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Court

Minute of Meeting held on Wednesday 15 December 2010
in the Senate Room

Present:

Ms Susan Ashworth Employee Representative, Mr David Anderson General Council Member, Mr Ken Brown Co-opted Member, Dr Olwyn Byron Senate Member, Professor Muffy Calder Senate Member, Mr Peter Daniels Co-opted Member, Ms Susan Dunsmore General Council Member, Dr Robin Easton Co-opted Member, Professor Eleanor Gordon Senate Member, Mr Tommy Gore SRC President, Dr Gordon Hay Senate Member, Rt Hon Charles Kennedy MP Rector (Chair), Mr Alan Macfarlane General Council Member, Professor William Martin Senate Member, Ms Margaret Morton Co-opted Member, Professor Anton Muscutelli Principal, Dr Alan Owen Senate Member, Mr Alex Ross Employee Representative, Mr David Ross General Council Member (Convener of Court), Professor Adrienne Scullion Senate Member

In attendance:

Professor Steve Beaumont (Vice-Principal Research & Enterprise), Mr Ian Black (Director of Human Resources), Professor Graham Caie (Clerk of Senate and Vice-Principal), Professor John Chapman (Head of College of Science & Engineering and Vice-Principal), Professor Professor Frank Coton (Vice-Principal Learning & Teaching), Professor Anna Dominiczak (Head of College of Medical, Veterinary and Life Sciences and Vice-Principal), Mr Robert Fraser (Director of Finance), Mr Jim McConnell (Director of Estates and Buildings), Ms Deborah Maddern (Administrative Officer), Mr David Newall (Secretary of Court), Professor Murray Pittock (Head of College of Arts and Vice-Principal), Ms Susan Stewart (Director of Corporate Communications)

Apologies:

Members: Cllr Jim Mackechnie Glasgow City Council Representative, Mr Murdoch MacLennan Chancellor’s Representative, Mr Matt Morrison, SRC Member on Court, Professor Michael Scott-Morton Co-opted Member, Mr Kevin Sweeney General Council Member

Attenders: Professor Anne Anderson (Head of College of Social Sciences and Vice-Principal), Professor Neal Juster (Vice-Principal Strategy & Resources), Professor Andrea Nolan (Senior Vice-Principal)

CRT/2010/13. Announcements

Court welcomed Professors John Chapman, Anna Dominiczak and Murray Pittock to their first meeting of Court as Heads of Colleges.
CRT/2010/14. Minutes of the meeting held on Wednesday 13 October 2010

The minutes were approved subject to an amendment to the final paragraph of minute CRT/2010/5.1 Review of Governance Arrangements, so that “particularly as their numbers were being reduced to four” was amended to “if their numbers were being reduced to four”.

CRT/2010/15. Matters Arising

There were no matters arising.

CRT/2010/16. Report from the Principal

CRT/2010/16.1 Funding Environment

The draft Scottish Budget Bill had been published on 17 November 2010, proposing a -5.5% cash cut to the budget for Higher Education on a financial year basis for 2011/12 and a -7.6% cash cut on an academic year basis. Capital funding for HE and FE would fall by -56.5%. An indicative grant letter was expected towards the end of December.

Within the allocation, the Scottish Government had required the SFC to ring-fence (in cash terms) the Research Excellence Grant, the Widening Access Grant, the Part-time Incentive Grant and the Grant for Small Specialist Institutions. This implied that most of the cuts in SFC funding in 2011/12 would apply to the main teaching grant. Given that there was a temporary cut in funded numbers, and a cap on numbers of fees-only students, it was clear the a Scottish solution would be required in order for institutions to remain competitive. It was also being assumed by the SFC that institutions would absorb some of the cuts through efficiency gains.

CRT/2010/16.2 Cost Reduction Project

Following the Strategy Day in September, Court had agreed that SMG should pursue cost reductions across the University to achieve an annual saving of £20M by the end of 2012/13. Court had also agreed that SMG should determine the academic shape and the required support services and infrastructure that would result from the removal of £20M costs per year from the University budget. SMG had set up a Cost Reduction Project team to oversee work streams aimed at achieving this, to ensure the effective coordination of work streams, and to identify associated HR Management and Communications needs.

Court would receive a further report in February 2011.

CRT/2010/16.3. Key Activities

Court noted a summary of some of the main activities in which the Principal had been involved since the last meeting of Court, covering internal and external activities beyond the daily operational management and strategy meetings. The activities were under the broad headings of: Lobbying and influencing; Building international profile and links; University-led events internal and external: raising the profile; Engagement with staff and students.
CRT/2010/17.1 Glasgow University Archaeological Research Division (GUARD)

At its June meeting, Court had agreed that the University could not continue to subsidise GUARD’s work. However, it had agreed to suspend until December the creation of Structural Change and Redundancy Committees. This had been to allow GUARD to look at alternative business models that might involve the creation of a commercial company. At its October meeting, Court had responded positively to a request from GUARD's management that the University offer voluntary severance terms to members of GUARD staff, if this would assist GUARD in bringing forward proposals to establish the new company. On the advice of the Remuneration Committee, Court had agreed that the terms of voluntary severance should be the same as those offered in the spring of 2010 to staff in the Faculties of Education and Biomedical & Life Sciences.

Court now received a progress report from Mr Newall and Professor Pittock. GUARD staff had been offered voluntary severance on the same terms as those offered to staff in the Faculties of Education and Biomedical & Life Sciences, as had been agreed by Court. 27 of the 32 members of staff employed in GUARD had expressed interest in voluntary severance on those terms, and Court was asked to approve the termination of GUARD’s activities with effect from 31 December, on the understanding that 27 offers of voluntary severance would be made and that a Structural Change Committee and Redundancy Committee would be established in respect of the posts that would then remain within the University.

Ms Ashworth commented that some of the GUARD staff felt that they had entered into discussions in good faith with a view to being able to leave the University by 31 December, in order to begin work at a newly created company for which premises had been rented and other expenditure incurred, but in some cases they were now being asked to stay at the University until February 2011 in order to complete contracts with purchasers of GUARD’s services. It would be important for the University management to discuss these issues with the staff. There was also a potential problem with a possible new Voluntary Severance Scheme being launched, which would contain different terms from those being offered to GUARD staff.

Mr Newall responded that the anxieties were understood, and he undertook to meet with GUARD staff at the earliest possible opportunity and to ensure that as many as possible were able to benefit from severance terms on 31 December. However, the University must be in a position to meet its contractual obligations. Mr Daniels asked if it would be possible to subcontract the outstanding contractual commitments, and about the position of staff from the Centre for Battlefield Archaeology (CBA), who were among the small number of GUARD staff who had not expressed an interest in Voluntary Severance. Mr Newall responded that the most efficient solution for contracts was for them to be completed by the University, that purchaser consent would be needed for subcontracting to occur, and that the University must not be exposed to undue risk on contracts. Any transfer of work to the new company would take place only if satisfactory measures were in place to minimise risk to the University. Professor Pittock confirmed that CBA was important from the perspective of the College of Arts, including CBA’s contributions to units of assessment for the Research Excellence Framework.

Alex Ross asked if it would be possible for any new Voluntary Severance Scheme to be available to GUARD staff. Mr Newall responded that the decision of Court in October had been to give GUARD staff the opportunity to apply for voluntary severance on the terms already made available for FBLS and Education. He invited Court to consider
whether to confirm this decision, or whether it should now offer more favourable terms.

In light of the progress report and of discussions relating to the nature of the Voluntary Severance scheme available to GUARD staff:

1. Court confirmed a cessation date for GUARD’s activities of 31 December 2010.

2. Court noted that University officers would ensure that the University’s continuing legal obligations were met in respect of current contracts.

3. Court noted that, from a staff complement of 32, 27 applications had been received for voluntary severance and that, subject to Remuneration Committee’s agreement, these applications would be accepted and severance packages concluded.

4. Court agreed that, following the University’s standard procedures, Structural Change and Redundancy Committees should be established in respect of those posts where the current member of staff had not applied for Voluntary Severance terms. The Structural Change Committee would consider possible means of avoidance and mitigation in respect of these staff.

5. Court confirmed its decision in October 2010 that the terms of the Voluntary Severance Scheme available to GUARD staff should be those which had been available to staff in FBLS and Education.

**CRT/2010/17.2 Student Residences: Reduction in support staff levels**

Two of the University's student residences, Lister House and Wolfson Hall, currently offered a high level of cleaning support that was out of line with service levels in other university halls at Glasgow and elsewhere in the UK. With effect from session 2011/12, it was intended to reduce this level of service in Lister and Wolfson, to the level provided in other halls. Court approved the establishment of a Structural Change Committee and a Redundancy Committee to oversee the management of the staff reduction.

**CRT/2010/17.3 Singapore Institute of Technology (SIT)**

Following discussions involving senior management and staff from the Recruitment and International Office and the Senate Office, the University was considering a partnership with SIT to deliver two Undergraduate programmes in Engineering, in Singapore. To achieve this, a subsidiary company would need to be formed. Frank Coton explained that the proposed setting up of the new courses in Singapore was part of an initiative by the country’s government to deliver more degree level education within Singapore itself. The development would take place only on the basis of a satisfactory business plan being approved by the Senior Management Group and of Senate being satisfied as to the arrangements for the academic management of the programmes. The Finance Committee would further examine the business case in the new year and consider in full the proposals for the establishment of a subsidiary. On this understanding, Court approved in principle the establishment of the subsidiary company.

**CRT/2010/17.4 Ordinance Relating to Court membership**

A formal 8-week consultation exercise on a proposed revised Ordinance on Court membership had commenced. The February 2011 meeting of Court would be informed of the full outcome of the consultation exercise, which included consultation with
members of Senate and with the General Council. Senate itself had already discussed the matter at its December meeting, and a summary of its discussion appeared in the Communications from Senate.

**CRT/2010/17.5 Standing Orders**

Minor amendments had been made to Standing Orders to reflect the outcome of the internal audit review on Governance. These were noted by Court.

**CRT/2010/17.6 Hunterian Strategic Development Board**

Court approved the renaming of the Museums and Galleries Committee and a refreshing of its membership. The proposals for this had followed the recommendations of an internal review convened by the Vice-Principal (Strategy & Resources), and the subsequent appointment of a new Director of the Hunterian. The newly constituted committee would be known as 'the Hunterian Strategic Development Board'.

**CRT/2010/17.7 Rectorial Election.**

Court noted the proposed arrangements for the running of the next Rectorial Election, which would be held on Monday 21 to Tuesday 22 February 2011.

**CRT/2010/17.8 Rugby Club**

In December 2008, Court had endorsed a decision of the Glasgow University Sports Association (GUSA) Council to suspend the University's Rugby Club until it had taken steps to re-establish itself as a well-functioning and inclusive student club. Since that time, GUSA and the Sport & Recreation Service had overseen a programme of development aimed at re-establishing the club on a sound footing. Court endorsed a recommendation from the GUSA Council that the Rugby Club’s suspension be removed with effect from January 2011.

**CRT/2010/17.9 Employment-related Tribunal and Grievances Stage 2**

Court noted the outcomes of an employment related tribunal and two stage 2 grievances.

**CRT/2010/17.10 Italian Stevenson Bequest**

Court noted a minor amendment to the terms of the Italian Stevenson endowment, allowing the funds to be used more effectively to support postgraduate research growth and teaching support in Italian.

**CRT/2010/17.11 Queen Margaret Union**

Court noted a minor amendment to the constitution of the Queen Margaret Union, bringing the terms of the constitution into line with recent custom and practice whereby, unless a student requested otherwise, union membership was carried forward from one year to the next throughout the student's period of study at the University.
Court noted that the following acting appointments had been made:

**College of Medical, Veterinary and Life Sciences**

**School of Veterinary Medicine**
Following Professor Stuart Reid’s appointment as Principal of the Royal Veterinary College, the Principal, the Convener and the Secretary had agreed on Court's behalf that Professor Ewan Cameron be appointed Acting Head of the School of Veterinary Medicine from 1 January 2011.

**School of Medicine**
Professor David Barlow, Head of the School of Medicine, was retiring in December 2010. The Principal, the Convener and the Secretary had agreed on Court's behalf that Professor Jeremy Bagg be appointed Acting Head of the School of Medicine from 15 December 2010.

In both cases the Acting Head would remain in post until such time as a new appointment was approved by Court, and neither acting appointment would continue beyond 31 July 2011.

**CRT/2010/18. Reports of Court Committees**

**CRT/2010/18.1 Finance Committee**

**CRT/2010/18.1.1 University Financial Statements as at 31 July 2010**
The Director of Finance, Robert Fraser, gave a presentation on the University’s financial statements for the year to 31 July 2010.

A £7.3M operating surplus was reported, which was £6.7M ahead of the original budget, the difference comprising £2.3M from operational savings, mainly in salaries, where there had been a moratorium on filling posts, and £4.4M from movements in pension fund costs and endowments. There was an in-year cash increase of £27.4M resulting in a final cash balance of £87.8M.

Other factors impacting the financial statements included: a reduction of £27.6M in capital expenditure to £19.5M due to timing of major projects; a 14% recovery in the value of endowment assets; and a reduction in the net pension liability by £0.1M, with the recovery in pension assets offset by an increase in liabilities due to a decrease in discount rate. Negotiations on a revised partial exemption method for VAT had been successfully concluded in the year. In the 2010 analysis of research income as contained in the notes to the financial statements, some changes had been made to the classification of research income following work completed by Research & Enterprise.

Court noted that the financial statements had been audited, with no qualifications made and no major points raised with University management, and that, for the fifth successive year, they showed an operating surplus. Court approved the University Financial Statements for the year to 31 July 2010.
CRT/2010/18.1.2 Universities Subsidiaries and Trust Financial Statements as at 31 July 2010

Court noted that Finance Committee had reviewed the financial statements of the University’s subsidiary companies and Trust and had agreed to recommend the statements to Court, subject to a minor amendment as indicated in the Finance Committee minute. Following the practice adopted last year, Court approved the financial statements of the subsidiary companies and Trust on the understanding that these had been considered in detail by Finance Committee. The papers were available for inspection in the Court Office.

CRT/2010/18.1.3 Framework Policy governing Engagement with External bodies and IP and Commercialisation Policy

Court noted that the Finance Committee had approved the Framework Policy Governing Engagement with External Bodies and had noted the IP and Commercialisation Policy, both of which had been reviewed and updated to clarify previous guidance and to reflect the new College structure. Copies of the policies were available from the Court Office on request.

CRT/2010/18.1.4 Income and Expenditure Statement

Court noted the Period 3 2010/11 Income and Expenditure statement. In line with a recommendation in the 2010 Internal Audit review of Court governance, a statement would be provided to Court at each of its meetings.

CRT/2010/18.2 Audit Committee

CRT/2010/18.2.1 Audit Committee Annual Report 2010

The annual report from the Audit Committee was noted.

CRT/2010/18.2.2 Corporate Structure

Court noted that Mr Newall would provide an update on directorships of GU Holdings Ltd at the next meeting.

CRT/2010/18.3 Remuneration Committee

Court had received details of a proposed Voluntary Severance / Early Retirement Scheme. Subject to Court’s approval there would be a six week period in January and February 2011 during which applications could be made.

Mr Black confirmed that the minimum time before anyone taking Voluntary Severance could return to employment in the University would be 24 months and that this would be amended from 18 months as currently stated in the document. Asked about whether the University would be providing any subventions towards the costs of financial advice for individuals, Mr Black responded that a number of generic documents would be prepared, and that unions and independent advisors might provide help outside the University structure, but that the University itself was restricted in what it could provide from its own sources. It would however consider provision of some on-site independent
advice. Assuming the scheme was approved, guidance would be provided to managers, and details of the Scheme would appear on the MyGlasgow website.

Mr Black explained that it would be for Court to decide on the ongoing position of the Scheme at its February meeting, when a clearer picture of the University shape exercise was available. A cost reduction plan would be available at that point to inform Court’s decision. The terms of the Scheme were that it could be terminated at two weeks’ notice, by Court. The six week period in January and February would be for those who wished to be considered for Voluntary Severance before details of the cost reduction exercise were known.

Court approved the proposed Voluntary Severance / Early Retirement Scheme, to run from 10 January 2011 to 28 February 2011, and subject to the amendment from 18 to 24 months referred to above, and to the relationship between length of service, and the number of months of salary that this would attract under the Scheme, being made absolutely clear.

Court otherwise noted the report from the Remuneration Committee.

**CRT/2010/18.4 Human Resources Committee**

**CRT/2010/18.4.1 Human Resources KPIs**

The Director of Human Resources, Ian Black, gave a presentation on proposed Key Performance Indicators for Human Resources. These covered themes previously agreed by Court and included Efficiency of the Staff Recruitment Process; Sickness Absence Management; Proportion of Senior Posts held by Women; and scores from the 2009 Staff attitude survey, relating to key questions. With regard to sickness absence, management of return to work was a particular issue. There were difficulties in comparing data for some categories of staff across the sector, since a number of institutions had contracted out some services, which meant that the KPIs were not always comparing like with like.

Court thanked Mr Black for the work done on KPIs and noted the details. David Anderson added that the HR Committee was mindful that the indicators needed to be meaningful. It would welcome any comments from Court members.

**CRT/2010/18.4.2 Review of issues surrounding SCC/Redundancy Committee for BLS and Education**

Court noted a paper on ‘lessons learned’ with respect to Structural Change and Redundancy Committees established in 2010.

**CRT/2010/18.4.3 Organisational Development**

Court asked that a briefing be provided on organisational development, and the programme for staff, at a future meeting.

**CRT/2010/18.5 Estates Committee**

Court note and endorsed Estates Committee’s approval of CapEx applications in respect of: Centre for Virus Research (CVR) in the sum of £550k (Design Fees only); Library Overcladding in the sum of £3.85M; Main Building Conservation Works in the sum of £3.2M.
Court noted Estates Committee’s approval of the proposals to demolish the Pontecorvo Building and the Squash Courts at Garscube Estate.

An update on the Carbon Management Plan was requested for a future meeting.

*CRT/2010/18.6 Health, Safety & Wellbeing Committee*

The report was carried forward to the next meeting, since the committee’s most recent meeting had been cancelled because of bad weather.

*CRT/2010/19. Report from the Rector*

The Rector reported that feedback from his Rector’s surgeries had been positive on the position he had adopted on tuition fees. It was important that any new system would address students’ financial difficulties. Mr Gore expressed similar concerns.

*CRT/2010/20. Communications from meeting of Senate 9 December 2010*

Court noted communications from Senate, which related to the discussion at Senate on the matter of the draft Ordinance on Court membership. Senate had not been in favour of reducing the number of Senate Assessors on Court and a motion had been carried to this effect. Graham Caie thanked David Newall and the Senate Assessors for their contributions to the debate at Senate, and stressed that the Ordinance was still in draft and was subject to consultation until 24 January 2011. Professor Caie and David Newall would update Court on any further comments received from Senate members, via a summary provided to the February 2011 meeting of Court.

Graham Caie recorded his thanks to the Registry for their assistance with the recent problem of exams having to be postponed because of the bad weather.

*CRT/2010/21. Any Other Business*

David Newall agreed that Court’s formal approval would be sought for proposed appointments to positions of Heads of Schools.

*CRT/2010/22. Date of Next Meeting*

The next meeting of the Court will be held on Wednesday 16 February 2011 in the Senate Room

The other dates for the 2010/2011 Session are:

- Wednesday 13 April 2011;
- Wednesday 22 June 2011