Minute of the meeting held in Seminar Room 3 of the Business School on Wednesday 19 February 2003.

PRESENT: Mrs Joy Travers (Chancellor’s Assessor)

Professor Sir Graeme Davies (Principal)
Mr Henry Adams
Professor David Bennett
Mr Norman Berry
Professor Andrew Christie
Professor Chris A Corrin
Dr Jocelyn Dow
Ms Katherine Doran (Assessor, Student’s Representative Council)

Mr Ronald G Graham
Dr Alastair Hunter
Dr Geoffrey Moores
Dr Keith Nimmo
Mrs Margaret RH Paxton
Mr Ian Russell
Mr Michael Sandford
Professor John Sewell
Professor David Watt
Dr Judy Wilkinson
Mr Ben Zielinski (President, Students Representative Council)

ATTENDING: Mr Dugald M Mackie (Secretary of Court)

Ms Annie Vaz (Acting Director of Publicity Services)
Professor Peter H Holmes (Vice-Principal Research)

Mr Ian Hawkins (Administrative Officer)
Professor Robin Leake (Vice-Principal Estates)
Mr Ray Lewis (Director of Human Resources)
Professor Malcolm D McLeod (Vice-Principal External Relations)

Professor Chris Morris (Vice-Principal Staffing)
Professor Andrew Nash (Vice-Principal Teaching and Learning and Clerk of Senate)

Mr Michael Yuille (Director of Finance)
APOLOGIES:  Mr J Scott Cairns
Mr Eamon Fitzgerald
Mr Greg Hemphill (Rector)
Ms Kate Phillips
Dr Craig Reedie

42 Restructuring - half yearly report

The Vice-Principal (Staffing) introduced the report. He expressed confidence that the savings targets agreed for Faculties and the Resource Units would be met across the University in the current year, with the exception of the Faculty of Medicine, where the full savings were likely to take three years to achieved with approximately £500k expected in 2002-03. Court noted that this was not as a result of any special arrangements being made for the Faculty of Medicine; it was simply a reflection of the process of transferring costs from the University to the NHS needing to be phased and manageable from the NHS’s point of view.

The Vice-Principal (Staffing) added that the VSER scheme had been extended for a limited period in the Faculty of Medicine to take account of the four areas within the Faculty that were still under review. Court noted that each of these was a discrete area with its own timetable with at least one of the Reviews expected to be completed by September 2003.

Court also noted that the VSER scheme had been extended in the Faculty of Arts in the area of Modern Languages.

The Director of Human Resources added that the VSER scheme had been successful in achieving its objective of reducing staff costs on an ongoing basis within an acceptable payback period ie there had been no compulsion, as was feared would be the case last year, combined with a focus on what was best for the University’s strategic objectives.

The Secretary of Court confirmed that the savings figures set out in Table 3 attached to the report were net of the cost of the scheme.

With regard to savings from the Restructuring process over and above those provided by the VSER scheme Court noted that detailed figures were not yet available in a readily accessible form; the level of savings on individual posts was in the process of being agreed between the Finance Office and the Resource Units and were expected to be submitted to the next meeting of Court.

The Vice-Principal (Staffing) stressed that the University would not be able to go through a similar cost-cutting exercise in future in order to produce a balanced budget, rather the focus should be on income generation such as increasing the margins on research contracts, obtaining the full cost from Government of research contracts, increasing the numbers of taught students on Postgraduate courses and increasing income from overseas students. Court agreed that a presentation should be made to a future meeting of Court on the alternative ways of increasing income generation.

Court otherwise noted the report.
43 higher education white paper

Court noted the receipt of an additional paper tabled by the Principal entitled, “English White Paper and Implications for Scottish HE” which identified the main issues for Scottish Institutions arising from the White Paper as identified by the Universities Scotland’s Funding Policy Group, chaired by the Principal. Court noted that the Principal had briefed the Lay Members of Court on the content of the paper at an earlier meeting and that there would be an additional briefing for the Senate Assessors and student and staff representatives at the close of Court.

The Principal informed Court that the global figures set out in the tabled report suggested that, over the three year period covered by the latest Spending Review, English Higher Education would benefit from a real terms increase of 19.0% compared with 6.9% for Scottish Higher Education in the same period. In practice this 19.0% represented a measure of “double counting” since it included UK-wide SRIF2 allocations which had already been announced. He emphasised that the message the sector needed to get across to Government, both in Edinburgh and Westminster, was that Scottish Higher Education should not be disadvantaged by the changes being developed in England and indeed Scotland should seek to maintain its existing competitive advantage in funding rather merely catching up.

Court agreed that the Chancellor’s Assessor write, on behalf of Court, to the Minister for Enterprise, Transport and Life Long Learning emphasising that discussions regarding the implications of the White Paper should ensure that Higher Education in Scotland was not disadvantaged by the changes being developed in England.

44 ANNOUNCEMENT

The Chancellor’s Assessor reported that the University’s Academic Secretary, Ms Jan Hulme was unwell and Court agreed that Ms Hulme be sent its best wishes and its hopes for a full and speedy recovery.

45 WELCOME

The Chancellor’s Assessor welcomed Court to another different venue and requested that any comments on its appropriateness or otherwise be passed to the Secretary of Court or to Mr Ian Hawkins. She added that should members have any suggested topics for future presentations they too should be passed to the Secretary of Court.

46 Minute of last meeting

Court approved the Minutes of the meeting held on 8 January 2003.

47 matters arising from the minutes
47.1 Student Unions (Minute 33.1)

Court noted that the University and representatives of the Glasgow University Union had been in discussions regarding the removal from the Union’s Constitution of the clause precluding members of the Queen Margaret Union from also being members of the GUU. Counsel’s opinion on how the provisions of the Education Act 1994 would impact upon any such decision had been sought and was still awaited.

47.2 Closure of the Department of Ophthalmology (Minute 40.8)

Court noted that the Secretary of Court, acting under delegated authority on behalf of Court, had approved the following membership of the Redundancy Committee established at the last meeting:

- Prof Chris Morris - VP Staffing (Convener)
- Mr Ronald Graham - Lay Member of Court
- Mr Michael Sandford - Lay Member of Court
- Mrs Christine Lowther - Academic Related Staff
- Dr Jocelyn Dow - Senate Assessor
- Mr Robert Campbell - Support Staff
- Mr Andy Sibbald - Support Staff
- Mr Ray Lewis - Director of Human Resources

The Redundancy Committee was due to meet on the morning of 26 March 2003 to consider a report by the Structural Change Committee on the closure of the Department and would be making a recommendation thereon to the meeting of Court to be held later that day.

47.3 Appeal against the Decision of a Disciplinary Tribunal (Minute 40.9)

Court noted that Dr Doris Littlejohn JP, former president of the Employment Tribunal (Scotland), was due to consider the appeal against dismissal by a member of staff in the Faculty of Medicine in the first week in March, the original date for the meeting having been postponed due to the late receipt of papers from the appellant.

48 minutes and reports of court committees

48.1 Finance Committee

48.1.1 VAT Issues (minute F.29.4)

Court noted that the University's appeal against a decision by the VAT Tribunal to confirm the right of HM Customs and Excise (HMCE) to issue multiple VAT assessments had been heard in the Court of sessions on 21 and 22 January 2003. Court noted that the University would receive their Lordships’ judgement before the next meeting of the Finance Committee.
48.1.2 NASPS Actuarial Variation (Minute F.30)

Court **approved** the recommendations that the employers contribution rate be increased to 11% from 1 April 2003, payable monthly to NASPS, with a lump sum payment on 31 March 2004 of £1,200,000; and annually thereafter.

Court **noted** the report of the Finance Committee that the results of the 2002 actuarial valuation of the Non-Academic Staff Pension Scheme showed, on the long-term ongoing basis, a continuing healthy funding position with assets being 106% of the scheme’s liabilities - a deterioration from the 1999 position when the scheme assets were 110% of liabilities. This weakening was reported as being the result of a combination of the fall in the value of the stock markets and the increasing pension liabilities of the scheme, in particular the additional liabilities arising from early retirements.

The future service contribution rate on the basis of the valuation assumptions, ignoring the past service funding level, would now be 16% of total pensionable salaries. Court was informed that, currently, employees contributed 5% with the employer paying the balance which would therefore need to rise from 9% to 11%. This amounted to additional costs to the University of £570,000 in a full year. Any such increase would take effect from 1 April 2003.

Court was also informed of the outcome of the Minimum Funding Requirement (MFR), a calculation imposed on pension schemes by statute, being a short-term view of the assets:liabilities position of the scheme. Court **noted** that the law requires employers to draw up a Schedule of Contributions to meet any deficit arising from an MFR calculation over a defined period of time.

The Director of Finance reported that, at 31 March 2002, NASPS had an MFR of 100%. However following the falls in global stock markets, the value of the assets of the scheme were now only 90% of liabilities and that a deficit of this order needed to be made up over a period of no more than ten years. This meant that the total contribution would need to rise by a further 3% to 19% and, on the assumption of a 5% employees’ contribution rate, the increase in the employer’s rate would be 5%, equivalent to £1,425,000 at current salary levels. Again any such increase would take effect from 1 April 2003. While the cash flow impact could be mitigated, the Director of Finance took the view that the outcome of the MFR calculation, together with the increase in the future service contribution rate, meant that the employment oncosts of non-academic staff would need to rise by 5% from 1 April 2003.

While for budget purposes the University’s costs would increase by 5% from 1 April 2003, the Director of Finance reported that it was possible to defer the cash flow impact of this increase through the Schedule of Contributions which sets out the payments that the employer will make over the 12 months from 1 April 2003 and over the remaining period of ten years.

Given the circumstances outlined above, and based on current data, Court **agreed** that the employer’s rate be increased to 11% from 1 April 2003, payable monthly to NASPS, with a lump sum payment on 31 March 2004 of £1,200,000; and annually thereafter.

In agreeing in effect to defer as much as possible of the additional sum due as a result of the MFR test by implementing a Schedule of Contributions Court took the following facts into consideration:
a) the Schedule of Contributions could be varied at any point subject to Court and Trustee agreement within the 12 month period;
b) an improvement in stock markets, and hence asset values, could be taken into account in a revised schedule of contributions;
c) once funds are paid into the scheme they cannot be removed;
d) a decision on the values in the scheme of contributions can be deferred until April 2003, but the downside risk is that markets deteriorate between now and then; and
e) the MFR will be abolished in the next 2 – 3 years.

48.1.3 Investment Advisory Committee Report (Minute F.32)

The Chancellor’s Assessor declared an interest in this item in that Baillie Gifford & Co were clients of her employer, KPMG and took no part in the discussions.

Court noted the recommendations from the Investment Advisory Committee to move away from the split between active and passive management to a portfolio that was wholly actively managed by replacing the passive element, currently managed by Barclays Global Investors, with another active fund manager. Court agreed that:

- The equity element of the portfolio currently managed by Barclays Global Investors be transferred to Baillie Gifford & Co; and
- The fixed interest element be transferred to UBS Investment Managers.

[Note: UBSIM currently manage the residual element of the endowment portfolio].

Court also noted an oral report from the Director of Finance regarding events at that morning’s meeting of the Investment Advisory Committee regarding the University’s shareholding in Alcatel which it obtained as part of the sale of Kymata. Part of this arrangement was that the University was precluded from selling its shares in Alcatel for a set period of time and Court noted that the relevant period had now expired. The Investment Advisory Committee considered that it was not appropriate for the University to continue to hold the shares, as it does not have the necessary qualifications or experience to be able to make investment decisions to retain or sell the shares. The Committee strongly advised Court to adopt the principle that the University should sell such shareholdings at the first available opportunity.

Court noted the advice of the Committee and that the University’s Investment Fund Managers were unable to advise on this matter because the shares in question were not part of the University’s portfolio.

Court agreed that the existing holding in Alcatel be disposed of forthwith; and, with regard to any future such holdings, Court noted that the Secretary of Court would seek the advice of the University’s lawyers, Dundas and Wilson and report back to Court in due course.

48.1.4 Banking Tender (Minute F.33)

Court noted that the results of the market testing exercise of the banking services
currently supplied to the University by the Clydesdale Bank were expected to be reported to the Finance Committee at its meeting in April 2003.

48.1.5 Court noted that a report on the Investment Advisory Committee’s monitoring of the University’s investment in U21 would be submitted to the May meeting of Court.

Court otherwise noted the report of the Finance Committee meeting held on 5 February 2003.

48.2 Human Resources Committee

48.2.1 Proposal for Retention of Technical Staff on Grades G, H and I

Court approved the proposal for the Retention of Technical Staff on Grades G, H and I as set out in Paper 5.2a subject to the following amendments agreed with the Unions earlier that day;

1. In the section headed Grade H Major Activities and Responsibilities the deletion of the phrase, “(in addition to Grade G)” and its replacement with the phrase In addition to a role which has a core comprised of many of the Grade G activities and responsibilities, undertake most, but not necessarily all, of the following:....

2. In the section headed Grade I Major Activities and Responsibilities the deletion of the phrase, “(in addition to Grade G)” and its replacement with the phrase In addition to a role which has a core comprised of many of the Grade G activities and responsibilities, undertake most, but not necessarily all, of the following:....

Court otherwise noted the report of the Human Resources Committee held on 29 January 2003.

48.3 Health, Safety and Environment Committee

Court noted the report of the Health, Safety and Environment Committee held on 19 February 2003 and ratified the proposals set out in the Summary of Report from Working Party on Management of Genetic Modification (GM) Activities within University of Glasgow.

48.4 Estates Planning and Strategy Committee

The Vice-Principal (Estates) reported on proposals to modify the way the University’s electricity supply was delivered. This would entail the provision of an additional electricity sub-station to supply, effectively, the Library although he pointed out that if either sub-station failed the other would be able to supply all the University’s essential needs until normal service was resumed. The Director of Finance informed Court that the cost of the additional sub-station would essentially be met from the insurance claim on the Bower Building.

The Vice-Principal (Estates) confirmed that the feasibility studies on the two Combined Heat and Power schemes reported by the Energy Management Sub-Committee would continue
regardless of developments concerning the University’s electricity sub-stations.

Court otherwise noted the report of the Estates Planning and Strategy Committee held on 20 January 2003.

48.5 Committee on Personal Professorships and Readerships

The Principal reported on the application for a Readership referred to in the report as remaining under consideration pending receipt of further information. Court noted that almost all the references sought had been returned and all of those were satisfactory, bearing this in mind Court agreed that Dr Lynn Abrams of the Department of History be promoted to a Readership with effect from 1 August 2003.

Court approved the recommendations of the Committee on Personal Professorships and Readerships held on 6 February 2002, as set out in the report.

Court was informed that that the Board of Review, at its meeting on 17 February 2003, had agreed a number of applications for promotion recommended by the appropriate Committees and Sub-Committees and that a report was due to be submitted to the March meeting of Court recommending that a number of promotions be made. Court considered that it would be invidious to delay the announcement of the outcome of the deliberations of the Board of Review until after the March meeting of Court given that the outcomes of the Personal Professorships and Readerships process would be announced in February. Court therefore agreed that the Board of Review’s decisions be approved at this time and that letters announcing the results of this year’s promotion round be issued as soon as practicable.

The Director of Human Resources undertook to explore the feasibility of timing the final meeting of the Committee on Personal Professorships and Readerships and that of the Board of Review so that all staff seeking promotion in any one promotion round would receive decisions on their applications at the same time.

48.6 Remuneration Committee

Court agreed that consideration of the report be deferred until its meeting on 26 March 2003 to allow consideration to be given to additional issues which had arisen.

48.7 Joint Committee, Secretarial/Clerical

Court noted the report of the Joint Committee, Secretarial/Clerical held on 4 February 2003.

49 Minutes and reports of joint court/senate committees

49.1 Resource Strategy Committee

Court noted the report of the Resource Strategy Committee held on 16 January 2003.

49.2 Student Support and Development Committee
Court noted the report of the Student Support and Development Committee held on 15 November 2003.

50 communications from senate

50.1 Professor Werner Weiglhofer

Court noted that there would be a memorial service for the late Professor Werner Weiglhofer in the University Chapel on 24 February 2003 at 12:45pm.

50.2 Nominations for Honorary Fellowships of the University

Court approved the recommendations from the Honorary Degrees Committee for the award of Honorary Fellowship of the University as set out in the report.

50.3 Proposed Dissolution of the Institute of Central and East European Studies and Establishment of School of Slavonic, Central and East European Studies.

Court approved the recommendations of Senate that the dissolution of the Institute of Central and East European Studies take place and a School of Slavonic, Central and East European Studies be established. Court also approved the Constitution of the new School, as set out in annex 1 of the report.

50.4 Proposed establishment of Centre for Geosciences

Court approved the recommendations from Senate and the Faculty of Physical Sciences for the establishment of a Centre for Geosciences. Court also approved the constitution of the Centre, as set out in annex 2 of the report.

50.5 Dates for Academic Session 2003-04 and Provisional Dates for Session 2004-05

Court approved the dates for Academic Session 2003-04 and the provisional dates for Session 2004-05 as set out in the tabled version of annex 3 of the report.

51 report from management group

51.1 VAT – Equipment Leasing Scheme (Item1)

Court noted that the second line of that paragraph should be amended to include the word “and” to read, “…Preferred and alternative assessments to VAT had been…”

51.2 Modern Languages (Slavonic Studies) (Item 5)

Court noted the request of the student representatives that there should be no reduction in the
provision in the number of subjects provided by the School of Modern Languages. Court also noted that the University of Edinburgh had ceased the requirement for an additional year abroad as part of language degrees and had noted no reduction in academic standards. Court also noted that the matter had been discussed by the Faculty of Arts.

51.3 Crichton Campus (Item 6)

Court approved, in principle, the disposal of the Crichton residence and reaffirmed that Student interests be safeguarded in any such transaction.

51.4 Executive Dean of Medicine

The Principal reported that the Executive Dean of Medicine, Professor Michael Farthing had been appointed as the new Principal of the St George’s Hospital Medical School, London with effect from 1 October 2003. The Principal informed Court that he was to meet with the Faculty the following week with a view to filling the ensuing vacancy as soon as possible including the establishment of a Search Committee.

51.5 Science Research Infrastructure Fund (SRIF)

The Principal reported that following the Government’s 2002 spending review, a second round of SRIF was announced and invitations to apply for funds had now been issued. The provisional allocation to the University was £22.6M. The matter of the University’s application for funds would be discussed at the meeting of the University Management Group the Monday after Court and the Deans would be consulted later that week. Court noted that the timetable for the submission of applications was tight and that it was expected that a report would therefore be submitted to its March meeting.

Court otherwise noted the report from the Management Group

52 report from the secretary of court

52.1 Appointments

52.1.1 Headship of the Department of Sociology and Anthropology

Court agreed to extend the term of office of Professor Andy Furlong to 31 July 2003. This was to allow the Appointing Committee to take account of the Faculty review of Social Policy (including Sociology) when coming to its recommendation. The Committee expected to be in a position to make a recommendation before the May meeting of Court.

52.1.2 Headship of the Department of Psychology

Court agreed that Dr Biello’s term of appointment would commence on 1 April 2003 and terminate on 31 March 2004, rather than cover the period 1.8.03 - 31.7.04 as approved at its last meeting (Minute 40.1.1); and that Professor Shcyns’s next term of
office cover the period 1 April 2004 to 31 July 2006.

52.1.3 Visiting Professorship

Court noted the appointment of Professor Yves Deville as a Visiting Professor in the Department of Computing Science with effect from 1 October 2002 to 30 September 2003 following his nomination by the Faculty Management Committee.

52.1.4 Richmond Chair of Fine Art

Court noted the appointment of Professor Alison Willow Yarrington to the Richmond Chair with effect from 1 August 2003.

Professor Yarrington was currently the Professor of Art History and Dean of the Faculty of Arts at the University of Leicester.

52.2 Glasgow University Sports Association (GUSA) – Amendments To Constitution

Court approved the new Constitution of GUSA as set out in Appendix 1 to the report a copy of which can be obtained from the Court Office.

52.3 Students’ Representative Council (SRC) – Amendments To Constitution

Court approved the changes to the SRC Constitution as set out in Appendix 2 to the report. A copy of the revised Constitution can be obtained from the Court Office.

52.4 Amendments to the Constitution of the Glasgow University Union (GUU)

Court approved the changes to the Constitution of the GUU as set out in Appendix 3 to the report.

Court noted that amendment 2, the re-numbering of section 10 (new section 11) did nothing to remove the preclusion of QMU members from membership of the GUU. That matter was the subject of ongoing discussions between representatives of the GUU and the Secretary of Court.

52.5 Establishment of Appeal Committees

Court noted that two unsuccessful applicants for promotion to Readership in the Faculty of Arts had appealed against the decisions of the Committee on Personal Professorships and Readerships not to recommend their promotion. Two Appeal Committees had been constituted jointly with the GAUT to hear the appeals and Court noted that the Secretary of Court, acting under delegated authority on its behalf, had appointed the three Professors (in consultation with the Dean of Arts) and the Lay Member of Court as members of the following Committees:

- Professor Robin Leake (Convener)
- Professor Noel Peacock
- Professor Elizabeth Moignard
- Professor Christian Kay
52.6 Establishment of a Grievance Committee

Court noted that the Principal, acting on behalf of Court, had established a Grievance Committee with the following membership to hear the grievance of a Research Fellow in the Faculty of Engineering:

- Vice-Principal (Staffing) (Convener)
- Mrs Joy Travers
- Professor Phil Beaumont
- Professor Noreen Burrows

52.7 Gifts Benefactions and Bequests

Court noted the following bequest:

The late Dr Joyce Gladys MINTON: £250,000 to Crichton University College, Dumfries, to be used for academic staff appointments in the disciplines of environmental science and local studies

52.8 Calendar of Actions

Court noted the report.

52.9 Sir Charles Wilson

Court noted that there would be a Memorial Service for Sir Charles Wilson MA LLD DLitt DCL, Principal and Vice-Chancellor of the University from 1961 to 1976 to be held in the University Chapel at 3pm on Saturday 22 February 2003 and that a reception would be held in the Principal’s Lodgings after the ceremony.

52.10 Dean of the Faculty of Veterinary Medicine

Court noted that the Secretary of Court, acting under delegated authority on behalf of Court, had established a Committee of Recommendation to recommend either a replacement for Professor Andrea Nolan, or her appointment for a further term, as Dean of the Faculty of
Veterinary Medicine when her current term comes to an end in July 2003. Court also noted that the process for the nomination of two members of staff to the Committee was under way:

- Territorial Vice-Principal     Professor Peter Holmes
- Two members of Court       Professor Andrew Christie and Dr Jocelyn Dow
- Cognate Dean                   Professor Michael Farthing
- Two Members of Staff        To be nominated

52.11 Non-Academic Staff Pension Scheme (NASPS)

Court agreed that Mr George Gardiner, a nominee of the Craft Workers Union be reappointed as a member of the NASPS Trust for a further period of four years (2003-2006).

52.12 Court Awayday

Court noted the practice in sister Institutions of holding an awayday for members of Court to receive presentations on various issues. Court agreed to hold such an event later in the calendar year.

52.13 Robert Hucheson

Court noted with regret the death of Robert Thomson Hucheson, the Secretary of Court from 1944-1974 at the age of 99 and expressed its gratitude for his significant contribution to the University over great number of years.

52.14 Reith Hall

In response to a question from the President of the SRC, Court noted that the decision to return Reith Hall to the public domain was made as part of the University’s capital programme strategy in 1999. The level of work necessary to bring the building up to the standard required of a modern residence as well as the implications of legislation regarding Houses in Multiple Occupation meant that the level of funding required was unreasonably high. Court noted that the University’s accommodation strategy took account of the bed spaces lost through the loss of Reith Hall and that there was sufficient capacity in the University’s stock for these to be absorbed by the other residences. The Vice-Principal (Estates) undertook to re-address this question and ensure that the University’s accommodation strategy still delivered sufficient bed spaces to meet the perceived need.

53 date and time of next meeting

The Secretary of Court asked members and attendees to convey any comments, positive or negative, about the suitability of Seminar Room 3 as a venue for Court to the Court Office.

Court noted that the next meeting of Court will be held at 4pm on Wednesday 26 March 2003.