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Court

Minute of Meeting held on Wednesday 14 April 2010 in the Senate Room

Present:

Mr Dave Anderson (attending on behalf of Ms Susan Ashworth Employee Representative), Mr David Anderson General Council Assessor, Mr Ken Brown Co-opted Member, Mr Peter Daniels Co-opted Member, Ms Susan Dunsmore General Council Assessor, Dr Robin Easton Co-opted Member, Professor Eleanor Gordon Senate Assessor, Mr Tommy Gore SRC Assessor, Dr Gordon Hay Senate Assessor, Ms Laura Laws SRC President, Mr Alan Macfarlane General Council Assessor, Cllr Jim Mackechnie Glasgow City Council Assessor, Mr Murdoch MacLennan Chancellor's Assessor, Professor William Martin Senate Assessor, Ms Margaret Morton Co-opted Member, Professor Anton Muscatelli Principal, Dr Alan Owen Senate Assessor, Mr Alex Ross Employee Representative, Mr David Ross General Council Assessor (Chair), Professor Adrienne Scullion Senate Assessor, Mr Kevin Sweeney General Council Assessor

In attendance:

Mr Ian Black (Director of Human Resources), Professor Graham Caie (Clerk of Senate), Professor Frank Coton (Vice-Principal Learning & Teaching), Professor Barry Gusterson (for item 39.1.2), Professor Neal Juster (Vice-Principal Strategy & Resources), Ms Deborah Maddern (Administrative Officer), Mr David Newall (Secretary of Court), Professor Andrea Nolan (Senior Vice-Principal), Mr Robert Speir (Group Financial Controller), Ms Susan Stewart (Director of Corporate Communications)

Apologies:

Members: Ms Susan Ashworth Employee Representative, Dr Olwyn Byron Senate Assessor, Professor Muffy Calder Senate Assessor, Rt Hon Charles Kennedy MP Rector, Professor Michael Scott-Morton Co-opted Member

Attenders: Professor Steve Beaumont (Vice-Principal Research & Enterprise), Mr Robert Fraser (Director of Finance), Mr Jim McConnell (Director of Estates and Buildings)

CRT/2009/34. Minutes of the meeting held on Wednesday 10 February 2010

The minutes were approved.

CRT/2009/35. Matters Arising

There were no matters arising.

CRT/2009/36. Report from the Principal

CRT/2009/36.1 Organisational Structure

Court had previously been advised that the management of the organisational restructure was being led by the Senior Vice-Principal, Professor Andrea Nolan, who reported to each meeting of the Senior Management Group (SMG). The process was overseen by a Project Board, convened by Professor Nolan, that included members of Court, senior executives, the SRC President and trade union representatives. In recent weeks, SMG had approved a number of matters relating to management of the Schools and Colleges, including job descriptions for key posts. Progress was being made on assimilation of existing academic and administrative posts.

Court approved the appointment process for the Head of the Dental School, which would continue to be a Court appointment, given the nature of the post, which included a prominent role in external relations with the profession and the NHS.

In response to a question about the future use of the title of Dean in the new structure, the Principal explained that retention of the title for management of areas including graduate schools reflected the academic leadership that would be inherent in these roles, and it was not a downgrading of the title.

CRT/2009/36.2 Scottish Funding Council Grant 2010/2011

In March the SFC had issued the University's grant letter for 2010/11. On a like-for-like comparison with the outcome for other universities, and having removed the impact of Teacher Education and the Horizon Fund from each year, Glasgow had recorded an increase of 1.3%, which was in line with the national average.

There remained considerable uncertainty regarding levels of funding for 2010/11, in three respects: grant support from SFC's Horizon Fund, where the prospect was that the SFC might increasingly withhold funding that had hitherto been allocated by formula, and distribute it instead in support of special SFC initiatives; possible clawback, following the General Election and the impact that UK government spending decisions would have on the Scottish Government's block grant from Westminster; and the assumptions included in the grant being revisited once Scottish Higher Education funding was announced for the fiscal year starting 1 April 2011, given that the recent SFC announcement was for the Universities' financial year, ending 31 July 2011.

CRT/2009/36.3 Academic Investment Priorities and Draft Capital Plan

At its March meeting, SMG had reviewed a paper on academic investment priorities that had been drafted, following extensive consultation, by the Vice-Principal (Strategy and Resources). The review would inform decisions on those areas in which the University should invest, and on those from which it might have to consider disinvesting.

CRT/2009/36.4. Sociology Review

At the last meeting of Court, a question had been asked regarding the progress of the review of teaching and research in Sociology. SMG had now received the report of the review committee, which had made a range of recommendations on the work of the current Department of Sociology, Anthropology and Applied Social Sciences, and of the Centre for Drug Misuse Research (CDMR). An early requirement of the review was for CDMR to develop a business plan by May

2010 designed to increase its external income, to reduce its costs and to participate in the teaching activity of the University.

David Newall clarified that the review had been instigated by the SMG, not Court. Court noted the need to ensure clarity on the scope and ownership of future management-led reviews.

CRT/2009/36.5. Internationalisation

Various activities were being undertaken under the Internationalisation strategy, including recruitment and profile-raising to increase numbers and conversion rates, and to optimise the environment for international students. A more detailed report would be made to Court at a future meeting.

CRT/2009/37. Report from the Rector

Court noted the Rector's involvement in a number of matters including talks about the Hetherington Research Club; attendance at a fringe meeting on 'Skills for a Successful Scotland' at the Scottish Liberal Democrats' party conference; and the launch of this year's UUK Guide to Enhancing the International Student Experience.

CRT/2009/38. Strategic Plan Update

Professor Neal Juster, Vice Principal (Strategy and Resources) updated Court on the draft strategic plan.

Over the past year there had been extensive consultation about the plan with stakeholders across the University, including meetings with students and staff, and input from Court and SMG. Professor Juster had taken comments on board while keeping the strategic plan such that stakeholders could readily engage with it. It included a one page summary, describing the University's vision, mission and values. These three headings drove everything below them, as follows:

- i) The needs of the University's key partners. The summary plan listed the services that the University needed to offer in order to keep its partners satisfied, through which the University would achieve its vision. Although the University had many partners and interested bodies, the two most important were students and funders of research.
- ii) The key processes essential to ensuring that services met the expectations of key partners. Each of these processes would have at least one performance indicator that would be tracked over the period of the plan to ensure that the University continued to improve these processes. The indicators had been carefully selected to be meaningful and aligned with the University's wish to remain a broad based institution.
- iii) What members of staff expected of their employer and what they should be expected to contribute in return. This would include alignment of staff activity to the University's goals. Successful fulfilment of these two sets of expectations, which would be the subject of measurement targets, for example in survey outcomes for the University as employer and in personal development plans for staff, would ensure delivery of the key processes.
- iv) The changes required in the underlying information, capital resources and business processes of the University to ensure that it met the key processes, the expectations of partners and hence its vision of enhancing its position as one of the world's great, broad based, research intensive universities.

The plan would not measure success in terms of published league tables, since the metrics used in some tables changed periodically and those used in other tables did not necessarily reflect the criteria that needed to be met in order for the University to

achieve its vision. The plan would use a set of performance indicators that would measure relative performance with respect to a benchmark group of universities, which would differ depending on the indicator. Court would receive reports on these main indicators. Further indicators might be used within discrete areas of University activity and be reported to (for example) the relevant Court committee.

The implementation of the plan would be executed within the context of severely restricted resources, and therefore any investments must be made against agreed priorities, as would be detailed in the completed plan. In this context, the Research Planning and Strategy Committee had categorised academic units with respect to their research, and SMG had considered data relating to the performance of each University department in terms of internal teaching and learning league tables, the department's position in the RAE with respect to the UK and Scotland, and its position in 2010 subject league tables. SMG had also discussed and grouped interdisciplinary themes that met Funding Council priorities and had the potential to be developed across the University. It had determined subject areas to be prioritised for investment. In addition, areas within the new College of Medical, Veterinary and Life Sciences would be supported through the establishment of research institutes.

In response to a question about a heavy focus on the biomedical area, Professor Juster explained that the combination of the University's existing position as a world leader in this area, together with funder - and increasingly societal - priorities, meant that it was a key part of the University's future vision. The figures associated with biomedicine also included a large amount of external funding, which increased the total. It was acknowledged that a balance was required: the University did and would invest in other areas, where returns were well defined and aligned within strategic aims; as such the list of priority areas would be dynamic.

Professor Juster added that the emphasis was on long term sustainability; the plan provided a framework for investment to this end. There would be no additional resource in the early part of the planning period, but the University would need to retain some flexibility, for example to be able to respond to external factors where this was considered strategically important.

The next steps would be that the final strategy narrative would be presented to SMG in May for approval, and thereafter to Senate for discussion and to Court for approval, with the capital plan. Court would have further opportunity for discussion at that point. It was intended to launch the strategic plan to internal and external communities in September.

Court thanked Professor Juster for the update.

CRT/2009/39. Reports of Court Committees

CRT/2009/39.1 Finance Committee

CRT/2009/39.1.1 Easy Access IP

The Finance Committee had considered a proposal to market Intellectual Property (IP) which did not have significant commercial value and therefore was not covered through the University's partnership with IP Group. Such IP, usually inventions or innovations, required further research, development or investment to increase its value and it was marketed via the normal channels, which was widely recognised as highly inefficient. At its meeting in February, SMG had supported proposals for 'EasyAccess IP' by which such intellectual property would be made freely available. The Finance Committee had considered that this approach would not involve substantial risk in terms of lost

revenue. Relevant funders had been consulted and were content with the proposed arrangements.

Court approved the EasyAccess IP approach.

CRT/2009/39.1.2 Capital Projects – Beatson Translational Research Centre

The Finance Committee had considered a proposed major capital investment in the Beatson Translational Research Centre. The project involved estimated building costs of £18.6M and equipment costs of £20M over 20 years, and was supported by the SMG and Estates Committee. The net capital cost to be funded by the University was estimated at £13.9M after allowing for other sources of income and £10M expected via fundraising. Given the significance of the project, in terms of the University's strategic priorities and of its financial impact, the Committee had agreed to refer the proposal for discussion at Court. The Committee had noted that Court might be reluctant to approve such a large financial commitment at its April meeting in advance of receiving the draft strategic plan and capital plan in June. In order to help Court in its deliberations, the Committee had therefore asked that Court be provided with details about the University's priorities for capital expenditure, showing the place of the Beatson Translational Research Centre within these, and how the £13M capital commitment for the Beatson compared with the total capital funds available over the next 10 years; about the reasons for requesting early approval of the Beatson capital project, rather than waiting until the approval of the full Capital Plan by Court in June; and about the main financial assumptions underlying the current positive Net Present Value calculation, and any significant risks relating to these. The details had been provided to Court. The chair emphasised that the decision to refer the matter to Court in no way reflected a negative view from the Finance Committee.

The Principal explained that the development of the Centre and the University's partnership with the Beatson was an essential part of a commitment to world-leading research in cancer sciences. Cancer Research UK had shown its support for the partnership by investing in joint ventures between the two institutions. The main reason for bringing the proposal forward to April rather than June was to ensure adherence as far as possible to timelines advised to the major funder. There were some risks associated with the project, relating to the fundraising timetable having slipped, and with a recruitment process being undertaken in a highly competitive job market where any construction delays could cause problems. There was also some risk because of the level of investment needed, in what was a challenging financial climate, but this risk was small given the University's ability to cover projects down to third level priorities, when the Beatson project was a first level priority.

Peter Daniels, chair of the Estates Committee, added that the Estates Committee supported the project. Robert Speir, Group Financial Controller, advised Court that an investment appraisal had been undertaken, including cash flow discounted back into present terms, and that it showed the project breaking even after 10 years. The income projection assumptions in the sensitivity analysis had been quite conservative. There was limited financial impact associated with recruitment slippage given the assumptions made. Risks associated with Faculty savings targets were manageable.

In response to questions, Professor Barry Gusterson, Division of Cancer Science and Molecular Pathology, who was leading the project, confirmed that there was confidence that fundraising pledges would be translated into actual donations.

Court approved the project proceeding in line with the stated budget and timetable.

CRT/2009/39.2 Audit Committee

The report was noted. Kevin Sweeney, chair of the Audit Committee, added that the Committee would be meeting with various bodies within the University in the coming months, to be briefed on areas of activity. It would also be involved in the forthcoming tender exercises related to the appointment of internal and external auditors.

CRT/2009/39.3 Human Resources Committee

The report was noted. Court endorsed the decision of the Human Resources Committee to approve the Equality and Diversity policies on Age, Race and Religion, which the Committee had reviewed in detail. Court noted that one policy (Religion or Belief Equality Policy) had been launched prior to its approval by the Committee, although following approval of the text by the Secretary of Court, and agreed that while this was not best practice, it had been acceptable in the circumstances.

CRT/2009.39.4 Estates Committee

Court approved Campus Car Parking Charges for 2010/2011.

Court endorsed the Secretary of Court's decision to sell Barclay House, 21 Park Terrace to Detail Partnership for £505k.

Court noted the Estates Committee's Approval of the Beatson Phase 2, Translational Research Centre. Court also noted the anticipated Carbon commitment expenditure of approximately £860k.

CRT/2009/39.5 Health, Safety & Environment Committee

CRT/2009/39.5.1 Management of Stress and Development of Action Plan

Court noted that an action plan had been drafted setting out actions and timescales for the implementation of recommendations made by HSE during their audit of stress within the University in September 2009. Court also noted that a draft Policy on Managing Mental Wellbeing and Stress in the Workplace had been considered by the HSE Committee and would be subject to wider trade union consultation.

CRT/2009/39.5.2 Remit & Membership of the Committee

Court ratified the Committee's recommendation that Mr Newall be convenor of the Committee.

CRT/2009/39.5.3 Annual Report on Health, Safety & Wellbeing for 2009

Court welcomed the Committee's annual report which was felt to reflect the benefit of the new management and organisational arrangements introduced for health and safety in 2010.

CRT/2009/39.6 Remuneration Committee

Court noted the report of the Remuneration Committee, in particular points raised by the chair Mr David Ross relating to: its decision that in the summer of 2010 there should be no salary increase for any member of SMG, in view of the widespread commitment in the UK to restrain salary increases for senior managers in publicly-funded bodies; its agreement to the development of a voluntary severance scheme for Teacher Education on terms listed in the report; and its approval of proposals on the future remuneration of Heads of School, Heads of Research Institute and Deans of College.

Court noted that the Remuneration Committee had retained some flexibility within the voluntary severance scheme, since at the time of its meeting it had not seen any individual cases and did not know what the case profile would be. Court also noted that the Committee had been asked to look at the scheme in the light of representations received from the unions about impact on younger employees who were at the lower end of the salary scale, and was doing so. Mr Newall agreed to circulate details of the voluntary severance scheme to Court once they were finalised.

Action DN

CRT/2009/40. Report from the Secretary of Court

CRT/2009/40.1 Establishment of Redundancy and Structural Change Committees

Court was asked to approve a Structural Change Committee and a Redundancy Committee to oversee a possible staff reduction in three areas of the University. The background with respect to the Faculty of Veterinary Medicine and the Faculty of Biomedical & Life Sciences was that both currently faced a challenging financial position, arising in part from reduced grant income following the 2008 Research Assessment Exercise. While substantial progress had been made towards addressing this, further measures would be required, most likely involving staff reductions. Given the financial pressures the University was likely to face in the years ahead, SMG considered it was important to address these issues at an early stage, rather than postpone necessary action. The background to the situation in the Glasgow University Archaeological Research Division (GUARD) was that it had proved unable to meet the financial target set for it, over several years, and SMG's recommendation was that, given this situation, GUARD's activities should be wound down. Mr Newall emphasised that in all cases, should a Structural Change Committee and a Redundancy Committee be approved by Court, the process would seek to mitigate through a variety of measures to avoid redundancy, including redeployment and retraining. In addition, Court was asked to consider whether, as a measure to mitigate the impact of redundancy, staff potentially affected might be offered voluntary severance terms, consistent with those being made available to staff in the Faculty of Education. Mr Newall added that while the procedural steps might seem lengthy, they were designed to ensure that the exploration of mitigation was thorough, and that there was independent scrutiny via a Redundancy Committee, with Court having overall ownership of the process.

In the context of a question about the possibility of allowing more time to see how the financial situation in the three areas developed, Court was advised that the problems were not short term, had been identified as potentially problematic in the autumn of 2009, and had not significantly improved since then. Court was also advised that the timing of the potential redundancies was in no way related to the timing of restructuring, which was entirely distinct.

Mr Alex Ross commented that he was not content with the requirement to approve a Redundancy Committee at the outset under the Management of Organisational Change policy, since he felt this was pre-empting matters when the focus should be on mitigation. A number of Court members agreed that this potentially sent out the wrong message to the affected department or area, and potentially to its funders, particularly where commercial contracts were involved. Mr Newall pointed out that the Court-approved University process required approval of both committees at the same time; this also strengthened Court's immediate ownership of the process through Court members being on the Redundancy Committee.

A number of Court members expressed concern that the wider details of the background to the three cases, including representations by affected staff in GUARD who had written to the Senate Assessors and to a Lay Member, would not be brought to it for discussion, and that a Structural Change Committee would not include any Court members. Mr Newall advised that the Redundancy Committee, which would bring independent scrutiny to the process and be in a position to hold the Structural Change Committee to account, would contain Court members.

Court members raised a concern that the Structural Change Committees should consider fully whether redundancies were in fact required. Mr Black advised Court that these committees had significant operational responsibilities and a wide remit within the existing Redundancy protocol, to ensure that the background case was considered, that measures to avoid redundancy were fully examined, and that, where required, appropriate pools and criteria were developed. The recommendations of the Structural Change Committees would be scrutinised by the relevant Redundancy Committee. After further discussion, Court members decided not to approve the setting up of a Structural Change Committee and Redundancy Committee for GUARD on the strength of information provided for the current meeting. Court agreed that a small sub-committee of Court be convened, with membership to be agreed by the chair of Court, the Principal and the Secretary of Court and with a remit to bring a more detailed report on GUARD to Court for its June meeting.

Court approved the setting up of a Structural Change Committee and Redundancy Committee for Faculty of Veterinary Medicine and the Faculty of Biomedical & Life Sciences, and approved the possibility of voluntary severance, on the terms recently established by Remuneration Committee for the redundancy situation in Teacher Education. In both cases, the Structural Change Committee would be responsible for looking at the case for redundancy and ensuring that opportunities to avoid or mitigate the impact of redundancy were investigated thoroughly. If appropriate, opportunities for redeployment and other measures to avoid redundancy would be explored, including the possibility of voluntary severance. If the Structural Change Committee concluded that one or more members of staff should be made redundant, it would report to the Redundancy Committee. The Redundancy Committee would form its own independent view of any recommended redundancies, considering the report of the Structural Change Committee and reporting to Court. Should the Redundancy Committee recommend to Court that staff be made redundant, Court could accept or reject this recommendation.

CRT/2009/40.2 Redundancy Committee: Teacher Education

Court noted that the Redundancy Committee had approved the proposed redundancy pools and had also approved headline redundancy criteria, which were being taken forward and developed by the Structural Change Committee in consultation with the campus unions. Steps in mitigation were also being taken, including the offer of voluntary severance on terms authorised on Court's behalf by the Remuneration Committee.

CRT/2009/40.3 Scheme of Delegated Authorities

Court had approved a scheme of delegated authorities in 2007, setting out where responsibilities lay in the main areas of financial, human resource and estates management and in respect of contractual issues relating to teaching and research. The forthcoming restructure would require changes to the scheme, which would essentially be as before, but with School and Head of School inserted in place of Department and Head of Department and with College and Head of College inserted in place of Faculty and Dean. Court approved the changes.

CRT/2009/40.4 SRC Elections

Court noted that the following candidates had been successful in the Spring 2010 SRC elections and would take up sabbatical officer posts on 1st July 2010:

President	Tommy Gore
VP (Media & Communications)	Luke Winter
VP (Learning & Development)	Tuula Eriksson
VP (Student Support)	Fraser Sutherland

Court's congratulations were extended to Mr Gore on his election as SRC President.

CRT/2009/40.5 Resolution – Creation of new Chair

Court noted that the following Resolution had been approved. Minor comments had been received during the notice period for Senate, General Council and public comment. A copy of the Resolution was available from the Court Office.

RESOLUTION 625 - FOUNDATION OF THE CHAIR OF GAELIC

CRT/2009/40.6 Appointment of Representative to External Body

Court noted that Mr Robert Marshall had been re-appointed as the University's representative on the General Convocation of Heriot-Watt University until 31 July 2012.

CRT/2009/40.7 Religion or Belief Equality Policy

As noted under the Human Resources Committee report, the Secretary of Court had approved the text of the Religion or Belief Equality Policy on Court's behalf and gave authority for the launch to take place, prior to the Policy's approval by the HR Committee.

CRT/2009/40.8 Scottish Funding Council: Strategic Dialogue

The University would receive a visit on 4 June from members and officers of the Scottish Funding Council for Further and Higher Education. The visit would allow SFC to find out about the University's strategic priorities, the effectiveness of its governance, and what it was doing to align its work with Government policies. For the University, it was an opportunity to communicate directly with the SFC on priorities and on the Funding Council's policies.

CRT/2009/40.9 Hetherington Research Club

The Hetherington Research Club, which had offered social facilities for the University's postgraduate students, had closed. It had been in debt following a period of ineffective management, and an accountancy firm had been engaged to administer the Club's affairs and to liaise with its creditors, prior to its closure. A replacement organisation would only be permitted to reopen if a very strong and sustainable business case could be made.

CRT/2009/41. Any Other Business

There was no other business.

CRT/2009/42. Date of Next Meeting

The next meeting of the Court will be held on Wednesday 23 June 2010 in the Senate Room

The dates for the 2010/2011 Session are

Wednesday 13 October 2010

Wednesday 15 Dec 2010

Wednesday 16 Feb 2011

Wednesday 13 April 2011

Wednesday 22 June 2011