



UNIVERSITY COURT

Minutes of meeting held on 4 December 2013

PRESENT

Keir Bloomer (Chair)
Fergus Boden
Jim Bradshaw
Robin Burley MBE
Ian Calder
Craig Cathcart
Johnny Elmer
Dr Anthony Falconer
Professor Alan Gilloran
Dr Anna Gregor CBE
Dr Lindesay Irvine

Roger Knox
Mark Laing
Brian Leggat
Jackie Macdonald
Miller McLean
Margaret McPhail
Robert Rae
Judith Sischy OBE
Professor Petra Wend
Olga Wojtas

IN ATTENDANCE

Dr Richard Butt	Dean of School of Arts, Social Sciences and Management
Dr Fiona Coutts	Dean of School of Health Sciences
Gordon Craig	Head of Planning
Malcolm Cutt	Director of Operations and Finance
Irene Hynd	University Secretary (Secretary)
Riley Power	Governance Officer (Minute Secretary)
Steve Scott	Director of Campus and Commercial Services

1 WELCOME AND APOLOGIES

The Chair welcomed new members Dr Anthony Falconer and Dr Lindesay Irvine to their first meeting of Court.

The Chair expressed the Court's gratitude to former Court member Ian McMillan, who demitted office on 30 November 2013, for his work on the University Court.

The Chair also expressed the Court's gratitude to Jane Scott for her contribution as Minute Secretary. Responsibility for this role had now been assumed by University Governance Officer, Riley Power.

Apologies were received from Professor Bob Cormack.

2 CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3 DETERMINATION OF OTHER COMPETENT BUSINESS

There was no other competent business.

4 MEMBERSHIP OF THE UNIVERSITY COURT

Members NOTED an election to the University Court. Dr Lindesay Irvine had been elected as the Academic Staff member following the result of an election, pursuant to standing order 12 of the Court Standing Orders. Dr Irvine had been elected for a term of three years to 30 November 2016.

5 CHAIRMAN'S REPORT

The Chair reported that he had recently attended meetings of the UCEA Board and of the Committee of University Chairs.

6 PRINCIPAL'S REPORT

- 6.1 Members RECEIVED a detailed report from the Principal (COURT (13) 39), which highlighted the following points in particular.
- 6.2 The implementation of the Scottish Code of Good HE Governance continued to provide a range of challenges to the Sector, in particular around the role of the SFC in monitoring institutional alignment with the Code.
- 6.3 Membership of the main QM150 project group and sub-groups had been agreed and meetings had commenced for these groups.
- 6.4 Reports from the four area working groups for the staff survey had now been completed and the final report from the Steering Group would be considered by the Executive Board at its December meeting.
- 6.5 The Principal had attended and spoken at several external events, including a fringe event at the SNP conference in her capacity as Vice Convener of Universities Scotland, an event commemorating Andrew Carnegie at the Scottish Parliament, as well as a number of keynote speeches delivered as Chair of the National Implementation Board for Teaching Scotland's Future.
- 6.6 Final preparations for the REF had been completed, with submissions being made to 5 Units of Assessment. The REF document had been submitted to HEFCE a couple of days ahead of the 30 November deadline.
- 6.7 QMU had been nominated, for the second consecutive year, in the Sustained Partnership category of the Interface Awards for its work with Propeller Multimedia
- 6.8 Work would commence in December to refurbish the Food and Drink facilities at QMU, to provide facilities which would allow further development of existing research, knowledge exchange and commercial activities in this area.

7 MINUTES

7.1 The minutes of the meeting of Court held on 9 October 2013 (COURT (13) MINS 03) were APPROVED subject to the following item being addressed in the minutes:

7.2 At item 18.6, the reference to Judith Sischy should be amended to Olga Wojtas.

8 MATTERS ARISING

8.1 At item 12.5, the Chair moved and the Court AGREED to include a record of the following correspondence in the minutes of the meeting.

8.2 At the previous meeting, a member had raised for discussion the issue of staff representation on the Senior Management Remuneration Committee (SMRC). The minutes recorded that the Chair had agreed that there could be further discussion of the matter at the December meeting.

8.3 Subsequent to the meeting, the Chair had clarified with the member that, although he had agreed that the Court would consider the matter, he had recalled the discussion and resolution of the issue of membership of the SMRC at the June meeting of the Court.

8.4 The Chair reminded members of the restriction in Standing Order 8 which provided that 'no agenda item, nor any amendment to an agenda item, shall be moved if it involves reconsideration of any question or matter which has been decided or adopted by the Court at any time within the preceding six months, unless it is moved by the Chair, or signed by the mover and by not less than one-third of the total members of the Court'.

8.5 The member concerned had confirmed to the Chair that he would not seek to raise the matter at this meeting, although he would welcome the explanation being provided to the Court concerning the decision not to discuss the matter being fully recorded in the minute. The explanation of the matter had been advised to members of Court in a letter from the Chair dated 2 December 2013

8.6 The Court NOTED the explanation as set out above.

9 SENATE

Members RECEIVED the minutes of the Senate meeting held on 23 October 2013 (SENATE (13) MINS 05).

10 EQUALITY AND DIVERSITY COMMITTEE

10.1 Members RECEIVED the minutes of the Equality and Diversity Committee meeting held on 8 October 2013 (E&D (13) MINS 04) and NOTED the following in particular.

10.2 The Committee had considered statistical results from the Capita Staff Survey which had demonstrated that a high proportion of staff 'preferred not to say' when asked to declare or identify with a protected characteristic. The Committee had considered it important to further analyse these results to better understand the issues around confidence in the survey process and the reasons staff did not declare certain matters on the survey.

10.3 Court members sought clarification about whether the Capita survey was a bespoke survey for QMU or used more widely. Members were advised that the survey was used widely

across the sector, which allowed for a degree of benchmarking. The Principal indicated that the results for QMU were largely consistent with the sector, and that the University would continue to work to better understand the results. Specific issues identified within QMU had been ranked internally based on a range of factors. The Staff Survey Steering Group was in the process of concluding its report, the detail of which would be provided to the Executive Board along with a draft action plan.

- 10.4 Members noted the University's participation in the Leadership Foundation Aurora scheme, a training and mentoring programme for future female leaders. The University was supporting four female members of staff to participate.
- 10.5 Court members queried whether access to leadership roles for female staff was a specific issue for QMU. The Principal and Deputy Principal advised that this issue did not affect QMU disproportionately to other institutions, but that the University was committed to building on its efforts in this regard. This included building on the Athena Swan Bronze award by working towards submitting for a Silver award.

11 AUDIT COMMITTEE

- 11.1 Members RECEIVED the minutes of the Audit Committee meeting held on 26 November 2013 (AUDIT (13) MINS 03) and NOTED the annual report from the Audit Committee to the University Court
- 11.2 The Convener of the Audit Committee discussed the report, noting in particular that the internal reviews by KPMG highlighted only one critical matter concerning UKBA compliance that had since been adequately addressed. Members were advised of the excellent progress made on managing outstanding actions arising from audit recommendations.
- 11.3 The Court NOTED the opinion of the Audit Committee that the University's systems provided a reasonable basis for maintaining control and for ensuring the achievement of economy, efficiency and effectiveness, subject to the satisfactory implementation of the recommendations of internal and external auditors within a reasonable timescale.
- 11.4 The Court considered the minutes of the joint meeting of the Audit Committee and the Finance and Estates Committee as part of the discussion of the statutory accounts recorded at item 13 of these minutes.

12 FINANCE AND ESTATES COMMITTEE

- 12.1 Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 26 November 2013 (FEC (13) MINS 04).
- 12.2 The measure of success in external funding applications referred to in item 5 of the minutes was queried, where it was reported that the Committee had noted the difficulties in forecasting the success of grant applications.
- 12.3 Members were advised that there were a number of factors that the University considered in measuring success and that, while there was increased competition for a limited pool of funding, and the Funding Councils had a tendency to favour institutions that performed better in the REF, the University had a good rate of success in terms of securing funding for collaborative projects with various partners.
- 12.4 The Court NOTED the annual report (COURT (13) 41) from the Finance and Estates Committee to the University Court.

13 ANNUAL ACCOUNTS

- 13.1 Members RECEIVED the Annual Accounts (COURT (13) 42) for the University and NOTED the following in particular.
- 13.2 The annual accounts had been considered by the joint meeting of the Audit Committee and Finance and Estates Committee and it was the recommendation of that joint meeting that the accounts be accepted.
- 13.3 The Director of Operations and Finance advised that the Court would need to consider the accounts and formally endorse the accounting policies used in the preparation of the report and would need to make a formal assessment of going concern.
- 13.4 Members queried generally the University's position in relation to future pension liabilities and whether the University was in a relatively better or worse position than other institutions. Members also requested that additional work be undertaken to understand the composition of this liability by developing a breakdown of University staff by scheme membership and assessing the possible impacts of this breakdown.
- 13.5 The Convener of the Finance and Estates Committee commented on the excellent position of the University with respect to turnover and surpluses, but indicated that further work would be undertaken on considering the amount of contingencies in the accounts and whether these were set at the appropriate level. The Convener noted that ensuring that the contingencies are appropriate would assist in future strategic planning.
- 13.6 Court APPROVED the Annual Accounts and ENDORSED the accounting policies used in the preparation of the accounts.
- 13.7 The Court CONSIDERED the management representation letter to the external auditors (COURT (13) 43) and AUTHORISED the Chair to sign the letter on behalf of the Court.
- 13.8 The Court RECEIVED the external auditor's report of the audit findings for the University (COURT (13) 44). The Convener of the Audit Committee advised that there had not been an individual audit of QMSS. However, the auditors had satisfied themselves on the relevant information concerning QMSS and there were no specific issues to be addressed in this regard. The Director of Operations and Finance advised that the audit report did not raise any significant issues and that the recommendations made were being addressed.
- 13.9 The Court NOTED the external auditor's report.
- 13.10 The Court RECEIVED the KPMG Internal Audit Annual Report (COURT (13) 45). The Director of Operations and Finance noted that there was only one critical recommendation during the year which had been immediately addressed following the report from the internal auditors on this matter.
- 13.11 The Court NOTED the report and in particular the opinion of the internal auditors that, for the 2012-13 year, the University's systems provided a reasonable basis for maintaining control and that the control framework provided reasonable assurance regarding the effective and efficient achievement of strategic objectives.

14 MANAGEMENT ACCOUNTS

- 14.1 Members RECEIVED a report on the financial performance of the University against budget for the first quarter of 2013-14 (COURT (13) 46). The Court was invited to note and comment upon the management accounts report for the three months to 31 October 2013, the updated cash flow forecasts and the implications for the projected year-end out-turn.
- 14.2 Members queried whether the SFC was likely to clawback grant funding, due to the University exceeding the cap on Scottish and EU undergraduate full-time students. Members were advised that the University had been engaged in positive discussions with the SFC on this matter and that any clawback would lead to a neutral impact on the out-turn across SFC grant and tuition fee income, which is broadly in-line with budget.
- 14.3 The Court NOTED the report of the 2013-14 first quarter management accounts.

15 RISK MANAGEMENT

- 15.1 Members RECEIVED an updated Corporate Risk Register (COURT (13) 47) for their consideration and approval.
- 15.2 Members noted references to marketing activities required within the risk register and queried whether there was a strategic marketing plan. Members were advised that there was a student recruitment strategy and a marketing plan although there was not an overall marketing strategy as such.
- 15.3 The Court NOTED the updated Corporate Risk Register

16 KEY PERFORMANCE INDICATORS

- 16.1 Members RECEIVED a report showing the KPI out-turn for the first quarter 2013-14 (COURT (13) 48), and updating the presentation of the KPIs from the previous year in terms of the structure of the report. The Court was asked to note the 2013-14 first quarter KPI report.
- 16.2 The Chair advised that the Court would consider further how the KPIs should be presented to the Court as part of its Away Day in February.
- 16.3 The Court NOTED the 2013-14 first quarter KPI report.
- 16.4 Members CONSIDERED a report to the Scottish Funding Council containing a financial sustainability assessment of the University (COURT (13) 49). The Court NOTED in particular the following.
- 16.5 The UK Higher Education Financial Sustainability Strategy Group (FSSG) project had been piloted during 2013 as a whole-sector pilot. While the SFC had indicated that it would not become a mandatory exercise for Scottish Institutions in 2013, institutions had been strongly encouraged to participate in the project.
- 16.6 The main changes between the reports prepared by the University in 2012 and 2013 were that:
- The focus of the report would now be on the process adopted and the nature of the evidence used by institutions; and

- While the two financial KPIs would still be required to be reported upon, the EBITDA calculation would be amended slightly to use QMU's estimated figures for future turnover as opposed to calculated future turnover figures which may be less appropriate.

16.7 Court was asked to consider the proposal to amend the target for the financial KPI concerning EBITDA from 13% down to 12% to reflect the updated financial position of the University,

MINUTE REDACTED – Part of the record of discussion under Minute 16.7 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

16.8 The Court APPROVED the Annual Sustainability Assurance Report to the SFC and supporting information.

17. MINUTE REDACTED

The record of discussion under Minute 17 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.

18 SCOTTISH FUNDING COUNCIL

18.1 The Court NOTED the Letter of Guidance from the Cabinet Secretary for Education and Lifelong Learning to the Chair of the SFC for 2014/15 (COURT (13) 51). In particular, members noted the guidance set out in paragraphs 22-37 in relation to the Scottish University sector, including the continuing strong emphasis on the role of Outcome Agreements in delivering key elements of the Scottish Government's agenda on widening access.

18.2 Members NOTED the QMU self-evaluation of the 2012/13 Outcome Agreement (COURT (13) 52).

18.3 Members queried whether the SFC would audit the self-evaluation report. Members were advised that the University was unlikely to receive detailed feedback and that the responses provided by the University and other institutions would inform the sector-wide approach of the SFC.

18.4 Members also queried the difference between the overall retention rate of full-time Scottish domiciled undergraduate students of 91.8% and that of male students aged under-21 of 88.3%. Members were advised that this was an issue that was recognised by the university and programmes were in place to address student engagement and retention in this target group. The Student Union President also advised the Court on the engagement and outreach strategies employed by the Students' Union to target this demographic group which were having positive results.

18.5 The Court NOTED the evaluation report of the 2012/13 Outcome Agreement.

18.6 Members were invited to consider the near-final Outcome Agreement being negotiated and developed with the SFC for 2014/15 (COURT (13) 53). Members were asked to note the timetable for development and approval of the Outcome Agreement, and particular provision for approval of the final version.

- 18.7 The University Secretary spoke to the near-final Outcome Agreement and invited members to provide any comments or feedback before the time for submission of the agreement as set out in the timetable. Members requested that where percentages were provided for SIMD20 students, that the actual number of students also be provided.
- 18.8 The University Secretary thanked the Students' Union in addition to internal working groups for feedback provided in relation to the near-final agreement.
- 18.9 The Court NOTED the near-final agreement and extended its thanks to the Head of Planning for his work in relation to the near-final agreement.

19 SCOTTISH CODE OF GOOD HIGHER EDUCATION GOVERNANCE

- 19.1 Members RECEIVED an update on recent actions to bring the University's governance arrangements into line with the main principles codified in the Scottish Code of Good Higher Education Governance. In addition, members were asked to discuss the content of a Court Member Handbook. A draft handbook had been provided to the Court for discussion.
- 19.2 In response to a query, members advised that the handbook would be useful to them in understanding the University governance arrangements and their role within those arrangements.
- 19.3 Members noted that, as well as providing support and guidance to members, the Handbook would provide a public means by which the University could demonstrate the extent to which its governance arrangements mapped against the Scottish Code of Good Higher Education Governance.
- 19.4 The Court NOTED the draft handbook and that a final handbook would be provided in due course for approval by the Court.

20 ANNUAL GENERAL MEETING

Members NOTED that the Annual General Meeting of the company Queen Margaret University, Edinburgh (SC007335) would coincide with the Court Away Day and would be held on either 5 or 6 February 2014.

21 STRATEGIC THEME: QMU FOOD AND DRINK STRATEGY

- 21.1 Members RECEIVED a presentation from Jane McKenzie (Senior Lecturer, Dietetics, Nutrition and Biological Sciences) and Kim Gilchrist (Senior Research Officer, Research and Knowledge Exchange) about the School of Health Sciences – Food and Drink Strategy 2020 (COURT (13) 55).
- 21.2 Members NOTED that:
- The strategy sought to ensure that the significant market opportunities for QMU in food and drink and QMU's infrastructure to support research capacity and capability were mutually illuminating in innovation led economic growth. An integral driver was supporting industry in the application of nutritional sciences in responding to the challenges of food security.

- QMU was ideally placed and has a proven track record in the application of scientific concepts to improve the formulation and processing of products and in facilitating industry in successfully accessing new markets, in order to meet food security targets.
- The strategy aimed to secure a competitive position for QMU in 2020 by supporting the propensity of industry to innovate through the provision of fundamental research and the application of technological advancement while delivering excellent economic, social and health benefits.
- The Strategy sought to provide the vision that would underpin the University's transition from the translation of research SMEs responding to regional and national agendas to a University with a sustainable profile in Europe and with global industry reach.

21.3 Welcoming the presentation, members discussed aspects of the strategy including the political appetite for this type of project, the possibility for developing competition between institutions engaged in this work to drive innovation and the application of the strategy to social programmes such as food banks and issues concerning food longevity.

22 DATES OF NEXT MEETINGS

Court will meet on the following dates:

5 & 6 February 2014 (Away Days)

2 April 2014

25 June 2014

Meetings commence 4:00pm