the meeting held on 27th November 2019 was reviewed and approved.

2.2. * Matters Arising

Matters arising from the previous meeting were discussed. The following points were noted:

- **Review of Relationship with Incorporated Colleges** – The Chief Operating Officer and University Secretary advised that Audit Scotland were considering the position as regards whether or not dominant control existed over the incorporated colleges for the Scottish Government or for the University. It was noted that external audit advice would be commissioned to consider this issue and to opine whether or not the University needed to prepare consolidated accounts in future. It was noted that Ernst & Young LLP could not perform this work because of a potential conflict of interest as external auditors of the colleges appointed by Audit Scotland and as auditors of the University. It was noted that further discussions were progressing and that the Court would be provided with advice and any associated recommendations in due course.

2.3. * Delegated Decisions

None.

2.4. *Covid19 Response

The Principal & Vice Chancellor advised Court that the University Partnership had initiated its Partnership Business Continuity Plan on Friday 13th March to oversee and lead the University's

response to the current pandemic. An Emergency Management Team had been established with participation from all academic partners and this group was meeting daily at 9am.

The situation was extremely dynamic and the main focus of activity currently was on suspending face to face teaching and transferring FE and HE teaching activity to online delivery, closing facilities and setting up staff for home/remote working and managing consistent communications.

Noted that Court members would require to be kept advised of key development and impacts throughout the business continuity process.

2.5 Minutes from Committees of Court

The Chair invited the chairs of committees of Court to each provide a brief report in connection with the most recent meetings.

2.5.1 & 2.5.2 * Finance and General Purposes Committee

The Chair of FGPC reported on the meetings held on 16th January and 27th February. The following points were noted.

- Strategic Investment Funds – Three projects were currently being developed and progressed and considered for support via the SIF; the Moray Growth Deal, Aviation Academy aligned with the Tayside City Deal and the ORCA research project through Orkney College.
- FGPC endorsed the approach to develop a regional FFR and to seek to identify efficiencies and to implement changes with a view to addressing a £10M forecast deficit position over the next five years.
- FGPC had received a report and presentation from independent student residence expert advisors Cushman & Wakefield and had agreed that the University should seek to develop a new management model for operations in future with greater control and responsibility brought inhouse.
- FGPC endorsed a modified distribution model for the treatment of approximately £700k of unallocated RAM in 2019/20 as an exception to established methodology and for one year only. This would involve allocating one third to SIF projects, one third to increase the HE Unit of Resource and one third transferred to University reserves.

2.5.3 Audit Committee

The Chair of Audit highlighted the following key points from meetings held on 24th February and a special meeting on 11th March 2020. It was noted that discussion relation to the internal audit report into allegations raised about Perth College UHI with Audit Scotland would be discussed under reserved business at item 11.

- Audit Committee were concerned that a number of academic partners were under scoring common risks in the context of known issues and had requested that the Risk Review Group and Partnership Council consider risk reports and robustly challenge the scores provided.
- Audit Committee had considered a lessons learned report produced for the sector by the SFC following concerns over severance payments provided to the Principal of the University of Aberdeen. It was noted that the committee had recommended that the Remuneration Committee should review policies in this context.
- The committee was very pleased to note the achievement of cyber essentials plus accreditation.

2.5.4 FE Regional Board

The Chair of FERB highlighted the following points:

- The University partnership was consistently performing better in most measures than the other college regions.
- FERB had extensive discussions about the need and commitment to progress development of a common finance service, to progress a regional FFR and budgets and members of FERB were becoming increasingly concerned and frustrated at the lack of progress to implement required changes.

2.5.5 Academic Council Activity Report

Court noted the activity report in relation to discussion held on 11th December 2020.

Noted that the Principal was seeking to refresh the membership and operation of the Academic Council and that Court would receive a paper setting out proposals in June 2020.

2.5.6 Nominations Committee

Court noted the minutes of the meeting held on 22nd January 2020.

3. CHAIR & PRINCIPAL'S COMMENTS

3.1. Quarterly Status Reports

Court discussed the informative reports provided for the previous quarter. The following points were noted:

- Court was disappointed to note that two academic partners had not provided reports this quarter.
- Court requested that partners provide information to articulate their key concerns and any issues as well as highlighting positive actions and activities so as to ensure that members were well sighted on all aspects of the business.
- Vice Principal Research and Impact to liaise directly with the Rector to discuss research and knowledge exchange activities.

3.2 University Assembly/Programme Board Activities

3.2.1 Recommendations to amend Committee remits and Memberships

Mr Kemp provided Court with a report in relation to recommendations made by the Programme Board's Governance and Accountability Working Group as set out within paper UC20-008. Court agreed to formally endorse the recommendations contained within the paper. The following points were noted and agreed:

- The main focus of the recommendations was to augment existing committees of Court through increased academic partner representation in terms of increasing membership of the committees through the addition of academic partner board chairs.
- Changes to existing committee remits and terms of reference were intended to better reflect the tertiary nature of the University's business.

- The Governance and Accountability Working Group considered that cultural and behavioural changes were necessary to improve information flows and communications between independent members of Court and college boards and that this would be best achieved through the increased involvement of college chairs in committees of court.
- Mr Kemp advised that a consultation process had been undertaken across the partnership on the draft recommendations and that this had identified a broad level of support for the proposals. An outline summary of the consultation responses received was included within the paper. Key points raised via the consultation process included: A few concerns about the timing of changes with some partners feeling that changes were being progressed too quickly, one partner (SMO) felt the proposals were incompatible with their own development aspirations and a number of respondents had highlighted a need for flexibility and an early review process to ensure that recommended changes were effective.
- It was noted that proposed changes to the Further Educational Regional Board may require SFC approval, however, the SFC had previously indicated that they were supportive of the proposal in principle to implement tertiary structures.
- Court noted that the changes would only improve partnership working if there was full engagement and participation with the academic partner chairs who were appointed to each committee. It was noted that the new proposals would require an additional time commitment and this may be overly onerous for some. It would therefore be important to keep this level of commitment and engagement under regular review.
- Court agreed to replace the FE Regional Board with a Regional Strategy Committee (RSC) effective from May 2020. Court noted that engagement with external bodies who had previously been members of FERB should be maintained through managed engagement and invited participation in relevant discussions.
- It was noted that the first meeting of the RSC would include consideration of three key pieces of work; an Economic Impact Assessment to inform development of the next regional strategic plan, a review of the University's Value Model and consideration of key data sets to inform decision making.
- Court agreed that the students' association should be entitled to nominate a student representative as a member of all committees of court.

4 COMMITTEES AND MEMBERSHIP

4.1 Nominations Committee Recommendations

4.1.1 Extension of Chair of Court Term of Office

Court considered paper UC20-009 providing a recommendation from the Nominations Committee to extend the Chair of Courts term of office for a period of twelve months in accordance with the provisions of the University's Articles of Association.

Court unanimously agreed to extend the Chairs term of office by one year in accordance with the rationale as set out within the paper.

4.1.2 Extension of Independent Members Terms of Office

Court discussed paper UC20-010 providing a recommendation from the Nominations Committee to extend the terms of office of three independent members of Court for a period of six months until 31st January 2021.

Court unanimously agreed to extend the terms of office of Mr Printie and Professor McClean for a period of six months and to extend the term of office of Dr Foxley for a period of twelve months until 31st July 2021.

4.1.3 Appointments to Committees of Court

Court considered the minutes of a meeting of the Nominations Committee held on 11th March 2020 (UC20-011) setting out recommendations for appointments to the following committees of Court: Nominations Committee, Audit Committee, Finance and General Purposes Committee, Remuneration Committee and Honorary Awards Committee.

Court accepted all the recommendations as presented.

4.2 Recruitment of new Principal & Vice Chancellor

Court noted paper UC20-012 providing an update on progress to appoint recruitment consultants to assist with the search for a new Principal & Vice Chancellor.

4.3 Appointment of Independent Members to Assigned Incorporated College Boards

Court homologated paper UC20-013 relating to the appointment of new independent members to the board of Lews Castle College UHI.

5 STRATEGY AND PLANNING

5.1 Critical Performance Indicators

Court noted paper UC20-014 providing a summary of the most up to date Critical and Key Performance Indicator data and RAG status.

6 GOVERNANCE AND RISK MANAGEMENT

6.1 Corporate Risk Register

Court considered the high level risk register and summary risk reports exported from the risk database on 9th March 2020 (UC20-015).

It was noted that all partners had been asked to update the agreed common risks in the context of the current Covid-19 pandemic.

6.2 Student Residences Update

Court noted paper UC20-016 comprising an update on progress to improve occupancy within the University's student residences.

6.3 Academic Partner Agreements

Court discussed paper UC20-017 setting out recent progress to develop and agree new academic partnership agreements. It was noted that the updated draft would be presented to Partnership Council on 1st April and it was hoped that the new agreements could be finalised before the end of the current academic year.

6.4 Updated Legal Advice: Court Accountability

Court noted the update briefing note and legal advice that had been prepared at the request of the Audit Committee.

7 FINANCE AND PERFORMANCE

7.1 Finance System Project Update

Court noted paper UC20-019.

7.2 AY2019/20 Quarter 2 Management Accounts

Court noted paper UC20-020.

7.3 AY2019/20 Quarter 2 Reforecast

Court approved the quarter 2 budget reforecast as recommended by the Finance and General Purposes Committee (UC20-021).

7.4 Academic Partner Financial Monitoring

Court noted paper UC20-022.

8 ACADEMIC BUSINESS

8.1 Provision for Care Experienced Students

Court discussed paper UC20-023 and requested that Court receive a presentation on this topic at a future meeting.

9 REPORTS, POLICIES AND CIRCULARS

9.1 Amended Health and Safety Policy

Court approved the updated and amended policy UC20-024.

10 DATE OF NEXT MEETING

17th June 2020

11 RESERVED BUSINESS

Please refer to part 2.