

University of the Highlands and Islands

University Court

Wed 25 November 2020, 14:00 - Wed 25 November 2020, 16:00

By VC Webex Teams

Present

Garry Coutts (Chair), Crichton Lang (Interim Principal and Vice Chancellor), Fiona McLean (Vice Chair), Florence Jansen (HISA President), Michael Foxley (FE Regional Lead), Anton Edwards (Rector - Chair of Foundation), Linda Kirkland (Chair FGPC), Willie Printie, Rosemary McCormack, Andrea Robertson, David Sandison (Chair), Kirsty Macpherson, Poonam Malik, Sarah Helps, Brian Crichton, John Kemp (Vice Principal Further Education), Sara O'Hagan, Malcolm Burr, Angus Campbell, Jack Shetata, Andrea Robertson, Beverly Clubley (Observer), Lydia Rohmer (Vice Principal - Tertiary), Neil Simco (Vice Principal Research & Impact), Stuart Gibb (Vice Principal - International), Fiona Larg (Chief Operating Officer & Secretary), Gary Campbell (Vice Principal - Strategic Development), Roger Sendall (Director of Corporate Governance), Niall McArthur (Director of Corporate Resources)

Meeting minutes

1. WELCOME & APOLOGIES

The chair opened the meeting and noted that a quorum was present.

 Court Agenda 25 November 2020 .pdf

1.1. Apologies

Apologies were received from Gareth Davies and Lesley Cole

1.2. Declarations of Interest

- The chair of Perth College UHI declared an interest in item 6.2.1.
- The chair of Shetland UHI Ltd and NAFC Marine Centre UHI declared an interest in item 6.1.

1.3. Notification of other business

None.

1.4. Starring

Item 6.1 was unstarred.

Items 4.1, 6.3 and 9.2 were starred for discussion.

1.5. PRESENTATION

Court received a brief presentation from the University's Equality and Diversity Adviser in relation to the Public Sector Equality Duties and board member responsibilities, various initiatives that are being progressed across the university partnership, future opportunities/ challenges. key issues and associated compliance and reporting obligations.

The Equality and Diversity Adviser undertook to produce a recorded resource for members of Court and Academic Partner Boards in relation to PSED and also to facilitate a dedicated workshop and question and answer session for members of Court and AP Chairs before the end of January 2021.

Court thanked the Equality and Diversity Adviser for providing an interesting and stimulating presentation.

1.5.1.

Stuart Hall

2. MINUTES OF MEETINGS

2.1. Approval of the minutes of 23 September 2020

The Court resolved to approve the minutes of the above meeting subject to one minor amendment:

To add an action to section 11 regarding the circulation of background information relating to the University's Student Residences Project.

It was noted that this action was complete and that relevant documents were available to view on admin control.

[UC20-073 Minutes_University Court_230920.pdf](#)

2.2. Matters Arising

The Court reviewed the paper setting out actions and matters arising from the previous minutes.

[UC20-074 Matters and actions arising.pdf](#)

2.3. Review of Delegated Decisions

None.

2.4. Minutes from Committees of Court since last Court meeting:

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

2.4.1. Audit Committee

Court noted the draft minutes of a joint meeting held with the Finance and General Purposes Committee and the University's external auditors on 16th November 2020 to review the University's draft financial statements and accounts for the year ended 31st July 2020.

The following points were noted:

- Court noted that the committee was concerned to have received an internal audit report indicating that current arrangements and plans to address financial sustainability challenges were not effective and that urgent and proactive actions are needed to deliver substantial cost base savings across the partnership including a turnaround strategy.

[UC20-075 Minutes_Audit Committee \(Joint with FGPC\)_161120.pdf](#)

2.4.2. Finance and General Purposes Committee

Court noted the draft minutes of a joint meeting held with the Audit Committee and the University's external auditors on 16th November 2020 to review the University's draft financial statements and accounts for the year ended 31st July 2020.

The following points were noted:

- Court noted that the committee shares the Audit committee's concerns in relation to implementing savings and addressing financial challenges. The committee believes that a new plan is urgently required to clearly identify actions and options that will enable the University partnership to deliver a breakeven budget decision. The committee agreed that this new plan must include financial information including actual savings targets and deadline dates by which time actions will be implemented and savings targets achieved.
- FGPC had reluctantly agreed by a majority decision to increase the headline rent in student residences in accordance with inflation. This had been a difficult decision in the context of continued under occupancy and financial pressures in students and the rent setting strategy would be reconsidered for 2022/23.

[UC20-076 Minutes_Finance & General Purposes Committee \(Joint wi_161120.pdf](#)

2.4.3. Regional Strategy Committee

Court noted the draft minutes of the meeting held on 5th November 2020.

[UC20-077 Minutes_Regional Strategy Committee \(RSC\)_051120\(1\).pdf](#)

2.4.4. Academic Council/Activity Report

Court noted the Academic Council Activity Report dated 18th November 2020.

[UC20-078 AC Officers Report \(24 September 2020\).pdf](#)

2.4.5. Foundation

Court noted the draft minutes of the Foundation meeting held on 19th November 2020.

[UC20-079 Minutes_UHI Foundation_191120-1.pdf](#)

2.4.6. Nominations Committee

Court noted the minutes of the meeting held on 30th October 2020.

Court noted that Dr Foxley should be consulted on development of a new role description for the FE Regional lead.

[UC20-080 Minutes_Nominations Committee_301020.pdf](#)

2.4.7. Remuneration Committee

Court noted the minutes of the meetings held on 30th September and 7th October 2020.

Court noted that the outcome of the University's 2020 Voluntary Severance Scheme amounted to approximately 6 FTEs or £300k per annum (three severances plus a number of applications for a reduction in hours). The Finance and General Purposes Committee had originally hoped to achieve £500k of savings via the scheme.

[UC20-081 redacted Minutes_UHI Remuneration Committee - VSS Applications_300920 \(1\)_Redacted.pdf](#)

[UC20-081 Redacted Minutes_Remuneration Committee_071020 \(2\)_Redacted.pdf](#)

Fiona Larg

3. CHAIRMAN/PRINCIPAL'S COMMENTS

The chair reported that transition arrangements related to the retirement of the interim Principal and Vice Chancellor and the appointment of Professor Todd Walker with effect from 1st February 2021 as the University's new permanent Principal and Vice Chancellor were progressing well with weekly meetings and good information exchanges.

Court noted that Professor Neil Simco would act as interim Principal and Vice Chancellor for the intervening period following Professor Lang's retirement and Professor Walker's arrival.

3.1. Quarterly Status Report

Court noted the report for the period 1st September - 30th November 2020.

[UC20-082 November 2020 SMT and AP quarterly report.pdf](#)

3.2. Vice Chancellor's Report

Court received a verbal report from the Principal and Vice Chancellor in connection with key activities, operational challenges and successes from the past quarter. The following points were noted:

- The University had further cemented its status as an anchor institution within the region and this position had been enhanced and evidenced further by the recent independent economic impact reports completed by Biggar Economics.
- Whilst there had been a dip in the recruitment of further education students resulting from the ongoing covid pandemic and challenges of delivering some courses on campus, higher education recruitment had actually increased on the previous year and the University's expertise and experience in delivering quality blended learning was evident.
- The University had implemented important new curriculum during the lockdown including successful partnerships with the private sector with Optometry and Applied Software Development proving to be extremely successful.
- First year University students studying the Applied Software Development course with IBM had recently achieved first, first and second prize in a prestigious global competition to design solutions to assist with water poverty, natural disaster recovery and climate change issues from a field of over 900 entries.
- The current economic and funding environment is particularly challenging. SFC funding is under severe pressure, there is continuing uncertainty around Brexit, increased competition and challenges associated with the ongoing coronavirus pandemic. In this context it is essential that the University adapts and acts quickly to implement changes that will reduce costs and help to deliver a financially sustainable delivery model mindful of the need to maintain a quality learning experience.

3.3. Crisis Management Action Plan

Court discussed paper UC20-083 prepared by the Project Manager setting out progress with delivering and implementing workstreams contained within the University partnership's change management plan.

Court noted that good progress had been made in a number of areas and acknowledged that the partnership had worked very well during the current pandemic to ensure business continuity, to support learners and to recruit new students. However, progress with implementing critical financial workstreams was too slow and there was a clear need to identify the scale of the financial challenge for the partnership and to obtain a genuine commitment from the University and all academic partners to collectively identify and implement actions to deliver required savings in accordance with defined timescales.

It was noted that a special meeting of the Partnership Council had been convened for 2nd December 2020 for this purpose. It was noted that a subsequent special meeting of Court and academic partner chairs would also be convened in December.

Following due consideration and discussion Court agreed that the following guiding principles and delivery targets should be implemented by the University and by Academic Partners collectively to reduce financial deficits and to develop a financially sustainable and successful university partnership:

1. The University recognises the central importance of student experience and our wider academic outputs and, notwithstanding the need for efficiencies and transformation in the way we work we commit ourselves to excellence in these areas.
2. Issues of trust, behaviour and internal politics will not impede our progress. All options will be open for consideration.
3. All initiatives must demonstrate benefit in financial terms and on agreed timescales and should seek to avoid any negative impact on the level of service.
4. Wider aspects of the operating environment (professional services, management and business development etc) need to be the primary focus for generating efficiencies within Executive Office and within Academic Partners.
5. We expect full commitment and cooperation from the University's Executive Office and from all Academic partners. The partnership will work together cooperatively to deliver significant transformation in the way we work.
6. We consider that the change plan, alignment proposals and the EO evaluation process will deliver significant efficiencies but believe these require to be expanded and accelerated.
7. We ask Partnership Council to reach agreement about the scale of financial efficiencies required and the timelines to deliver them. We ask them to aim to achieve a notional target of £20 million savings across the partnership before the start of Academic year 2022/23.
8. We ask Partnership Council to develop plans to maximise income for the partnership and to make the case for continued investment from government and SFC to recognise the unique nature of UHI, the communities we serve and the historic under funding of FE, impact of national bargaining and rurality and underfunding of HE in the UHI region in order to create jobs and tackle social inequalities

 [UC20-083 Change Mgmt Plan update Nov 2020.pdf](#)

3.4. Update on the EO Evaluation

Court discussed papers UC20-083a and 083b setting out progress to deliver recommendations from the EO Evaluation report. Court noted that the terms of reference of the initial review had not been focused on delivering savings, however, the scope and direction of the review had been altered by management in the context of the need to implement substantial savings within executive office and across the whole partnership.

It was noted that any restructuring of executive office roles would follow the appointment of the new Principal and Vice Chancellor in February 2021.

 [UC20-083a Court update Nov 2020 EO Evaluation.pdf](#)

 [UC20-083b Pillars and FTE mapping 24Nov20.pdf](#)

4. HIGHLANDS AND ISLANDS STUDENTS' ASSOCIATION

4.1. HISA Update

Court noted the HISA update report dated November 2020.

 [UC20-084a HISA Update UHI Court.pdf](#)

4.1.1. HISA Strategic Plan 2020/23

Court noted the HISA strategic plan 2020/23.

 [UC20-084b HISA Strategic Plan 2020 to 2023.pdf](#)

4.1.2. HISA 2019/20 Impact Report

Court noted the HISA impact report.

5. COMMITTEE & MEMBERSHIP

5.1. Appointments to Assigned College Boards

Court homologated the decision agreed by correspondence reported within paper UC20-085 to extend the appointment of the chair of North Highland College UHI until 30th November 2024.

 [UC20-085 Homologation NHC chair \(1\).pdf](#)

6. STRATEGY & PLANNING

6.1. Shetland UHI Ltd being admitted to the partnership

Court considered paper UC20-086 in relation to the merger of two academic partners (Shetland College UHI and NAFC Marine Centre UHI) and approved the proposal to admit the new entity as an academic partner institution of the University in due course.

 [UC20-086 Shetland UHI.pdf](#)

6.2. Academic Internal Alignment proposal

Court discussed paper UC20-087 providing an update on progress with an options appraisal exercise to explore possible closer working and development of aligned/shared services between seven UHI colleges as a means of delivering operating efficiencies and greater resilience of service for the benefit of staff and students and seeking University funding to help facilitate the process. Court agreed to support the initiative in accordance with recommendations contained within the paper.

 [UC20-087 Court paper on alignment 251120.pdf](#)

6.2.1. Proposal from Perth College UHI

Court discussed paper UC20-087a comprising a response prepared by Perth College UHI to the above proposal for closer alignment between seven academic partners and a commentary on the paper and proposals made by Perth prepared by the Principal and Vice Chancellor. The Chair apologised for not presenting the papers to the previous Court meeting. The following key points were noted:

- The University Court noted that the Deputy First Minister had not been supportive of a proposal for Perth College UHI to examine the option of continuing in the partnership against the potential for establishing a new tertiary partnership with other institutions based in Tayside.
- Court noted that it wanted Perth College to play a full role within the University and that numerous mechanisms exist currently including as reported and discussed within items 3.3 and 3.4 above to consider and address the issues raised by Perth College within their submission.
- Court agreed not to support the recommendation contained within the paper to send a letter to the Deputy First Minister regarding this matter at the present time in accordance with a preference to discuss and resolve such issues internally.

 [UC20-087a Proposal from Perth College UHI.pdf](#)

6.3. Options Appraisal with SRUC

Court discussed paper UC20-088 concerning an approach from SRUC to explore greater collaboration and cooperation between the two institutions to offer greater opportunities nationally and to deliver better value for learners and for Scotland in the context of the SFC review. Court noted that the Partnership Council and the Regional Strategy Committee had both expressed in principle support for closer working and engagement with SRUC.

Following due consideration Court agreed that the Chair of Court should contact the Chair of SRUC to seek an initial exploratory meeting between board representatives and that the Principal and Vice Chancellor should progress a parallel discussion with the Principal of SRUC.

 [UC20-088 Options appraisal with SRUC.pdf](#)

6.4. *SFC Review of Coherence and Sustainability

Court considered paper UC20-088a prepared by Mr Kemp the University's Senior Adviser Change Implementation and Vice Principal Further Education in relation to the SFC consultation and review of coherence and sustainability.

Court noted that Mr Kemp was working with the Chief Operating Officer and University Secretary to produce a response to phase one of the review in accordance with information set out in the paper and discussions with members of the Regional Strategy Committee and Partnership Council. Court noted that further internal consultation would take place prior to preparing a response to phase two of the review.

[UC20-088a SFC Review Court paper 251120 -.pdf](#)

7. GOVERNANCE & RISK

7.1. Annual Assurance from Audit Committee

Court received and noted the Annual Report of the Audit Committee and the UHI Internal Audit Report.

7.1.1. Statement of Internal Control

Court noted and accepted the statement of internal control signed by the Principal and Vice-Chancellor.

[UC20-089 Statement Of Internal Control 2019-20.pdf](#)

7.1.2. Annual Audit Committee report 2019/20 including Annual Audit Report

Court was pleased to note the high quality and standard of internal audit assurance provided throughout the year and the added value that the service provided to colleagues across the University's operations.

Court gave particular consideration and note to the recent internal audit review of the University partnerships financial sustainability plans which had concluded that current arrangements were inadequate and ineffective in terms of delivering a financially sustainable partnership and noted that the actions agreed at section 3.3 above were intended to address this situation within two years.

[UC20-090 Annual Internal Audit Report 2019-20.pdf](#)

[UC20-090a Draft Audit Committee Annual Report 201920 2.pdf](#)

7.2. 2020/21 Annual Internal Audit Plan

Court approved the Internal Audit Plan for 2020/21.

[UC20-091 Draft Internal Audit Plan 2020-21.pdf](#)

7.3. Annual Monitoring Reports

Court noted the annual monitoring reports.

[UC20-092 Annual Monitoring Report 2020 cover.pdf](#)

[UC20-092b 2020 2021 Shared data monitoring.pdf](#)

7.4. Risk Policy Statement & Risk Appetite

Court re-approved the Risk Policy and Risk Appetite statements for the University contained within paper UC20-093 provided by the Director of Corporate Governance.

[UC20-093 Risk Appetite and Policy Statement docx.pdf](#)

7.4.1. Corporate Risk Register

Court reviewed and noted the risk management report provided by the Director of Corporate Governance.

[UC20-094 Risk Registers.pdf](#)

8. FINANCE AND PERFORMANCE

8.1. Draft UHI Statutory Accounts 2019/20 (including supporting paper)

Court resolved to authorise the Chair of Court and the Principal and Vice Chancellor to approve the draft UHI Report and Financial Statements for the year ended 31st July 2020 in accordance with the recommendations made by the Audit and Finance and General Purposes Committees subject to their being no material changes following completion of the external audit work.

[UC20-095 UHI EO 2019-20 Financial Statements.pdf](#)

8.2. Management Letter/Audit Results

Court considered the draft Letter of Representation and authorised that it should be executed by the Chair for the auditors in connection with the financial statements for the year ended 31st July 2020.

[UC20-096 Draft EY ext audit report 2019-20.pdf](#)

8.3. UHI Research & Enterprise Ltd. Statutory Accounts

Court noted that the above statutory accounts for the year ended 31st July 2020.

[UC20-097 UHIRE accts 2019-20.pdf](#)

8.4. 2020/21 Q1 Management Accounts

Court noted the management accounts for the three months ended 31st October 2020.

[UC20-098 - 20_21 Q1 Management Accounts.pdf](#)

8.5. 2020/21 Q1 Reforecast

Court approved the quarter one re-forecast as recommended by FGPC and presented within paper UC20-099.

[UC20-099 - 20_21 Q1 Reforecast Management Accounts.pdf](#)

8.6. Forecast 2020/21 HE and FE Student Activity

Court noted the paper UC20-100 provided by the Director of Corporate Resources summarising 2020/21 HE and FE student activity numbers.

[UC20-100 FE and HE student activity figures 2020-21.pdf](#)

8.7. Academic Partner Financial Monitoring (FFRs)

Court noted paper UC20-101 provided by the Director of Corporate Resources providing a summary of the cashflows of the five assigned incorporated colleges to October 2020.

[UC20-101 AP Financial Monitoring.pdf](#)

8.8. Finance System Convergence Project update

Court noted paper UC20-102 providing a progress report and update on the above project.

[UC20-102 - fin syst update.pdf](#)

8.9. Critical/Key Performance Indicators

Court noted a report provided by the Head of Marketing and Planning providing a summary of performance against agreed critical performance indicators and associated key performance indicators.

[UC20-103 CPI and associated KPIs Nov update.pdf](#)

9. ACADEMIC BUSINESS

9.1. Concordat for Research Integrity - annual compliance report

Court approved the University's annual research integrity statement for publication on the website.

[UC20-104 Annual Research Integrity statement .pdf](#)

9.2. Towards a University of the Highlands and Islands Gaelic Language Strategy

Court discussed and approved recommendations contained within the late paper UC20-104a provided by the Vice Principal Research and Impact regarding to develop and progress a University of the Highlands and Islands Gaelic strategy.

 UC20-104a Gaelic strategy paper.pdf

10. REPORTS & CIRCULARS

10.1. Red Button

Court noted the report provided by the Dean of Students and the Student Engagement Manager.

 UC20-105 Red Button 2019-20 annual report.pdf

10.2. EO Annual Health & Safety Report

Court noted the annual report.

 UC20-106 EO annual H&S report 19-20.pdf

11. DATE OF NEXT COURT MEETING:

11.1. 17 March 2021

Noted.

12. RESERVED BUSINESS

12.1. Student Residences

The Chief Operating Officer and University Secretary provided Court with a brief overview of developing plans and actions to address issues and challenges associated with the University's student residences.

13. Principal and Vice Chancellor: Thank you

Court noted that the interim Principal and Vice Chancellor would retire on 31st December 2020 and that this was his final Court meeting. The Chair and members of Court warmly thanked Professor Lang for his dedication and outstanding service to the University over a thirteen year period and especially for leading the institution through the current pandemic situation. Court wished Professor Lang a very happy retirement.