Court

Minute of Meeting held on Wednesday 12 February 2014 in the Senate Room

Present:
Mr Dave Anderson Employee Representative, Mr David Anderson General Council Member, Mr Graeme Bissett Co-opted Member, Mr Ken Brown Co-opted Member, Professor Christine Forde Senate Member, Dr Marie Freel Senate Member, Professor Nick Jonsson Senate Member, Rt Hon Charles Kennedy MP Rector (Chair), Mr Brian McBride General Council Member, Mr Alan Macfarlane General Council Member, Ms Jess McGrellis SRC President, Mr Donald Mackay SRC Member on Court, Cllr Pauline McKeever Glasgow City Council Representative, Ms Margaret Anne McParland Employee Representative, Mr Murdoch MacLennan Chancellor’s Representative, Mr David Milloy Co-opted Member, Ms Margaret Morton Co-opted Member, Professor Miles Padgett Senate Member, Mr David Ross General Council Member (Convener of Court), Dr Duncan Ross Senate Member, Professor Michael Scott-Morton Co-opted Member, Dr Donald Spaeth Senate Member, Mr Kevin Sweeney General Council Member

In attendance:
Ms Ann Allen (Director of Estates & Buildings), Professor Anne Anderson (Head of College of Social Sciences and Vice-Principal), Professor John Briggs (Clerk of Senate), 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), Professor Neal Juster (Senior Vice-Principal), Ms Deborah Maddern (Administrative Officer), Mr David Newall (Secretary of Court)

Apologies:
Members: Professor Karen Lury Senate Member, Professor Anton Muscatelli Principal
Attenders: Ms Christine Barr (Director of Human Resources), Professor Steve Beaumont (Vice-Principal Research & Enterprise), Professor John Chapman (Head of College of Science & Engineering and Vice-Principal), Professor James Conroy (Vice-Principal Internationalisation), Professor Murray Pittock (Head of College of Arts and Vice-Principal)

CRT/2013/25. Announcements
Court welcomed Dave Anderson (Employee Representative), Graeme Bissett (Co-opted Member) and David Milloy (Co-opted Member) to their first meeting of Court.

Charles Kennedy and Michael Scott Morton were attending their final meeting of Court. Court thanked them for their contributions to Court and wished them well in the future.

CRT/2013/26. Minutes of the meeting held on Wednesday 11 December 2013
The minutes were approved.

CRT/2013/27. Matters Arising
Following discussion at the previous meeting about a working group (chaired by Professor Frank Coton) which was looking at how best to plan for large student intakes, Professor Coton updated Court on progress in modelling student numbers and predicting teaching patterns.
Court was advised of a planned slight reduction in undergraduate intake in 2014, and noted the recent change in the balance of Home & EU vs RUK and International.

With regard to the report on the GUU Ancients debate, Court noted that a number of changes to the GUU Constitution were being considered, and that Court’s approval of these would be sought at the meeting in April. Court also noted that a meeting was being held with GUU officers ahead of its March AGM. Court would be kept updated at a future meeting.

**CRT/2013/28. University of Glasgow Pension Scheme UGPS**

In October, Court had approved the University’s proposal to close the UGPS scheme to new entrants as of April 2014 and to introduce a Defined Contribution scheme for new employees as of that date. At that time, Court had been informed that a separate proposal would be brought forward on how the existing deficit would be funded over the coming years, within the constraints being placed on current cash resources by the required level of expenditure needed to fund the development of the Western site (currently estimated to be between £450m and £1.2bn). A draft proposal had been discussed at the December Court meeting, at which some concerns had been raised. In particular, greater clarity had been requested regarding the assets that would be used to underpin the security, the conditions under which the security would be released and the general timing of the proposed changes.

Court received an update and additional information relating to the areas in question. It had been intended to provide the present Court meeting with a specific proposal regarding the nature of the security to be provided as part of the package of measures set out above. To that end, commercial property consultants had been employed to provide a valuation of a range of properties that might be used as security. However, that work was not complete and it was clear that different methods of asset valuation had the potential to arrive at very different figures, and there was no guarantee that the valuation exercise would come to a conclusion that would satisfy the University and the Trustees. The University might therefore have to consider other potential options, including: a large cash injection up front; higher annual contributions; and the use of assets with guaranteed income, such as rental income from student residences, which could be collateralised as security.

These matters had yet to be discussed with the Trustees and, given the Regulator’s deadline of 10 July to have the deficit funding in place, there was a need to progress the negotiations before the April meeting of Court. Court agreed that a small subgroup of Court, comprising Margaret Morton, Kevin Sweeney, Duncan Ross and David Milloy, should be formed to liaise with SMG in considering the strategic options, discussing with others as required. The sub-group would keep Court informed of progress by email and would seek Court’s approval for their preferred approach, either at the meeting on 16 April, or through email correspondence. If necessary, a special meeting of Court would be convened.

**CRT/2013/29. Report from the Principal**

**CRT/2013/29.1 Universities Superannuation Scheme USS**

In the Principal’s absence, Court noted a written update on the Universities Superannuation Scheme (USS), the main national pension scheme provided by Universities, Higher Education and other associated institutions for their employees.

USS had recently started a process of engagement with employers as it approached a triennial valuation in March 2014. At the time of the 2011 valuation, the scheme had shown a substantial deficit of £2.9bn and a recovery plan and a package of benefit changes had been approved by the Trustees. The estimated deficit had grown over the last 3 years. Universities UK was the designated body which represented all c400 employers in discussions with the USS
Trustees. In turn, Universities UK, with their pensions advisers, were consulting individual universities through public meetings and a web survey.

Court would be kept informed as the discussions evolved between the USS Trustees and Universities UK.

**CRT/2013/29.2 Outcome Agreement 2014/15 to 2016/17**

Court members had been kept updated since 2012 on the background to, and content of, the University’s Outcome Agreement, which was now required to be submitted to the SFC as a condition of funding and which set out what was planned to be delivered in return for Government funding, with a focus on the contribution made towards improving life chances, supporting world-class research and creating sustainable economic growth for Scotland. There had been changes to the process for 2014-15, the most significant of which was the introduction of 3 year Outcome Agreements. The SFC had been working with institutions on the transition, taking account of the University’s planning cycle. The 3 year agreements would be subject to annual adjustment in discussion with the SFC and there would remain a requirement for an annual self-assessment.

A draft of the University’s Outcome Agreement for 2014-15 to 2016-17 had been discussed with the SFC during late 2013 and early 2014, ahead of indicative funding allocation decisions in January 2014. The final sign-off of Agreements would be before the end of March 2014. Court noted the final draft, which had been circulated. Professor Neal Juster summarised Scottish Government priorities for the relevant period, during which the SFC would be expected to ensure that improved outcomes were delivered across areas including:

- Increasing the retention rate of full-time Scottish domiciled undergraduate entrants;
- Increasing the proportion of Scottish-domiciled undergraduate entrants from the 40% most deprived postcodes. Court noted that related to this area, the functionality of MyCampus enabled tracking of students recruited through Widening Participation routes, and that targeted support was provided;
- An improvement in the sector’s performance in REF2014 compared with RAE2008.

The large majority of SFC funding would continue to be formula based, through allocations for teaching, research and knowledge exchange funding. The SFC would be providing institutions with statistics and targets with a view to benchmarking being introduced; Universities Scotland was maintaining an active interest in this area. Court noted that as the University entered its next planning cycle, the priorities would be looked at selectively and actions taken forward in areas where the University could make a difference, where the priorities aligned with University strategy currently or as the strategy developed.

**CRT/2013/29.3 Appointment of Vice-Principals**

Professor James (Jim) Conroy had been appointed as Vice-Principal Internationalisation, from January 2014.

Court noted an update from Professor Juster relating to the recruitment process for Vice Principals for Research and for Innovation & Knowledge Exchange, with Court expected to be contacted in the coming week with recommendations for these two 0.5FTE posts. The recruitment processes for VP College of Arts and VP College of Science & Engineering were ongoing.

**CRT/2013/29.4 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 daily operational management and strategy meetings. The activities were under the broad headings of: Academic Development and Strategy; Internationalisation activities; Lobbying/Policy Influencing and Promoting the University; Internal activities and Communications.

CRT/2013/30. Report from the Secretary of Court

CRT/2013/30.1 Ordinance on Court composition

Court had agreed at its October 2013 meeting that it would take forward changes to the membership of Court, as set out in Draft Ordinance 206 and as originally agreed by Court in February 2011. More recently, Court had been advised that the Scottish Government's advice was that a fresh round of consultation was required, and that such consultation should include Senate and the General Council.

There was an urgency about taking forward the new Ordinance, because of the need to comply with provisions of the new Scottish Code of HE Governance, particularly those regarding a clear lay majority and the appointment of Court members on the basis of their skills and experience; and to clarify the position regarding the future number of General Council members, given that two General Council assessor positions would fall vacant in the summer.

Court was asked to agree to initiate a fresh consultation on the draft Ordinance, for a period of 9 weeks from the week beginning 17 February, and - given that Court’s next meeting was scheduled for 16 April, at which point the consultation exercise would not have concluded, and in order to expedite the business - Court was asked to approve the establishment of a short-term Governance working group. The group would provide April Court with an interim report on the consultation process, and consider submissions received after that date, including from the Senate meeting on 17 April. The working group would then recommend to Court either that the Ordinance should be submitted to the Privy Council as drafted, or that amendments should be made in the light of matters raised through the consultation process. Court members were asked if they would be willing to approve the working group’s recommendations by email.

A number of Court members expressed a preference for the matter to come to the June meeting of Court, since it was of sufficient importance to come back to a full meeting and should be seen by the University community to be treated as such, while others were content with the proposed approach in light of the urgency and since the draft Ordinance had been discussed in detail at earlier meetings. It was noted that the paper containing the proposals already referred to the possibility of the matter coming back to the June meeting. After further discussion, it was agreed that, in order to avoid a lengthy delay following the closure of the consultation period, a special Court meeting should be scheduled in May. It was noted that the working group would be chaired by the Convener of Court, and including 4 lay members, a Senate Assessor, an employee representative and a student member.

Court was advised that the Convener of the General Council Business Committee had been briefed on the proposed consultation period and had asked if an extension might be granted, so as to allow for the Business Committee to meet twice, on 27 February and on 29 April, before completing its response to the consultation. Court members agreed that they would be willing to show flexibility in response to the Convener’s request. In return, they agreed that the Convener should confirm that the General Council would be flexible with the date of its half-yearly meeting, in order to avoid a situation where unnecessary steps were taken to advertise General Council vacancies that might not actually occur if the Ordinance - which as drafted would reduce the number of General Council Assessors - were to be given approval by the Privy Council.

Given that advice had first been sought by the University on this matter in July 2013, the Scottish Government had been asked for an assurance that, upon completion of the consultation
exercise, and assuming Court decided to re-submit a draft Ordinance, it would progress its consideration of this matter and provide advice to the Privy Council without delay. The Scottish Government had responded positively to this request, confirming that it would help ensure an early and positive result once a new draft ordinance has been submitted.

**CRT/2013/30.2 SFC Strategic Dialogue meeting**

From February 2014, the SFC had introduced a new three-year cycle of dialogue meetings. The dialogue meetings involved discussion between representatives of the University (governors and senior managers) and of the SFC (board members and the Outcome Agreement manager). The dialogue aimed to help the SFC’s understanding of the University’s mission and progress in meeting Scottish Government priorities, and to assist the University’s understanding of the SFC’s strategic aims. It also provided an opportunity for institutions to demonstrate their impact and highlight their ambitions.

The University’s meeting had been on 7 February and had included sessions on the Campus Estates strategy, Widening Participation, and Knowledge Exchange, as well as a staff engagement session and a student session. Feedback so far had been positive. A written report would be provided by the SFC in due course and made available to Court members.

**CRT/2013/30.3 Socially Responsible Investment Policy**

The policy had been approved in 2009 and contained a provision whereby groups from within the University could make representations in respect of an investment or investments held by the University, where those groups had concerns. Following the last meeting of SRC Council, a request had been made that the University of Glasgow cease investing in fossil fuel industry companies.

Court noted that a working group, comprising Graeme Bissett, Marie Freel, Donald Mackay Murdoch MacLennan and David Newall, would be established to consider the representation from the SRC and advise Court.

**CRT/2013/30.4 Nominations Committee Business**

Interviews had taken place in November and December for a Co-opted position on Court, where the candidates also had Estates expertise. Following a recommendation from Nominations Committee, which had been agreed by Court by email, David Milloy had assumed membership of Court for a period of 4 years from 1 January 2014. Nominations Committee had also recommended that Alan Seabourne be appointed to Estates Committee, for 4 years from 1 February 2014 as a co-opted lay member. Court had approved this via email.

Court approved a further recommendation from the Nominations Committee that Heather Cousins be appointed to Court as a Co-opted member with effect from 1 April 2014 for four years, and also as a member of the Audit Committee from that date.

If additional lay members were recruited later in 2014, Nominations Committee intended to seek to attract someone with academic management experience, to replace the skills gap created by Michael Scott Morton leaving Court.

There remained a vacant external position on the Remuneration Committee. In addition, as previously advised, with the appointment of new Co-opted members having taken place, Court would be invited to appoint two new members to the Nominations Committee, to fill the vacancy that arose at the end of Robin Easton’s term of office on 31 December, and to increase by one the number of lay members on Nominations Committee, as agreed by Court in June 2013.
CRT/2013/30.5 Rectorial Election
The Rectorial nominations were: Alan Bissett, Kelvin Holdsworth, Graeme Obree and Edward Snowden. The election would be conducted electronically over two days from Monday 17 February to 18 February 2014.

CRT/2013/30.6 Employee Representative on Court
David Anderson had been elected as Employee Representative on Court and would serve a 4-year term from 30 January 2014.

CRT/2013/30.7 Appointments of Heads of Research Institute/School
College of MVLS
Institute of Health and Wellbeing
Professor Jill Pell had been appointed as Director of Institute of the Health and Wellbeing for 5 years from 1 March 2014, in succession to Professor Sally Macintyre.

School of Medicine
Professor Alan Jardine had been appointed as Head of the School of Medicine for 4 years from 1 February 2014, in succession to Professor Massimo Pignatelli.

CRT/2013/31. SRC Annual Report
Jess McGrellis presented the 2012/13 SRC report, particular highlights being the continuing success of the Gilchrist postgraduate club as a social and study space; the SRC/University welcome point which increased visibility and accessibility of services; and several high profile internal and external campaigns, the former including improving mental health resources for students and the latter including campaigning against a change in water charges, and ongoing involvement in improving security for students. Court also heard about measures to support International students, including help with UKBA matters and the development of the Culture Club. Court was also reminded of the broad range of services that the SRC continued to provide. Future projects related to the further development of the SRC website and the evaluation of a possible new structure. There remained a focus on working in partnership with the University.

There had been a restructuring of the SRC sabbatical posts, with the portfolios now being President, Vice President (Education), Vice President (Student Support) and Vice President (Student Activities).

Ms McGrellis was thanked for an excellent briefing.

CRT/2013/32. Reports of Court Committees
CRT/2013/32.1 Finance Committee
CRT/2013/32.1.1 CapEx applications
Finance Committee had approved a capital expenditure application requesting £625k to cover costs associated with the relocation of the MRC-funded Social and Public Health
Sciences Unit from 4 Lilybank Gardens to 200 Renfield Street, noting that the costs would be funded by a MRC grant. Finance Committee had also approved a capital expenditure application requesting £620k to build an extension to the James Watt Nanofabrication Centre (JWNC) cleanroom located in the James Watt Building (South).

**CRT/2013/32.1.2 GUU/Stevenson extension**

Finance Committee had received an update on the GUU/Stevenson Building extension and had agreed to proceed to re-tender, as also agreed by Estates Committee, and to grant delegated authority to a sub-group of the Estates and Finance Committees to authorise additional expenditure. There would be a need for additional funding of £516k minimum including VAT.

**CRT/2013/32.1.3 Finance Key Performance Indicators**

Court noted Key Performance Indicators for Finance. There had been a year-on-year increase in total revenue in 2012/13 of 6.63% (an increase from £439.8m to £469m). The University KPI of 2% surplus has been achieved in 2011/12 and 2012/13. The 2013/14 outlook projected a surplus of £8.8m or 2%.

**CRT/2013/32.1.4 Financial reports**

Court noted an Endowment Investment Report and an Overview of Performance as at 30 November 2013.

**CRT/2013/32.2 Audit Committee**

Kevin Sweeney presented the annual report from the Audit Committee to Court, highlighting the reduction in priority 1 recommendations as a trend over the past few years, and the Audit Committee’s appreciation of continued engagement by the University management with the area of Risk Management, while noting that this area required further development at College level. As previously advised, new Internal Auditors (PWC) had been appointed during the year, following a tendering exercise.

On the basis of the internal audit work undertaken in the course of the year, and of the comments of the external auditors on the University's financial statements, the Audit Committee believed that the University generally had an adequate framework of internal control.

Mr Sweeney confirmed that 2013/14 internal audits would include coverage of MyCampus, and agreed that staff experience of the system would be added to the remit, in addition to the reference to students.

**CRT/2013/32.3 Human Resources Committee**

The HR Director had provided an update to the Committee regarding industrial action, Performance and Development Review and the proposed staff attitude survey. A presentation had been given outlining a range of initiatives that had been undertaken and were planned to support the staff theme of the internationalisation strategy. The new Equality Policy and the revised Dignity at Work and Study policy had been approved on behalf of Court.

Key Performance Indicators for the proportion of women in senior post and related actions had been discussed.

**CRT/2013/32.5 Estates Committee**

Court noted the progress of the Estates Strategy; and Estates Committee’s approval of CapEx applications regarding the JWNC Cluster Tool in the sum of £620k; and MRC SPSHU
Relocation in the sum of £625k.

Court also noted the current position in respect of the GUU/Stevenson re-development, which had been referred to also in the report from the Finance Committee. Tenders had gone out in the week beginning 10 February and work was therefore expected to start in the summer.

**CRT/2013/32.5 Health, Safety & Wellbeing Committee**

The Committee had received the Campus Security annual report, and a report on road safety; an update on stress management training; an update on the next staff survey; safety and occupational health update reports; and a paper relating to the employee assistance (counselling) programme.

**CRT/2013/33. Report from the Rector**

Court received a report from the Rector in which he commended the University and the SRC on helping undergraduate students with individual issues in as sensitive and tailored a way as possible. The Rector had noted the more difficult issues faced by postgraduates, returning and mature students and that these remained a more challenging matter for the University, and more widely, as did pressures and demands arising from the increased recruitment of international students.

The Rector recorded his thanks to all past and present members of Court for their support and encouragement throughout his two terms - and, in particular, to the officers and staff of the Court itself.

**CRT/2013/34. Communications from Meetings of Senate**

Communications from the meetings of Senate held on 12 December 2013 and 6 February 2014 had been provided to Court.

Court noted the establishment of a Council of Senate, which would undertake the normal business of Senate. It would have a total membership of c120, which would comply with the recommendations of the Review of HE governance. The Council would be in essence a committee of Senate. Current committees of Senate would report to the Council. Its meetings, however, would be open to all members of the full Senate and all members of Senate would receive Council papers. David Ross recorded his thanks to Professor Briggs and the Senate Office for their work in this area.

At its meeting on 12 December, Senate had: discussed the draft Ordinance on the composition of the University Court; received a report summarising the University’s submission for the REF 2014; and had discussed zero-hours contracts and University governance. At its 6 February meeting, Senate had received reports on the Estates strategy and on the Outcome Agreement, together with an update on Open Access developments and on progress regarding the University’s approach to open access to research data. It has also received a presentation on the Student Support & Development Committee.

**CRT/2013/35. Any Other Business**

There was no other business.

**CRT/2013/36. Date of Next Meeting**

The next meeting of the Court will be held on Wednesday 16 April 2014 at 2pm in the Senate Room. A campus strategy seminar will take place in the morning of the same day.